



Department of Energy
Washington, DC 20585

April 9, 2001

STAFF
EXH. 2

Mr. E. William Brach, Director
Spent Fuel Project Office
Office of Nuclear Materials Safety and Safeguards
U.S. Nuclear Regulatory Commission
Mail Stop OWFN 13D-13
Washington, DC 20555

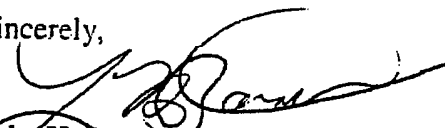
Dear Mr. Brach:

This is in response to your January 8, 2001 letter to Dr. Ivan Itkin, former Director of the Office of Civilian Radioactive Waste Management (OCRWM), in which you informed Dr. Itkin of the settlement agreement between the Nuclear Regulatory Commission (NRC) and the State of Maine, and invited the Department to comment on NAC International Inc.'s (NAC) request for an NRC approval of the UMS Universal Transport System under the provisions of 10 CFR Part 71 (Docket No. 71-9270).

OCRWM's long-standing policy has been that it will accept any NRC-certified transportation systems when we begin shipping to a repository. Consistent with that policy, OCRWM has not reviewed any spent fuel transportation cask certification requests, including NAC's UMS Universal Transport System application. Therefore, we are not providing comments on NAC's request. The enclosed letter of September 2, 1993 from OCRWM to the Sacramento Municipal Utility District provides further background on OCRWM's intentions for accepting NRC certified storage/transport systems.

We have and will continue to follow the development of these evolving transportation systems to ensure, to the maximum extent practicable, that when we construct facilities at a repository they will be compatible with these transportation systems. If you have any further questions, please feel free to contact me at 202-586-6850.

Sincerely,



Lake H. Barrett, Acting Director
Office of Civilian Radioactive
Waste Management

Enclosure

cc:
Mr. Michael Meisner
Ronald M. Spitzer, Esq.
Randall L. Speck, Esq.
Sean M. Dunn, Esq.

E - pls docket
Copies to Brach, Land,
Mc Ginty, Hodges, Jackson
Steve Crockett, Slagge, Cordes
Virgilio, Federline

**Department of Energy**

Washington, DC 20585

September 2, 1993

Mr. James R. Shetler
Deputy Assistant General Manager
Sacramento Municipal Utility District
6201 S. Street
Sacramento, California 95852-1830

Dear Mr. Shetler:

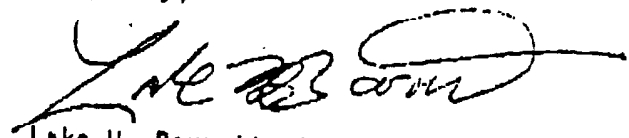
Thank you for your letter dated June 22, 1993, concerning the Department of Energy's acceptance of spent nuclear fuel from the Sacramento Municipal Utility District's Rancho Seco plant.

In a letter dated June 15, 1993, to Mr. S. David Freeman, General Manager of the Sacramento Municipal Utility District, I discussed the Secretary's meeting with Congressman Fazio and Dicks and addressed the issue of acceptability of Sacramento Municipal Utility District spent nuclear fuel in a canistered system certified for storage and transportation offsite to a Federal facility. I have enclosed a copy of this correspondence for your information. Once the Nuclear Regulatory Commission has certified Sacramento Municipal Utility District's transport-storage system, the Department would be willing to initiate the appropriate actions to include such a system as an acceptable waste form under the terms of the Standard Contract for the Disposal of Spent Nuclear Fuel and/or High-Level Radioactive Waste (10 CFR Part 961). At that time, the Department would be in a better position to evaluate its acceptability as either a standard or nonstandard waste form. While we share mutual goals of minimizing spent fuel handling and repackaging, until the Nuclear Regulatory Commission completes its certification, it is premature, as I explained in my letter, for the Department to commit to accept such canistered fuel, either as a matter of policy or under the terms of the Standard Contract.

I have also considered your request to refocus the proposed Sacramento Municipal Utility District, Department of Energy, and Electric Power Research Institute cooperative demonstration program to provide maximum benefits to the Department's multi-purpose canister activities. As proposed, this program to demonstrate a transportable storage system and a dry spent fuel transfer system will address several important issues relating to the multi-purpose canister system. These issues include: the resolution of licensing and operational issues related to canister transport and storage; the development of a dry cask-to-cask spent fuel transfer system to maximize the use of the canister system at all utilities; and burn-up meter validation tests. Therefore, because of the proposed important contributions of this demonstration program to the multi-purpose canister system, a refocusing of the program does not appear warranted.

I appreciate your continued interest and involvement in the Department's efforts to design a multi-purpose canister system that considers utility experience with at-reactor storage systems.

Sincerely,



Lake H. Barrett, Acting Director
Office of Civilian Radioactive
Waste Management

Enclosure