

CALIFORNIA ENERGY COMMISSION

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August 12, 2003

Mr. James R. Hall, Senior Project Manager
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Office of Nuclear Material Safety and Safeguards
U.S. Nuclear Regulatory Commission, MS O-13D13
Washington, D.C. 20555-0001

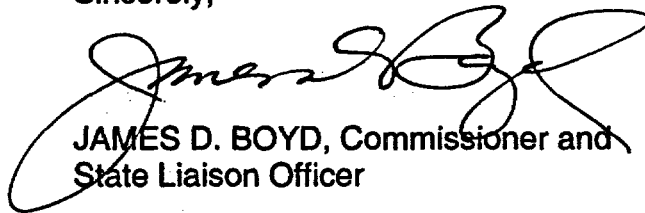
**SUBJECT: ENVIRONMENTAL ASSESSMENT BY THE U.S. NUCLEAR
REGULATORY COMMISSION FOR THE PROPOSED DIABLO CANYON
INDEPENDENT SPENT FUEL STORAGE INSTALLATION**

Dear Mr. Hall:

Enclosed are our comments and suggested changes on the draft pre-decisional "Environmental Assessment (EA) by the U.S. Nuclear Regulatory Commission (NRC) for the Proposed Diablo Canyon Independent Spent Fuel Storage Installation". We appreciate the opportunity to comment on environmental issues prior to public issuance of the EA.

If you have any questions, please contact me at 916-654-3787.

Sincerely,


JAMES D. BOYD, Commissioner and
State Liaison Officer

JDB/lb

Enclosure

NMSS01

**Comments on the
Draft Environmental Assessment by the
U.S. Nuclear Regulatory Commission for the Proposed
Diablo Canyon Independent Spent Fuel Storage Installation**

August 12, 2003

2.0 The Proposed Action

Page 2: Insert the word “decommission” in line 1. The sentence should read, “The proposed action is for PG&E to build, operate and decommission an ISFSI at the Diablo Canyon Power Plant Site.”

Page 3: PG&E has chosen the HI-STORM 100 dry cask storage system manufactured by Holtec International. The potential radiological impacts from these casks are a direct function of the structural integrity of the casks when subjected to stress during normal and accident conditions. Allegations have been made to the U.S. Nuclear Regulatory Commission (NRC) regarding certain manufacturing and design code violations, Quality Assurance program violations, and reliability problems for Holtec casks. Since a finding of no significant impact in the Environmental Assessment (EA) assumes operation of the casks to design standards, the EA should describe the assurances that PG& E would provide that the casks will actually be built to design specifications and will perform as designed.

Page 4: The total number of casks (140) included in this project is an important concept for this EA and this number and how it was calculated should be explained in the EA. Assumptions that were used to determine the number of casks that would be needed through the expiration of the operating licenses (2021 and 2015 for Units 1 and 2, respectively) should be provided.

3.3 Design Alternatives

Page 7: The relatively high costs of shipping spent fuel overseas are also a large factor. Insert “high costs” in the following sentence, “Although reprocessing facilities exist in other countries, the political, legal, and logistical uncertainties and the high cost of shipping spent fuel overseas also made these alternatives not viable.”

Page 8: For clarity, we suggest adding subheadings “Reracking”, “Rod Consolidation”, and “Building a New Storage Pool” for each of the three paragraphs on this page.

4.7 Ecology

Page 14: Damage to the coastal marine environment from warm seawater discharges from the plant is a continuing problem. Efforts are underway to offset the damage of the cooling system (the cooling system discharges large amounts of seawater each day at much warmer temperatures). PG&E has conducted extensive studies on this issue. The paragraph discussing the marine ecology in the area and the Thermal Effects Monitoring Program should mention the general findings of this study. Although the ISFSI activities will not directly result in discharges to the marine environment, licensing, construction and operation of the ISFSI will enable the plant to operate beyond the 2006 expected date by which spent fuel storage will reach capacity. Similarly, although the proposed ISFSI does not extend the length of time that the plant will be operated, the construction and operation of the ISFSI creates the potential to extend the plant's operation time beyond the current expiration date for the plant's operating license. Therefore, the EA should evaluate the indirect effect to the coastal marine environment by the proposed ISFSI.

Environmental Impacts of the Proposed Action

Page 18 and 20: The EA notes that ISFSI construction activities are not expected to have a significant impact on any state or federally listed threatened or endangered plant, terrestrial wildlife, and marine life or fish species identified within a 5-mile radius of the proposed facility (p. 18). The EA notes that no state or federally listed threatened or endangered species are present in the immediate area of the ISFSI site (p. 20). The EA should describe the studies and refer to where they are discussed in detail and include how recently the surveys were conducted, the number of studies or surveys conducted, how extensive these studies were, and who conducted these surveys.

Page 21: First paragraph, please explain "confinement boundary leakage" and why "cask drop from less than the allowable lift height" is considered an event that could potentially result in members of the general public being exposed to additional levels of radiation beyond normal operations.

Fourth paragraph, there is no discussion of the potential destruction of the casks or blockage of air inlet ducts as the result of sabotage or a terrorist attack. Although much of the information related to security issues with respect to nuclear power plants and ISFSI's is considered safeguarded information, sufficient information should be provided to the public to address questions regarding whether all reasonable efforts are being made to minimize the risk from an attack against the ISFSI. For example, please describe how decisions are being made regarding the configuration, design and spacing of the casks, the use of berms, location of the ISFSI, etc. to minimize the vulnerability of the ISFSI to a potential attack.

In addition, the EA should address the foreseeable potential impacts from the increased number of spent fuel shipments that may result from the ISFSI. The construction and operation of the ISFSI creates the potential to extend the life of the facility beyond the date noted in the expiration date for the current plant operating license and, therefore, the accumulation of spent fuel onsite. The ISFSI is only an interim storage facility with foreseeable offsite transport impacts from spent fuel shipments to a permanent repository or spent fuel storage facility. The EA should evaluate these potential spent fuel transportation impacts.