



POLICY ISSUE
(Notation Vote)

February 9, 1989

SECY-89-051

For: The Commissioners

From: Victor Stello, Jr.
Executive Director for Operations

Subject: U.S. NUCLEAR REGULATORY COMMISSION'S (NRC'S) COMMENTS ON THE U.S. DEPARTMENT OF ENERGY'S (DOE'S) "FINAL VERSION DRY CASK STORAGE STUDY"

Purpose: To obtain Commission approval of NRC's comments on DOE's "Final Version Dry Cask Storage Study," for transmittal to DOE.

Background: Section 5064 of the Nuclear Waste Policy Amendments Act (NWPAA of 1987 requires that DOE "... shall conduct a study and evaluation of the use of dry cask storage technology at the sites of civilian nuclear power reactors for the temporary storage of spent nuclear fuel until such time as a permanent geologic repository has been constructed and licensed by the Nuclear Regulatory Commission (hereinafter in this section referred to as the 'Commission') and is capable of receiving spent nuclear fuel." The NWPAA also directed DOE to consult with the NRC, include NRC's comments in the report, and solicit the views of State and local governments and the public. The staff's proposed letter to DOE commenting on the final DOE report is Enclosure 1 of this paper.

Discussion: DOE's letter to the Chairman, dated January 23, 1989, requesting NRC's final written comments on the "Final Version Dry Cask Storage Study," is Enclosure 2 of this paper. A copy of the final DOE report is included as Enclosure 3. The Commission's letter of November 18, 1988, providing comments to DOE on the initial version of the study is included in this final report on page III-149. DOE has taken, in its final version of the study, the same broad view of Congress' instructions regarding this study as in the initial version. Additionally, DOE has kept its inclusion of monitored retrievable storage (MRS) as an option, but only to alleviate at-reactor storage capacity

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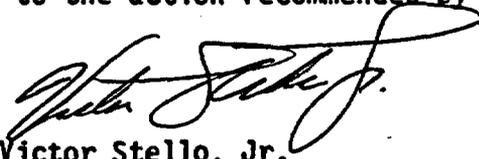
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requirements in case of repository delay. In response to comments calling for a more extensive consideration of MRS, DOE has responded that this is properly the subject of the MRS Review Commission. The final study remains a well-balanced report detailing expected spent fuel generation and additional spent fuel storage requirements. Impacts and costs of such storage are presented and are reasonable.

DOE also maintains its position on limits to the use of the Nuclear Waste Fund, namely that such funds cannot be used for providing interim at-reactor storage. DOE continues to conclude that the fund should not be so used unless there are overall benefits to the waste-management system. As these views do not involve health and safety issues, the staff again proposes that NRC should take no position on this matter.

By letter to Chairman Zech, dated January 4, 1989, (Enclosure 4) and also in the final report (page II-53, "NRC Comments and DOE Responses"), DOE has responded positively to the Commission's comment on the need for compatibility of various steps in the fuel cycle management process. The staff believes that DOE's commitment to address this issue in concert with the industry will, to the extent practicable, lead to its positive resolution and a more efficient fuel cycle management process. DOE has accommodated all other Commission comments on the initial version of the study.

- Recommendation: Approve the NRC letter (Enclosure 1) to DOE that provides comments on DOE's final "Dry Cask Storage Study."
- Scheduling: DOE has indicated that the comment period for its final study ends February 17, 1989.
- Coordination: The General Counsel has reviewed this matter and has no legal objection to the action recommended by the staff.



Victor Stello, Jr.
Executive Director
for Operations

Enclosures:

1. Proposed ltr to DOE
2. Ltr fm DOE dtd 1/23/89
3. Final DOE Report (Commissioners, SECY only)
4. Ltr fm DOE dtd 1/4/89

In order to provide a response to DOE by Friday, February 17, 1989, Commissioners' comments or consent should be provided directly to the Office of the Secretary by 12 noon, Thursday, February 16, 1989.

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Enclosure 1



CHAIRMAN

UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

U.S. Department of Energy
ATTN: Mr. Sam Rouso, Acting Director
Office of Civilian Radioactive Waste Management
RW-322 Forrestal Building
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Washington, D.C. 20585

Gentlemen:

I am responding to your January 23, 1989, request for the U.S. Nuclear Regulatory Commission's (NRC's) comments on the U.S. Department of Energy's (DOE's) "Final Version Dry Cask Storage Study" (DOE/RW-0196). The Commission's comments on the initial version of this study (detailed in our letter to DOE dated November 18, 1988) have been accommodated. We have also reviewed other comments on the initial version. In general, we find that the final version of the study remains a well-balanced presentation of spent fuel storage requirements; of the in-pool consolidated fuel storage and dry storage technologies available to address those requirements in at-reactor storage; and of the impacts and costs of such storage.

The Commission is pleased that DOE has responded positively to its concern over the need to ensure the compatibility of various steps in the storage, transport, and disposal of spent fuel to enhance the safety and efficiency of fuel handling. The Commission urges DOE to actively pursue the commitment that it has made, in its final study, to accomplish resolution of this matter, both through its own actions and in concert with industry. The Commission itself will continue to provide leadership to assure such resolution.

I hope that our comments on this report have been helpful. If you have any questions, please contact Robert M. Bernero (telephone number 492-3326).

Sincerely,

Lando W. Zech, Jr.

cc: Charles Head, DOE