



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

March 8, 2024

MEMORANDUM TO: Cinthya Roman, Deputy Director
Division of Fuel Management
Office of Nuclear Material Safety
and Safeguards

FROM: Yen-Ju Chen, Senior Project Manager
Storage and Transportation Licensing Branch
Division of Fuel Management
Office of Nuclear Material Safety
and Safeguards

A handwritten signature in black ink, appearing to read "Yen-Ju Chen".

Signed by Chen, Yen-Ju
on 03/08/24

SUBJECT: SUMMARY OF FEBRUARY 8, 2024, PUBLIC MEETING WITH
HOLTEC INTERNATIONAL AND HOLTEC USERS GROUP TO
DISCUSS ENFORCEMENT ACTION 23-044 AND PATH
FORWARD

On February 8, 2024, staff from the Division of Fuel Management (DFM) held a public meeting with representatives from Holtec International (Holtec) and Holtec Users Group. The purpose of this meeting was to discuss Enforcement Action (EA)-23-044, its impact to certain general licensees (GLs), and the path forward.

The meeting was noticed on February 1, 2024 (Agencywide Documents Access and Management System [ADAMS] Accession No. ML24032A107). A portion of this meeting was closed to discuss proprietary and pre-decisional information. More than 150 industry representatives and members of the public attended this meeting. A partial attendees list for both public and closed sessions of this meeting is included in Enclosure 1. The presentation slides for the public portion of the meeting (ML24036A281) were available on the U.S. Nuclear Regulatory Commission (NRC) public meeting website. The non-public proprietary slides are included in Enclosure 2.

In the opening remarks, Shana Helton, Director of DFM, stated that EA-23-044 affected GLs who use HI-STORM 100 cask system and HI-STORM Flood/Wind (FW) Multi-purpose Canister (MPC) storage system. During the meeting, the staff is seeking information to inform NRC's decision on the path forward.

The staff provided an overview of violation EA-23-044 (ML24016A190) issued on January 30, 2024, where Holtec appropriately used the process described in 10 CFR 72.48 to change the

CONTACT: Yen-Ju Chen, NMSS/DFM
(301) 415-1018

basket design from a welded basket design to a bolted continuous basket shim (CBS) basket design. The CBS baskets are used in both the HI-STORM 100 storage systems (MPC-32M-CBS and MPC-68M-CBS) and the HI-STORM Flood/Wind (FW) storage systems (MPC-37-CBS and MPC-89-CBS). Since the design changes resulted in a departure from the method of evaluation (MOE) described in the HI-STORM 100 and HI-STORM FW final safety analysis report (FSAR), the design changes should have been approved by the NRC prior to implementation. After considered information from inspection and pre- and post-decisional enforcement process, the staff issued three Severity Level IV violations. All issues identified in this enforcement action were of very low safety significance.

The staff has requested Holtec to provide written responses to the violations by February 29, 2024. Holtec has previously provided short- and long-term corrective actions to violation B, including specifics for restoring compliance and adequate corrective actions for preventing a future violation; therefore, the staff does not require an additional response for violation B. The responses to violations A and C should include details of corrective actions taken and planned; planned completion dates to restore compliance for all four designs; and steps taken to prevent recurrence of this type of violation.

The staff noted that the GLs who have loaded canisters with the CBS variants are in non-compliance with the NRC regulations. The staff is providing the GLs the opportunity to inform the NRC of plans and concerns for restoring compliance. The staff discussed three options under consideration for a path forward:

- For loaded canisters with the CBS variants, use non-cited violations (NCVs) to disposition the Severity Level IV violation that has a very low safety significance, provided that the GLs entered the issues into their corrective action program. NRC inspectors will document the issues as NCVs in inspection reports and allow returning to compliance within reasonable timeframe. This approach does not apply to canisters which have not been loaded with CBS variants.
- GLs may submit an exemption request for regulatory relief. This approach applies to both canisters which have been loaded and plan to be loaded with CBS variants. The GLs need to provide acceptable safety basis with the exemption request, and the NRC will review and make the decision whether to grant the exemption request. This option would be resource intensive for both the GLs and the NRC.
- The staff is evaluating the use of an Enforcement Guidance Memorandum (EGM). EGM is a guidance to the NRC inspectors on whether and how to exercise enforcement discretion on non-compliance issues. This approach could possibly be used for canisters which have been loaded and plan to be loaded with CBS variants. The staff has not completed the safety evaluation for the CBS variants used in both systems and is still evaluating this option.

The staff noted that HI-STORM FW Amendment No. 7, which is under review, includes MOE that could address the CBS variants in the HI-STORM FW system. The approval of this amendment may provide a path to return to compliance for GLs using the HI-STORM FW system.

Shana Helton emphasized that the NRC is working toward a resolution and does not want to jeopardize future loading campaigns that might affect the ability of a plant to preserve full-core offload capability.

During the public comment period, the staff responded to a question and further explained the option of using NCVs. Several GL representatives expressed concerns on the impacts to their long-term business planning and pool capacity. The staff also provided ADAMS accession numbers for the choice letter (ML23145A175), notice of violation (ML24016A190), and the safety determination (ML24018A085).

The public portion of the meeting concluded at 2:27 p.m.

During the closed meeting, the staff and representatives from Holtec and Holtec Users Group further discussed the options and the current status of GLs' cask loading. The summary of the closed session is provided in Enclosure 3.

Docket Nos. 72-1014, 72-1032

Enclosures:

1. Partial Meeting Attendee List
2. Proprietary Handout
3. Summary of Closed Session

SUBJECT: SUMMARY OF FEBRUARY 8, 2024, PUBLIC MEETING WITH HOLTEC INTERNATIONAL AND HOLTEC USERS GROUP TO DISCUSS ENFORCEMENT ACTION 23-044 AND PATH FORWARD

DOCUMENT DATED: March 8, 2024

DISTRIBUTION:

DFM r/f

ADAMS Accession Nos.: ML24066A159 (pkg); ML24066A163 (Memo), ML24066A160 (encl 1), ML24066A161 (encl 2), ML24066A162 (encl 3)

OFFICE	NMSS/DFM	NMSS/DFM	NMSS/DFM	NMSS/DFM
NAME	YChen	WWheatley	ELove	YDiaz-Sanabria
DATE	03/06/2024	03/06/2024	03/06/2024	03/07/2024

OFFICIAL RECORD COPY