

March 24, 2005

Mr. Steve Redeker
Manager, Plant Closure & Decommissioning
Sacramento Municipal Utility District
6201 S. Street, P.O. Box 15830
Sacramento, CA 95852-1830

SUBJECT: ISSUANCE OF ENVIRONMENTAL ASSESSMENT AND FINDING OF NO SIGNIFICANT IMPACT OF THE RANCHO SECO INDEPENDENT SPENT FUEL STORAGE INSTALLATION (ISFSI) REQUEST FOR PROPOSED LICENSE AMENDMENT (TAC. NO. L23757)

Dear Mr. Redeker:

On July 29, 2004, the Sacramento Municipal Utility District (SMUD) submitted an amendment request for the storage of Greater Than Class C (GTCC) waste at the Rancho Seco Independent Spent Fuel Storage Installation.

This is to inform you that the Nuclear Regulatory Commission (NRC) staff, in accordance with the requirements of 10 CFR 51.21, has performed an environmental assessment (EA) of the effects of granting the requested action. The NRC staff contacted the State of California and provided a draft copy of the EA for review. The State of California had no comments on the EA or the Finding of No Significant Impact.

The NRC staff has determined that the proposed action will not have a significant impact on the environment. Pursuant to 10 CFR 51.35, the NRC has issued an Environmental Assessment and Finding of No Significant Impact for the proposed action. A Notice of Issuance of the Environmental Assessment and Finding of No Significant Impact has been forwarded to the Office of the Federal Register for publication. The NRC will notify you in a timely manner of our decision on this amendment request. Enclosed is a copy of the Federal Register Notice.

S. Redeker

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Please reference Docket No. 72-11 and TAC No. L23757 (Amendment no. 2) in future correspondence related to the licensing action. If you have any questions, please contact me at (301) 415-1336.

Sincerely,

/RA/

James R. Hall, Senior Project Manager
Spent Fuel Project Office
Office of Nuclear Material Safety
and Safeguards

Docket No. 72-11 (50-312)

Enclosure: Federal Register Notice

cc: Mailing List

S. Redeker

2

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* See Previous Concurrence

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Docket 72-11

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U.S. NUCLEAR REGULATORY COMMISSION
DOCKET NO. 72-11
SACRAMENTO MUNICIPAL UTILITY DISTRICT
ISSUANCE OF ENVIRONMENTAL ASSESSMENT
AND FINDING OF NO SIGNIFICANT IMPACT
REGARDING AN AMENDMENT

AGENCY: Nuclear Regulatory Commission

ACTION: Environmental Assessment

FOR FURTHER INFORMATION CONTACT: James R. Hall, Senior Project Manager, Spent Fuel Project Office, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Washington, DC 20555. Telephone: (301) 415-1336; fax number: (301) 415-8555; email: jrh@nrc.gov.

SUPPLEMENTARY INFORMATION:

The U.S. Nuclear Regulatory Commission (NRC or the staff) is considering issuance of an amendment to Special Nuclear Materials License No. 2510 that would allow for the storage of Greater Than Class C (GTCC) waste at the Rancho Seco Independent Spent Fuel Storage Installation (ISFSI). The Sacramento Municipal Utility District (SMUD) is currently storing spent nuclear fuel at the Rancho Seco ISFSI on the site of the decommissioned Rancho Seco Nuclear Generating Station in Sacramento County, California.

ENVIRONMENTAL ASSESSMENT (EA)

Identification of Proposed Action: By application, dated July 29, 2004, SMUD submitted a request to the U.S. Nuclear Regulatory Commission (NRC) in accordance with Title 10 of the Code of Federal Regulations (10 CFR) 72.56, "Application for amendment of license," to amend the license to allow for the storage of GTCC waste at the Rancho Seco ISFSI. SMUD proposes to store the GTCC waste in a GTCC canister and load the canister into a Horizontal Storage Module in the NUHOMS-24P dry cask storage system used at the Rancho Seco ISFSI. SMUD proposes to co-locate the GTCC waste canister with the spent fuel canisters at the ISFSI, but no GTCC waste will be co-mingled with the spent fuel.

The proposed action before the NRC is whether to approve the amendment.

Need for the Proposed Action: SMUD is in the process of decommissioning the Rancho Seco Nuclear Generating Station in Sacramento County, California. SMUD needs to temporarily store GTCC waste resulting from plant operations and from decommissioning, such as activated metals in the form of baffles and formers, cut-up sections of incore-instrument tips, and associated surface contamination, in the ISFSI until there is a permanent repository that will accept GTCC waste. Approving the amendment would allow the licensee to store GTCC at the Rancho Seco ISFSI.

Environmental Impacts of the Proposed Action: The staff has reviewed the amendment request submitted by the licensee and has determined that allowing the storage of GTCC waste at the Rancho Seco ISFSI would have no significant impacts to the environment. In its Safety Evaluation Report related to the ISFSI license, the NRC staff found that the proposed GTCC canister is functionally identical to those spent fuel canisters currently being stored at the ISFSI.

Once the GTCC waste is loaded into the canister, the operational steps to drain, seal and transfer the GTCC waste to the ISFSI are essentially identical to those for a fuel canister except that the GTCC waste canister loading and processing operations will be conducted in the Reactor Building as opposed to the Spent Fuel Building. There are no credible scenarios by which liquid or gaseous effluents could be released from the GTCC waste canister.

Furthermore, the NUHOMS-24P dry cask storage system used at the Rancho Seco ISFSI is a passive system which, by design, produces no gaseous or liquid effluent.

The staff has determined that the proposed action would not endanger life or property. Further, the staff concludes that there is reasonable assurance that the proposed amendment will have no impact on off-site doses because the licensee is currently storing GTCC at the Rancho Seco Site under its 10 CFR Part 50 license.

The proposed action would not increase the probability or consequences of accidents, no changes would be made to the types of effluents that may be released offsite, and there would be no increase in public exposure, and only minimal increase in occupational exposure. Therefore, there are no significant radiological environmental impacts associated with the proposed action. Additionally, the proposed action would have no significant impact on the safe storage of spent fuel at the Rancho Seco ISFSI.

Furthermore, as documented in the Environmental Assessment and Finding of No Significant Environmental Impact for the final rule, "Interim Storage of Greater than Class C Waste" (66 FR 51823; October 11, 2001), the NRC staff found for the following reasons that storing NRC-licensed reactor-related GTCC waste using 10 CFR Part 72 has no significant environmental impacts:

(1) There is a smaller source term available for release from normal operations, or as a result of an accident, involving GTCC waste as compared to spent fuel or HLW;

(2) There is a smaller total volume and curie content of the GTCC waste as compared to the spent fuel or HLW;

(3) The previous findings related to the environmental impacts in NUREG-0575, "Final Generic Environmental Impact Statement on Handling and Storage of Spent Light Water Power Reactor Fuel," dated August 1979, and NUREG-1092, "Environmental Assessment for 10 CFR Part 72 Licensing Requirements for the Independent Storage of Spent Fuel and High-Level Radioactive Waste" concluded that there are no significant environmental impacts for these activities; and

(4) GTCC waste is already being safely stored by 10 CFR Part 50 licensees. Re-licensing of this material under a 10 CFR Part 72 specific license requires an approved safety analysis report. The approval process requires that each application or amendment be individually reviewed and approved before storage would be allowed under a specific 10 CFR Part 72 license.

Alternative to the Proposed Action: As an alternative to the proposed action, the staff considered denial of the amendment request (i.e., the "no-action" alternative). If the request was denied, SMUD would need to continue to store the GTCC waste under its 10 CFR Part 50 license, either in its existing location or in another appropriately shielded configuration. This would limit the extent to which SMUD could complete its decommissioning activities for the Rancho Seco Nuclear Generating Station. Approval or denial of the amendment request would

result in no change in the environmental impacts. Therefore, the environmental impacts of the proposed action and the alternative action are similar.

Agencies and Persons Consulted: The NRC staff prepared this environmental assessment (EA) and contacted the California Department of Health Services, Radiologic Health Branch. Staff provided the State with a draft copy of this EA for review. Mr. Steve Hsu responded on behalf of the State of California and stated that he had no comments on the EA or the Finding of No Significant Impact. The NRC staff has determined that consultation under Section 7 of the Endangered Species Act is not required for this specific amendment, which 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 consultation is required under Section 106 of the National Historic Preservation Act.

Conclusion: The staff has reviewed the amendment request submitted by SMUD and has determined that allowing the storage of GTCC waste at the Rancho Seco ISFSI would have no significant impact on the environment.

FINDING OF NO SIGNIFICANT IMPACT

The environmental impacts of allowing the storage of GTCC waste at the Rancho Seco ISFSI have been reviewed in accordance with the requirements set forth in 10 CFR Part 51. Based upon the foregoing EA, the NRC finds that the proposed action of approving the amendment to the license will not significantly impact the quality of the human environment. Accordingly, the NRC has determined that an environmental impact statement for the proposed amendment is not warranted.

The request for amendment was docketed under 10 CFR Part 72, Docket 72-11. For further details with respect to this action, see the request for the license amendment dated July 29, 2004. Supporting documentation is available for inspection at the NRC's Public Electronic Reading Room at: <http://www.nrc.gov/reading-rm/adams.html>. A copy of the EA and FONSI can be found at this site using the Agencywide Documents Access and Management System (ADAMS). These documents may also be viewed electronically on the public computers located at the NRC's Public Document Room (PDR), O-1F21, One White Flint North, 11555 Rockville Pike, Rockville, MD 20852. The PDR reproduction contractor will copy documents for a fee. Persons who do not have access to ADAMS or who encounter problems in accessing the documents located in ADAMS, should contact the NRC PDR Reference staff by telephone at 1-800-397-4209 or (301) 415-4737, or by email to pdr@nrc.gov.

Dated at Rockville, Maryland, this 24th of March , 2005.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

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