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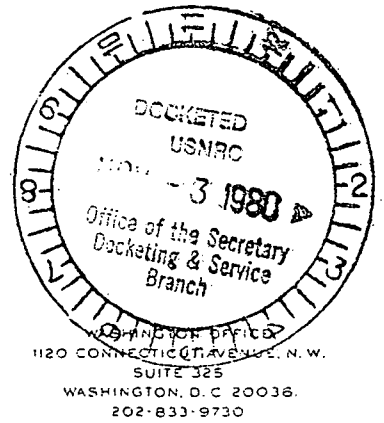
ONE FIRST NATIONAL PLAZA FORTY-SECOND FLOOR
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October 31, 1980

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION



In the matter of:)	
)	
COMMONWEALTH EDISON COMPANY)	Docket Nos.: 50-237
)	50-249
(Dresden Units 2 and 3 and)	50-254
Quad Cities Units 1 and 2))	50-265

Dear Board Members:

This letter is in response to the Board's Order dated October 14, 1980. The short answer to the question posed by the Board is that Commonwealth Edison Company still intends to pursue its spent fuel transshipment application, although we have informed the Staff that this application is second in priority to pending spent fuel rack replacement requests. The long period of inaction in this proceeding is attributable to the following circumstances.

The application for spent fuel transshipment authority which is the subject of this proceeding was one of three applications filed by Commonwealth Edison with the NRC in the spring of 1978 to alleviate a predicted shortage of spent fuel storage capacity at its operating nuclear stations resulting from the present administration's indefinite deferral of reprocessing. The other two applications were for installation of high density neutron-absorbing racks at Commonwealth Edison's Zion and Dresden Stations. These applications were noticed in the Federal Register in 1978. The State of Illinois intervened in opposition to all three requests; NRDC and CBE intervened only in this transshipment case.

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Commonwealth Edison was informed in 1978 by the NRC Staff that the Staff did not have sufficient resources to process more than one of these applications at the same time, and Edison was invited to choose the order in which the Company wished the Staff to proceed. Commonwealth Edison asked the Staff to review the Zion racks first, then the Dresden racks, then the Dresden/Quad Cities application.

The Staff produced its Safety Evaluation for the Zion racks in May 1979. Contested hearings before the Licensing Board in that case were held in June 1979 and an Initial Decision approving installation of the racks was entered in February 1980. See Commonwealth Edison Company (Zion Station Units 1 and 2) LBP-80-7, 11 NRC 245 (1980). That decision was recently affirmed by the Appeal Board. ALAB-616 (October 2, 1980).

The Staff produced an SER for the Dresden racks on June 5, 1980 and evidentiary hearings are scheduled for November 19-22, 1980 in Morris, Illinois.

Since June of 1980, we understand that the Staff has deferred review of the Dresden/Quad Cities application awaiting the outcome of settlement negotiations between the State of Illinois and Commonwealth Edison Company involving the Dresden spent fuel rack case and this Dresden/Quad Cities transshipment proceeding. Commonwealth Edison has not objected to this last delay. However, settlement negotiations to date have not been fruitful and Commonwealth Edison will not be interested in pursuing settlement after November 19, when the Dresden spent fuel rack hearings begin. The Company therefore requests that the NRC Staff resume work on the safety evaluation after that date. We are unable to estimate when the NRC will produce an SER.

Commonwealth Edison wishes to stress one final point. Commonwealth Edison has acquiesced in the slow progress of this transshipment application primarily because its spent fuel rack applications have been proceeding satisfactorily. If, however, the Dresden spent fuel rack request is denied or delayed, transshipment would assume overwhelming importance

to the Company since it would represent the only alternative to possible shut-down of the Station. Therefore we respectfully ask that review of this application continue and that the Board retain jurisdiction of this matter.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Philip P. Steptoe", is written over a horizontal line.

Philip P. Steptoe
One of the Attorneys for
Commonwealth Edison Company

PPS/kb

CC: Service List