February 11, 2004

Mr. Thomas C. Thompson Licensing Manager NAC International, Inc. 3930 East Jones Bridge Road Norcross, GA 30092

SUBJECT: FEDERAL REGISTER NOTICE PUBLISHING AN ENVIRONMENTAL ASSESSMENT AND FINDING OF NO SIGNIFICANT IMPACT FOR AN EXEMPTION FROM 10 CFR 72.248 (TAC NO. L23686)

Dear Mr. Thompson:

By letter dated January 9, 2004, NAC International, Inc. (NAC) requested an exemption from the provisions of 10 CFR 72.248(c)(6), which requires certificate holders to file an updated Final Safety Analysis Report (FSAR) to the Nuclear Regulatory Commission (NRC) every 24 months from the date of issuance of a Certificate of Compliance for a storage cask design. If approved, this exemption would allow NAC to delay filing of the updated FSAR for the NAC-UMS Universal Storage System.

Pursuant to 10 CFR 51.35, NRC has issued an Environmental Assessment and Finding of No Significant Impact for this request. Enclosed is a copy of the Environmental Assessment that has been forwarded to the Office of Federal Register for publication.

If you have any comment or question, please contact me at (301) 415-1396.

Sincerely, /RA/ L. Raynard Wharton, Project Manager Licensing Section Spent Fuel Project Office Office of Nuclear Material Safety and Safeguards

Docket No.: 72-1015

Enclosure: Federal Register Notice

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U.S. NUCLEAR REGULATORY COMMISSION DOCKET 72-1015 NAC INTERNATIONAL ISSUANCE OF ENVIRONMENTAL ASSESSMENT AND FINDING OF NO SIGNIFICANT IMPACT

INTRODUCTION

The U.S. Nuclear Regulatory Commission (NRC or Commission) is considering issuance of an exemption to NAC International, Inc. (NAC or applicant), pursuant to 10 CFR 72.7, from the requirement of 10 CFR 72.248(c)(6). This requirement mandates certificate holders to file an updated Final Safety Analysis Report (FSAR) to the NRC every 24 months from the date of issuance of a Certificate of Compliance (CoC) for a spent fuel storage cask design. NAC, located in Norcross, Georgia, is the holder of CoC Number 1015 for the NAC-UMS Universal Storage System, and is seeking NRC approval to delay filing of an updated FSAR for the NAC-UMS system. The NAC-UMS system is approved for use under the general license provisions of Subpart K of 10 CFR Part 72, and is designed for the dry storage of spent nuclear fuel at U.S. nuclear power reactors.

ENVIRONMENTAL ASSESSMENT (EA)

Identification of Proposed Action: By letter dated January 9, 2004, NAC requested an exemption, pursuant to 10 CFR 72.7, from the requirement of 10 CFR 72.248(c)(6). NAC is seeking Commission approval to delay the biennial filing of the updated FSAR for the NAC-UMS system to the NRC. The exemption requested is from the requirement of 10 CFR 72.248(c)(6), which states that "Updates [of the FSAR] shall be filed every 24 months from the date of issuance of the CoC." The original CoC for the NAC-UMS system was effective on November 20, 2000. The proposed action before the Commission is whether to approve a delay in the filing of the updated FSAR, and whether to grant this exemption pursuant to 10 CFR 72.7.

Need for the Proposed Action: NAC requested the exemption to 10 CFR 72.248(c)(6) to allow sufficient time to incorporate the FSAR changes that are associated with its application to amend the CoC for the NAC-UMS system. This application and amendment was designated as Amendment No. 3 to CoC Number 1015. The Commission issued a direct final rule and a proposed rule to amend its regulations to include Amendment No. 3 in the CoC for the NAC-UMS in its list of approved spent fuel storage casks on January 16, 2004, (69 FR 2497 and 69 FR 2528). A final effective rule is not expected to be in place prior to March 31, 2004. Therefore, NAC has requested to file an updated FSAR within 60 days after Amendment No. 3 is issued to allow the compilation of FSAR changes related to Amendment No. 3 with other FSAR changes that are allowed under 10 CFR 72.48.

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Environmental Impacts of the Proposed Action: The Environmental Assessment for the final rule, "Storage of Spent Nuclear Fuel in NRC-Approved Storage Casks at Nuclear Power Reactor Sites" (55 FR 29181 (1990)), considered the potential environmental impacts of storage casks that are used to store spent nuclear fuel under a CoC, and concluded that there would be no significant environmental impacts. The proposed action now under consideration would not affect the use of the NAC-UMS system to store spent nuclear fuel under the approved CoC, and in accordance with the regulations of 10 CFR Part 72. Filing an updated FSAR to the NRC by a certificate holder is an administrative requirement and does not involve any radioactive materials or use of natural resources. Therefore, there are no radiological impacts or non-radiological impacts from a delay in filing an updated FSAR. Based upon this information, a delay in filing will have no significant impact on the environment.

<u>Alternative to the Proposed Action</u>: Since there is no environmental impact associated with the proposed action, any alternatives with equal or greater environmental impact are not evaluated. The alternative to the proposed actions would be to deny approval of the exemption and not allow a delay in the filing of the updated FSAR. This alternative would have the same environmental impact.

Agencies and Persons Consulted: Mr. Johnny James, North Carolina Department of Environment and Natural Resources, and Mr. William Wright, Arizona Radiation Regulatory Agency, were contacted about the Environmental Assessment for the proposed action and had no comments. These two state agencies were contacted because the Amendment No. 3 of the CoC for the NAC-UMS system will be used at the McGuire Nuclear Station in North Carolina,

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and at the Palo Verde Nuclear Generating Station in Arizona. The NRC staff has determined that a consultation under Section 7 of the Endangered Species Act is not required because the proposed action will not affect listed species or critical habitat. The NRC staff has also determined that the proposed action is not a type of activity having the potential to cause effects on historic properties. Therefore, no further consultation is required under Section 106 of the National Historic Preservation Act.

FINDING OF NO SIGNIFICANT IMPACT

The environmental impacts of the proposed action have been reviewed in accordance with the requirements set forth in 10 CFR Part 51. Based upon the foregoing Environmental Assessment, the Commission finds that the proposed action of granting an exemption from 10 CFR 72.248(c)(6) allowing NAC to delay updating the NAC-UMS FSAR will not significantly impact the quality of the human environment. Accordingly, the Commission has determined that an environmental impact statement for the proposed exemption is not warranted.

For further details with respect to this exemption request, see NAC's letter dated January 9, 2004. The request for exemption was docketed under 10 CFR Part 72, Docket 72-1015. The NRC maintains an Agencywide Documents Access and Management System (ADAMS), which provides text and image files of NRC's public documents. These documents may be accessed through the NRC's Public Electronic Reading Room on the Internet at <u>http://www.nrc.gov/reading-rm/adams.html.</u> If you do not have access to ADAMS or if there are problems in accessing the documents located in ADAMS, contact the NRC Public Document Room (PDR) Reference staff at 1-800-397-4209, or 301-415-4737, or by e-mail at pdr@nrc.gov.

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Dated at Rockville, Maryland, this 11th day of February 2004.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

L. Raynard Wharton, Project Manager Spent Fuel Project Office Office of Nuclear Material Safety and Safeguards Dated at Rockville, Maryland, this 11th day of February 2004.

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