TRANSNUCLEAR
AN AREVA COMPANY

E-25784
November 5, 2007

Document Control Desk
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

Subject: Interim Report for a Failure to Comply under the Provisions of 10CFR21

References: 1. Transnuclear Letter E-25576 to U. S. Nuclear Regulatory Commission, Evaluation of a Deviation for Notification under the Provisions of 10CFR21, dated 9/19/07.

2. Transnuclear Letter E-25623 to U. S. Nuclear Regulatory Commission, Notification of a Failure to Comply under the Provisions of 10CFR21, dated 9/26/07.

To Whom It May Concern:

The purpose of this letter is to provide the staff with the prescribed sixty (60) day interim report as required per 10CFR21.21(a)(2) of a condition identified by Transnuclear, Inc. (TN) as a failure to comply with the license conditions for Certificate of Compliance for Spent Fuel Storage Casks, No. 1030 including Appendix A, NUHOMS® HD System Generic Technical Specifications. Specifically, TN identified and documented in Supplier Finding Report 2007-111 that our fabricator, GE-Hitachi Nuclear Energy Americas (GHNEA), had provided inadequate fabrication records resulting in a nonconforming condition relative to the possibility of undocumented Temporary Weld Attachments (TWAs) to the confinement boundary of a loaded NUHOMS® 32PTH Dry Shielded Canister (DSC) at Surry Power Station (DSC S/N DOM-32PTH-001-C).

This condition reported as a failure to comply in Reference 2 involves a lack of documentation for use of qualified welders, approved welding procedures, approved weld filler material and compatible TWA base material, as well as a lack of the required liquid penetrant surface examination report subsequent to TWA removal. Such documentation is required per Article NB-4435 of the ASME B&PV Code Section III, which is a design feature embedded in the Technical Specifications for the NUHOMS® HD license. Therefore, the nonconforming TWAs constitute a Code violation such that the subject loaded canister is not compliant with the NUHOMS® HD Technical Specifications.

This interim report is necessary such that TN can complete our evaluation including planned corrective actions identified in Reference 2. TN has completed our extent of condition review for prior canisters fabricated by GHNEA and has determined the reportable condition is limited to the unit loaded at Surry Power Station. Inspections involving PT and UT thickness examinations are continuing for five (5) unloaded canisters subject to the same condition located at both GHNEA and Dominion sites. Completion of these examinations is required to support the technical justification for a request for exception to the ASME Code requirements for the subject loaded canister. Pending our request for exception to the applicable Code requirements, including NRC response to such request, we expect to submit our final evaluation within 120 days of initial discovery, established as 9/7/07 in Reference 1.

Any questions you may have regarding this matter should be directed to Steven C. White, Director Corporate Quality Assurance at 410-910-6870.

Very truly yours,

Tara Neider

Tara Neider
President – Transnuclear Inc.

c: J. Sebrosky (NRC) J. Bondre J. Boshoven P.Quinlan
R. Grubb S. Petras S. White

IE19
NRR

7135 Minstrel Way, Suite 300 Columbia, Maryland 21045
Phone: 410-910-6900 Fax: 410-910-6902