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STATE LIAISON OFFICERS  
STATE PUBLIC UTILITY COMMISSIONS  
ALL AGREEMENT AND NON-AGREEMENT STATES

PROPOSED ADDITION TO THE LIST OF APPROVED SPENT FUEL STORAGE CASKS (SP-94-085)

The Nuclear Regulatory Commission (NRC) is proposing to amend its regulations to add the Standardized NUHOMS Horizontal Modular Storage System to the List of Approved Spent Fuel Storage Casks. This amendment will allow the holders of nuclear power reactor operating licenses to store spent fuel in this approved cask under a general license. Enclosed for your consideration is the Federal Register notice which announced the proposed rule. The public comment period ends on August 16, 1994.

151

Richard L. Bangart, Director  
Office of State Programs

Enclosure:  
As stated

Distribution:  
DIR RF  
RBangart  
PLohaus  
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ALL AS File  
DCD (SP01) PDR YES  NO   
RSLOs  
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serve consumers on the retail level. Taken together, a power supply borrower and its distribution members are essentially one economic unit, similar to a typical investor-owned utility which owns or controls both the sources of production and the retail franchises. This unity of ownership and interest between the power supply cooperative and its owners has made possible a highly efficient capitalization structure uniquely suited to the needs of REA's constituency.

Distribution cooperatives entered into long term contracts to purchase all their power requirements from the power supply cooperative at the rates necessary to cover all the power supplier's costs, including debt service on its loans. These contracts, together with all other assets of the power supply cooperative, are pledged as security for billions of dollars of loans to the power supply cooperatives by the Government and private sector alike. The Government and other lenders have generally not required power suppliers to develop and maintain equity. As a result, consumers benefitted from lower electric rates.

While, in most cases, REA credit support requirements currently include the long term, all-requirements wholesale power contract and the first lien on all property including after acquired property, in several instances REA has required additional credit support in the form of guarantees from the G&T's members.

REA is undertaking to review the requirement for credit support in connection with G&T loans and loan guarantees. REA will be taking into consideration the G&T profile and the projects undertaken by the G&T. This profile includes some of the following characteristics: 100% debt financing from REA; equity considerations; and complex issues concerning their wholesale power contract agreements. REA financing of G&T projects generally consists of primarily guarantees of FFB loans and lien accommodations.

#### I. Credit Support Considerations

REA is requesting input on all factors that impact on the feasibility and risks associated with the borrower and the project to be financed. Factors to be considered may include the following:

- The regulatory climate (degree of regulation, regulatory body policies);
- Economics of the service territory (consumer growth trends, consumer load diversity, revenue by consumer class);
- The power supply borrowers' current and future electric resource

arrangement (capacity, fuel agreements, purchased power, generation statistics);

d. Construction and operating risk of the proposed facility;

e. Quality of management (strategic planning, consumer relations, experience, depth, capability, credibility, response to changing environment);

f. Whether the borrower is operating under a debt restructure agreement with REA

g. Impact on distribution member cooperative rates; and

h. Rate competitiveness;

i. Territorial integrity.

j. Diversification activity and/or plans;

k. Analysis of accounting practices vs. industry practices.

Comments are specifically requested on what factors should be considered, how the factors should be weighted, i.e. the ranking criteria, and on when REA should generally not require additional credit support.

REA anticipates reserving the right to require credit support on any loan or loan guarantee it deems necessary.

#### II. Types of Support

REA is also requesting input on the forms of credit support REA should require under those circumstances where additional credit support is required. Respondents should consider, among others, in addition to the lien on wholesale power contracts and all system assets, the following types of support:

a. G&T member guarantees of loans made to a G&T;

b. Guarantees by financial institutions of G&T loans in lieu of member guarantees; and

c. Letters of Credit obtained by members in lieu of a guarantee.

REA is also requesting comments and suggestions on the terms and conditions that would attach to such credit support. Comments are specifically requested on the concepts of joint and several liability of guarantors, liability caps, pro rata sharing of liability, acceleration of the support obligations under certain circumstances, collateralization, term, and termination.

**Authority:** 7 U.S.C. 901-950(b); Public Law 99-591; Delegation of Authority by the Secretary of Agriculture, 7 CFR 2.23; Delegation of Authority by the Under Secretary of Small Community and Rural Development, 7 CFR 2.72.

Dated: May 26, 1994.

Bob J. Nash,

Under Secretary, Small Community and Rural Development.

[FR Doc. 94-13402 Filed 6-1-94; 8:45 am]

BILLING CODE 3410-15-P

## NUCLEAR REGULATORY COMMISSION

10 CFR Part 72

RIN 3150-AF02

### List of Approved Spent Fuel Storage Casks: Addition

AGENCY: Nuclear Regulatory Commission.

ACTION: Proposed rule.

**SUMMARY:** The Nuclear Regulatory Commission (NRC) is proposing to amend its regulations to add the Standardized NUHOMS Horizontal Modular Storage System to the List of Approved Spent Fuel Storage Casks. This amendment will allow the holders of power reactor operating licenses to store spent fuel in this approved cask under a general license.

**DATES:** Submit comments by August 16, 1994. Comments received after this date will be considered if it is practical to do so, but the Commission is able to assure consideration only for comments received on or before this date.

**ADDRESSES:** Send comments to: The Secretary, U.S. Nuclear Regulatory Commission, Washington, DC 20555. ATTN: Docketing and Service Branch.

Deliver comments to: One White Flint North, 11555 Rockville Pike, Rockville, Maryland, between 7:45 a.m. and 4:15 p.m. Federal workdays.

Copies of the comments received and the environmental assessment and finding of no significant impact can be examined at the NRC Public Document Room, 2120 L Street NW. (Lower Level), Washington, DC. Single copies of these documents can be obtained from Mr. G. E. Gundersen, Office of Nuclear Regulatory Research, U.S. Nuclear Regulatory Commission, Washington, DC 20555, telephone (301) 492-3803.

**FOR FURTHER INFORMATION CONTACT:** Mr. G. E. Gundersen, Office of Nuclear Regulatory Research, U.S. Nuclear Regulatory Commission, Washington, DC 20555, telephone (301) 492-3803; or Mr. K. C. Leu, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Washington, DC 20555, telephone (301) 504-2685.

#### SUPPLEMENTARY INFORMATION:

##### Background

Section 218(a) of the Nuclear Waste Policy Act of 1982 (NWPA) directs that, "[T]he Secretary [of the Department of Energy (DOE)] shall establish a demonstration program in cooperation with the private sector, for the dry storage of spent nuclear fuel at civilian power reactor sites, with the objective of

establishing one or more technologies that the [Nuclear Regulatory] Commission may, by rule, approve for use at the sites of civilian nuclear power reactors without, to the maximum extent practicable, the need for additional site-specific approvals by the NRC." Section 133 of the NWPA states, in part, that "the Commission shall, by rule, establish procedures for the licensing of any technology approved by the Commission under Section 218(a) for use at the site of any civilian nuclear power reactor."

To implement this mandate, the Commission approved dry storage of spent nuclear fuel in NRC-approved casks, publishing a final rule on 10 CFR Part 72 entitled "General License for Storage of Spent Fuel at Power Reactor Sites" (55 FR 29181). This rule also established a new subpart L within 10 CFR part 72 entitled "Approval of Spent Fuel Storage Casks," containing procedures and criteria for obtaining NRC approval of dry storage cask designs.

The 1990 rulemaking listed four casks in § 72.214 of subpart K as approved by the NRC for storage of spent fuel at power reactor sites under general license by persons authorized to possess or operate nuclear power reactors. Since then, two more casks have been listed in § 72.214, one on April 7, 1993 (58 FR 17948) and another on October 5, 1993 (58 FR 51762).

#### Discussion

This proposed rulemaking would add the Standardized NUHOMS Horizontal Modular Storage System to the list of NRC approved casks for spent fuel storage in § 72.214. Following the procedures specified in § 72.230 of Subpart L, VECTRA Technologies, Inc. (formerly Pacific Nuclear Fuel Services, Inc. (PNFSI))<sup>1</sup> submitted an application for NRC approval, together with a "Safety Analysis Report for the Standardized NUHOMS Horizontal Modular Storage System for Irradiated Nuclear Fuel" (SAR), NUH-003, Revision 2, dated November 1993. The NRC evaluated VECTRA's submittal and issued a draft Safety Evaluation Report (SER) on VECTRA'S SAR and a draft certificate of compliance for the Standardized NUHOMS Horizontal Modular Storage System. On January 24, 1994, Pacific Nuclear Systems, Inc., (parent company of PNFSI) changed its name to VECTRA Technologies, Inc.,

after it acquired ABB Impell Corporation.

The NRC is proposing to approve VECTRA's Standardized NUHOMS Modular Storage System for Irradiated Nuclear Fuel, for storage of spent fuel under the conditions specified in the draft certificate of compliance. This cask, when used in accordance with the conditions specified in the certificate of compliance and NRC regulations, will meet the requirements of 10 CFR Part 72; thus, adequate protection of the public health and safety would be ensured. This cask is being proposed for listing under § 72.214, "List of Approved Spent Fuel Storage Casks" to allow holders of power reactor operating licenses to store spent fuel in this cask under a general license. The certificate of compliance would terminate 20 years after the effective date of the final rule listing the cask in § 72.214, unless the cask's certificate of compliance is renewed. The certificate contains conditions for use which are similar to those for other NRC approved casks, however, the certificate of compliance for each cask may differ in some specifics—such as, certificate number, operating procedures, training exercises, spent fuel specification. The draft certificate of compliance for the Standardized NUHOMS cask and the underlying draft SER, are available for inspection and comment at the NRC Public Document Room, 2120 L Street, NW. (Lower Level), Washington, DC. Single copies of the proposed certificate of compliance may be obtained from Mr. K. C. Leu, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Washington, DC 20555, telephone (301) 504-2685.

#### Submission of Comments in Electronic Format

In addition to the original paper copy, commenters are encouraged to submit a copy of the letter in electronic format on IBM PC-compatible 5.25- or 3.5-inch computer diskette. Data files should be provided in one of the following formats: WordPerfect, IBM Document Content Architecture/Revisable-Form-Text (DCA/RFT), or unformatted ASCII text.

#### Finding of No Significant Environmental Impact: Availability

Under the National Environmental Policy Act of 1969, as amended, and the NRC regulations in Subpart A of 10 CFR Part 51, the NRC has determined that this rule, if adopted, would not be a major Federal action significantly affecting the quality of the human environment, and therefore, an environmental impact statement is not

required. The rule is mainly administrative in nature. It would not change safety requirements and would not have significant environmental impacts. The proposed rule would add one cask known as the Standardized NUHOMS Modular Storage System to the list of approved spent fuel storage casks that power reactor licensees can use to store spent fuel at reactor sites without additional site-specific approvals by the NRC. The environmental assessment and finding of no significant impact on which this determination is based are available for inspection at the NRC Public Document Room, 2120 L Street NW. (Lower Level), Washington, DC. Single copies of the environmental assessment and finding of no significant impact are available from Mr. G. Gundersen, Office of Nuclear Regulatory Research, U.S. Nuclear Regulatory Commission, Washington, DC 20555, Telephone (301) 492-3803.

#### Paperwork Reduction Act Statement

This proposed rule does not contain a new or amended information collection requirement subject to the Paperwork Reduction Act of 1980 (44 U.S.C. 3501 *et seq.*). Existing requirements were approved by the Office of Management and Budget, Approval Number 3150-0132.

#### Regulatory Analysis

On July 18, 1990 (55 FR 29181), the Commission issued an amendment to 10 CFR Part 72. The amendment provided for the storage of spent nuclear fuel under a general license. Any nuclear power reactor licensee can use these casks if (1) they notify the NRC in advance, (2) the spent fuel is stored under the conditions specified in the cask's certificate of compliance, and (3) the conditions of the general license are met. In that rulemaking, four spent fuel storage casks were approved for use at reactor sites, and were listed in 10 CFR 72.214. That rulemaking envisioned that storage casks certified in the future could be routinely added to the listing in § 72.214 through rulemaking procedures. Procedures and criteria for obtaining NRC approval of new spent fuel storage cask designs were provided in 10 CFR 72.230. Subsequently, two additional casks were added to the listing in § 72.214 in 1993.

The alternative to this proposed action is to withhold certification of this new design and give a site-specific license to each utility that proposed to use the cask. This alternative however, would cost the NRC more time and money for each site-specific review. In addition, withholding certification

<sup>1</sup> On January 24, 1994, Pacific Nuclear Systems, Inc., (parent company of PNFSI) changed its name to VECTRA Technologies Inc.

would ignore the procedures and criteria currently in place for the addition of new cask designs. Further, it is in conflict with NWPAs direction to the Commission to approve technologies for the use of spent fuel storage at the sites of civilian nuclear power reactors without, to the extent practicable, the need for additional site reviews. Also, this alternative is anticompetitive in that it would exclude new vendors without cause and would arbitrarily limit the choice of cask designs available to power reactor licensees.

Approval of the proposed rulemaking would eliminate the above problems. Further, the proposed rule will have no adverse effect on the public health and safety.

The benefit of this proposed rule to nuclear power reactor licensees is to make available a greater choice of spent fuel storage cask designs which can be used under a general license. However, the newer cask design may have a market advantage over the existing designs in that power reactor licensees may prefer to use the newer casks with improved features. The new cask vendors with casks to be listed in § 72.214 benefit by having to obtain NRC certificates only once for a design which can then be used by more than one power reactor licensee. Vendors with cask designs already listed may be adversely impacted in that power reactor licensees may choose a newly listed design over an existing one. However, the NRC is required by its regulations and NWPAs direction to certify and list approved casks. The NRC also benefits because it will need to certify a cask design only once for use by multiple licensees. Casks approved through rulemaking are to be suitable for use under a range of environmental conditions sufficiently broad to encompass multiple nuclear power plants in the United States without the need for farther site-specific approval by NRC.

This proposed rulemaking has no significant identifiable impact or benefit on other Government agencies.

Based on the above discussion of the benefits and impacts of the alternatives, the NRC concludes that the requirements of the proposed rule are commensurate with the Commission's responsibilities for public health and safety and the common defense and security. No other available alternative is believed to be as satisfactory, and thus, this action is recommended.

#### Regulatory Flexibility Certification

In accordance with the Regulatory Flexibility Act of 1980, [5 U.S.C. 605(b)], the Commission certifies that

this rule will not, if promulgated, have a significant economic impact on a substantial number of small entities. This proposed rule affects only the licensing and operation of nuclear power plants and cask vendors. The companies that own these plants do not fall within the scope of the definition of "small entities" set forth in the Regulatory Flexibility Act or the Small Business Size Standards set out in regulations issued by the Small Business Administration at 13 CFR part 121.

#### Backfit Analysis

The NRC has determined that the backfit rule (10 CFR 50.109 or 10 CFR 72.62) does not apply to this proposed rule, and thus, a backfit analysis is not required for this proposed rule because this amendment does not involve any provisions which would impose backfits as defined in the backfit rule.

#### List of Subjects in 10 CFR Part 72

Manpower training programs, Nuclear materials, Occupational safety and health, Reporting and recordkeeping requirements, Security measures, Spent fuel.

For the reasons set out in the preamble and under the authority of the Atomic Energy Act of 1954, as amended; the Energy Reorganization Act of 1974, as amended; and 5 U.S.C. 553; the NRC is proposing to adopt the following amendments to 10 CFR part 72.

#### PART 72—LICENSING REQUIREMENTS FOR THE INDEPENDENT STORAGE OF SPENT NUCLEAR FUEL AND HIGH-LEVEL RADIOACTIVE WASTE

The authority citation for part 72 continues to read as follows:

Authority: Secs. 51, 53, 57, 62, 63, 65, 69, 81, 161, 182, 183, 184, 186, 187, 189, 68 Stat. 929, 930, 932, 933, 934, 935, 948, 953, 954, 955, as amended, sec. 234, 83 Stat. 444, as amended (42 U.S.C. 2071, 2073, 2077, 2092, 2093, 2095, 2099, 2111, 2201, 2232, 2233, 2234, 2236, 2237, 2238, 2282); sec. 274, Pub. L. 66-373, 73 Stat. 668, as amended (42 U.S.C. 2021); sec. 201, as amended, 202, 206, 88 Stat. 1242, as amended, 1244, 1246 (42 U.S.C. 5841, 5842, 5846); Pub. L. 95-601, sec. 10, 92 Stat. 2951 (42 U.S.C. 5851); sec. 102, Pub. L. 91-190, 83 Stat. 653 (42 U.S.C. 4332); secs. 131, 132, 133, 135, 137, 141, Pub. L. 97-425, 96 Stat. 2229, 2230, 2232, 2241, sec. 148, Pub. L. 100-203, 101 Stat. 1330-235 (42 U.S.C. 10151, 10152, 10153, 10155, 10157, 10161, 10168).

Section 72.44(g) also issued under secs. 142(b) and 148(c), (d), Pub. L. 100-203, 101 Stat. 1330-232, 1330-236 (42 U.S.C. 10162(b), 1068(c)(d)). Section 72.46 also issued under sec. 189, 68 Stat. 955 (42 U.S.C. 2239); sec. 134, Pub. L. 97-425, 96 Stat. 2230

(42 U.S.C. 10154). Section 72.96(d) also issued under sec. 145 (g), Pub. L. 100-203, 101 Stat. 1330-235 (42 U.S.C. 10165(g)). Subpart J also issued under secs. 2(2), 2(15), 2(19), 117(a), 141(h), Pub. L. 97-425, 96 Stat. 2202, 2203, 2204, 2222, 2244, (42 U.S.C. 10101, 10137(a), 10161(h)). Subparts K and L are also issued under sec. 133, 98 Stat. 2230 (42 U.S.C. 10153) and sec. 218(a), 96 Stat. 2252 (42 U.S.C. 10198).

In § 72.214, Certificate of Compliance 1004 is added to read as follows:

#### § 72.214. List of approved spent fuel storage casks.

\* \* \* \* \*

Certificate Number: 1004  
SAR Submitted by: VECTRA Technologies, Inc.  
SAR Title: Safety Analysis Report for the Standardized NUHOMS Horizontal Modular Storage System for Irradiated Nuclear Fuel, Revision 2  
Docket Number: 72-1004  
Certification Expiration Date: (20 years after final rule effective date)  
Model Numbers: NUHOMS-24P for Pressurized Water Reactor fuel; NUHOMS-52B for Boiling Water Reactor fuel.

\* \* \* \* \*

Dated at Rockville, Maryland, this 12th day of May 1994.

For the Nuclear Regulatory Commission.

James M. Taylor,

Executive Director for Operations.

[FR Doc. 94-13385 Filed 6-1-94; 8:45 am]

BILLING CODE 7590-01-P

#### DEPARTMENT OF TRANSPORTATION

#### Federal Aviation Administration

#### 14 CFR Part 71

[Airspace Docket No. 94-ASO-11]

#### Proposed Amendment of Class E Airspace; Nashville, TN

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking.

SUMMARY: This notice proposes to amend Class E airspace at Nashville International Airport, Tennessee. Runways 2C and 20C have been extended. The Class E airspace extending upward from 700 feet above the surface is proposed to be extended from a 10-mile radius to a 15-mile radius of the Nashville International Airport to contain IFR operations within controlled airspace for these runways.

DATES: Comments must be received on or before July 8, 1994.

ADDRESSES: Send comments on the proposal in triplicate to: Federal