

72-1031



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January 26, 2007

U.S. Nuclear Regulatory Commission
11555 Rockville Pike
Rockville, MD 20852-2738

Attn: Document Control Desk

Subject: Withdrawal of NAC MAGNASTOR System Application

Docket No. 72-1031 (TAC No. L23764)

Reference: MAGNASTOR System – Application for Approval, NAC International,
August 31, 2004

Based on discussions at the January 12, 2007 meeting between NAC International (NAC) and the U.S. Nuclear Regulatory Commission (NRC) and subsequent communications with NRC Spent Fuel Storage and Transport (SFST) personnel, NAC hereby withdraws the above-referenced application for the MAGNASTOR System.

NAC is submitting this withdrawal request with the intent of revising the application to include additional information as requested by the NRC technical review staff for completion of the Safety Evaluation Report (SER) and a draft Certificate of Compliance (CoC). NAC feels resubmittal of the MAGNASTOR application is the appropriate action in accordance with Regulatory Information Summary RIS 2004-020 and the most efficient way of presenting previously submitted supplements and the requested additional technical information. A consolidated and revised application will also enable NRC personnel to complete the technical review and generate the SER and draft CoC in a timely manner.

It is NAC's understanding that all remaining open technical issues, including information required to complete the SER, will be communicated to NAC via letter by the end of this month. Upon receipt of the above letter, NAC will develop and resubmit to the NRC the consolidated and revised application.

NAC thanks the NRC for the hard work put into the review of the MAGNASTOR application and appreciates the challenge that the review of this innovative design presents. NAC looks forward to working with the SFST staff to successfully complete the licensing of this important advancement in spent fuel storage technology.

If you have any comments or questions, please contact me on my direct line at (678) 328-1274.

Sincerely,

A handwritten signature in black ink, appearing to read 'Anthony L. Patko'.

Anthony L. Patko
Director, Licensing
Engineering