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Regulatory Improvements Branch
Division of Safeguards
U. S. Nuclear Regulatory Commission
Washington, D. C. 20555



Gentlemen:

Nuclear Assurance Corporation (NAC) respectively submits the following comments in response to NRC's Interim Final Rule, "Physical Protection of Irradiated Reactor Fuel in Transit" published in Federal Regulation of June 15, 1979, 44 Fed. Reg. 34466.

NAC is not a "licensee" as defined in Nu. Reg. 0561. However, it does own and operate the NAC-1 spent fuel shipping casks. Over a period of five years, these casks have safely logged more than 859,000 miles moving spent fuel and other radioactive materials throughout the U.S. Among shippers, NAC has most of the direct experience in moving commercial spent fuel within the United States. In addition, it has large, active programs in design and development of new casks; technological analysis and support of cask operations incorporating experience and new information; and has license applications in Europe as well as the U.S. The cask itself is obviously an integral part of the whole system of spent fuel movement. And as such, NAC has a major interest in and commitment to all aspects of cask use.

NAC has carefully studied the comments submitted by LeBoeuf, Lamb, Leiby & MacRae for some 32 nuclear utilities (American Electric Power Company, et al). NAC supports their comments as being well-reasoned, constructive and consistent with our operating experience.

The key objective of spent fuel cask transport is just that - movement of spent fuel. It must be done with minimum risk to the minimum number of people. The proper approach is to view the solution in the context of a multi-faceted system. Such a system considers all functions of spent fuel movement including:

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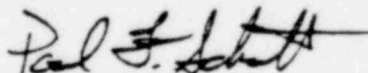
- Type of cargo,
- the particular cask,
- whether transported by rail or car,
- the route selection,
- the time of transit,
- the population density of the route,
- special local conditions,
- road conditions and terrain,
- existing and expected weather conditions enroute.

To isolate one facet, such as route selection for example, and focus only on it for regulation is to introduce new problems and situations which may even increase the opportunity for sabotage or hijackings. Further, such a "piece-meal" approach in regulation has the potential for allowing total interdiction of spent fuel movement in the United States. Likewise when viewing what physical and personnel protective measures may be needed as a deterrent, again one must not be content with a "piece-meal" approach. All facets of protection from escort personnel training to possible devices for cask transport immobilization must be considered as part of the overall objective.

NAC is not sure that the Interim Rule takes all these variables into account, but it recognizes that interpretation, implementation, and reconsideration by the NRC offers some degree of latitude. It is somewhat disappointing to NAC that the NRC has not considered it appropriate to discuss the Interim Rule and NAC's thoughts for improving safety from a systems approach. Although technically not a licensee, NAC has experience as mentioned previously which could be of great value to the NRC in the interest of public safety.

Sincerely,

NUCLEAR ASSURANCE CORPORATION



Paul F. Schutt
President

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