



**Wisconsin Electric** POWER COMPANY  
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November 1, 1982

Mr. H. R. Denton, Director  
Office of Nuclear Reactor Regulation  
U. S. NUCLEAR REGULATORY COMMISSION  
Washington, D. C. 20555

50-266  
50-301

Attention: Mr. R. A. Clark, Chief  
Operating Reactors Branch 3

Gentlemen:

FACILITY OPERATING LICENSES NOS. DPR-24 AND DPR-27  
POINT BEACH NUCLEAR PLANT, UNITS 1 AND 2

Paragraph 2.E of the above-referenced licenses authorizes Wisconsin Electric Power Company "to possess such byproduct and special nuclear materials as may be produced by the operation of [Point Beach Nuclear Plant, Units 1 and 2]". By Amendments Nos. 35 and 41 to Facility Operating Licenses Nos. DPR-24 and DPR-27, Wisconsin Electric was authorized to install and use modified spent fuel storage racks in the spent fuel pool which increased the capacity for spent fuel storage from 361 assemblies to 1,502 assemblies. This action was taken in 1979 in contemplation of, among other things, the possible return of certain spent fuel assemblies to Point Beach from the General Electric Morris Operations facility and the then-Nuclear Fuel Services West Valley facility. The possible return of spent fuel from these two facilities was discussed in the Safety Evaluation Report (paragraph 2.6) and Environmental Impact Appraisal (paragraphs 2.0, 7.2, and 8.4), which were issued in conjunction with Amendments Nos. 35 and 41 to the Point Beach Facility Operating Licenses.

Wisconsin Electric is currently storing 114 spent fuel assemblies at the West Valley Service Center. The New York State Energy Research and Development Authority has demanded that Wisconsin Electric remove the Point Beach spent fuel and has initiated legal action to force such removal. Furthermore, Wisconsin Electric's agreement with General Electric for storage of 109 spent fuel assemblies at the Morris Operations facility expires in the

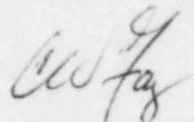
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near future. Thus Wisconsin Electric contemplates the necessity of returning the spent fuel in both the West Valley facility and the Morris facility to the Point Beach Nuclear Plant.

The spent fuel returned from West Valley and Morris would be handled in accordance with the conditions and commitments regarding handling of spent fuel with the existing auxiliary building crane until a new single-failure-proof crane is installed and revised Technical Specifications are approved which reflect the operating limits with the new crane. The return of spent fuel generated in Point Beach reactors to the Point Beach Nuclear Plant clearly would not involve an unreviewed safety issue. See Point Beach Final Safety Analysis Report, paragraph 14.2.1 (Fuel Handling Accidents) and Appendix F (Consideration of Postulated Spent Fuel Cask Drop Accident); Point Beach Supplement to Environmental Report, Appendix E, Section H (Refueling Accident Outside Containment) and Appendix F (Transportation); Point Beach Final Environmental Statement, paragraphs III.E.2 (Transport of Irradiated Fuel), V.E (Accidents), V.E.1, Table 11 (Summary of Radiological Consequences of Postulated Accidents), V.E.2 (Transportation), and V.E.2.b (Irradiated Fuel); and NRR Safety Evaluation Report and Environmental Impact Appraisal for Amendments Nos. 35 and 41 to the Point Beach Facility Operating Licenses.

Under the circumstances set forth above, we understand paragraph 2.E in Facility Operating Licenses Nos. DPR-24 and DPR-27 as permitting the return to and storage of Point Beach-generated spent fuel at the Point Beach Nuclear Plant, and that no further license authorization is required. We should appreciate your confirmation of this interpretation.

Very truly yours,



Assistant Vice President

C. W. Fay

Copy to NRC Resident Inspector