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October 12, 1999

Ms. Annette Vietti-Cook
Secretary of the Commission
U.S. Nuclear Regulatory Commission
Washington, D.C.
20555-0001

ATTN: Rulemakings and Adjudications Staff

Subject: Comments on Proposed Rule, *List of Approved Spent Fuel Storage Casks; Revision, NUHOMS 24-P and NUHOMS 52-B,* 64FR41050, dated July 29, 1999

Dear Ms. Vietti-Cook:

The following comments are submitted to the Nuclear Regulatory Commission (NRC) on the captioned rulemaking. The proposed rule would amend 10 C.F.R. § 72.214 to address several administrative issues related to Certificate of Compliance (CoC) No. 1004, including the transfer of CoC No. 1004 from VECTRA Technologies, Inc. (VECTRA) to Transnuclear (TN) West. As part of the rulemaking, the NRC proposes to issue Amendment No. 1 to CoC No. 1004. Our comments are focused on this proposed amendment to the CoC.

Duke supports the proposed revisions to CoC No. 1004 which are intended to "reformat the CoC to be consistent with the NRC's current format and layout for Part 72 certificates." 64. Fed. Reg. 41052. We believe that it is appropriate for the NRC to seek uniformity in the CoCs for approved spent fuel storage casks. However, Duke is opposed to the proposed revision to (new) Condition No.4 which would add the following provision:

> All fabrication acceptance tests and procedures shall be performed in accordance with detailed written procedures. TN West shall ensure that 100 percent of the full penetration longitudinal and circumferential butt welds used for the DSC shell are inspected using radiographic examination. Inspections shall be performed on each shell weld after the weld is ground flush with surrounding surfaces, and the weld and the base metal wall thickness shall be greater than or equal to 0.500 inch.

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64 Fed. Reg. 41052.

The NRC states that the addition of the above provision to CoC No. 1004 is intended to implement a 1997 decision of the Director of the Office of Nuclear Material Safety and Safeguards (NMSS) on a 10 C.F.R. § 2.206 petition request. 64 Fed. Reg. 41051 - 41054. In our view, however, it is not necessary to revise the CoC in the manner proposed by the NRC to accomplish the Director's stated objective in initiating this rulemaking, i.e., to "ensure that the [dry shielded canister (DSC)] fabrication process . . . produces DSC components that conform to the design criteria and safety margins approved by the NRC."[1] For the following reasons, we urge the NRC to consider revising CoC No. 1004 by adding only the sentence: "All fabrication acceptance tests and procedures shall be performed in accordance with detailed written procedures."

The NMSS Director determined that "changes to [CoC No. 1004] *merit consideration* as *possible* additional actions to assure quality of . . . NUHOMS components in light of" the circumstances which preceded the 2.206 petition. However, because the requirements are now included in the NUHOMS fabrication specifications and procedures, inclusion of the proposed detailed fabrication requirements in the CoC would no longer be justified. The circumstances which gave rise to this aspect of the proposed rule (i.e., poor fabrication and design control by then CoC holder, VECTRA) have subsequently been fully remedied.[2]

At the time of the Director's Decision on February 5, 1997, VECTRA had just begun an exhaustive review of its programmatic controls. Recurring fabrication and design deficiencies (including the lack of dimensional verification following grinding of the shell welds) had caused the NRC to issue a Demand for Information to VECTRA on January 13, 1997. In response, VECTRA issued a stop work order on January 24, 1997, that remained in effect until May 1998. Additionally, VECTRA initiated an exhaustive review of its design, licensing, fabrication, and quality assurances programs and instituted numerous corrective actions which were described in several subsequent submittals to the NRC. The effect of these corrective actions was to ensure that the NUHOMS design and licensing requirements, as approved by the NRC, were properly translated into fabricated components. VECTRA implemented numerous improvements to its fabrication specifications, drawings, and procedures. VECTRA also reviewed the NUHOMS design to identify the critical characteristics of each NUHOMS component (which included the thickness of the post-grinding shell welds) and developed

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[1] *Toledo Edison Co.* (Davis-Besse Independent Spent Fuel Storage Installation), DD-97-03, 45 NRC 71, 81 (1997).

[2] *Id.* at 82 (emphasis added).

quality assurance (QA) inspection lists to verify these critical characteristics in the fabricated components. Moreover, programmatic improvements were instituted to ensure future performance during all phases of the design, licensing, and fabrication would not decline. The corrective actions taken by VECTRA were described to the NRC in a letter submitted by VECTRA on June 5, 1997. NRC subsequently conducted an inspection of these corrective actions in October 1997, during which it identified some remaining concerns. (*See* NRC Inspection Report #72-1004/97-209 January 20, 1998)). The remaining concerns were addressed by TN West. On May 6, 1998, based on its conclusion that TN West had sufficiently implemented the corrective actions, the NRC authorized resumption of limited fabrication of NUHOMS components.

Inclusion of the proposed detailed fabrication requirements in the CoC would be unique to CoC No. 1004. It would also be counter to the other proposed revisions intended to make CoC No. 1004 consistent with the NRC's standard format for Part 72 certificates. Moreover, we are concerned that should the NRC adopt the proposed revision to the NUHOMS CoC, a precedent may be set whereby the CoC may become an expedient vehicle to "remedy" future fabrication deviations.

For the foregoing reasons, we oppose NRC's proposal to amend CoC No. 1004 to include specific fabrication requirements in Condition No. 4. Duke recommends that the proposed revision to Condition No. 4 of the CoC be limited to adding: "All fabrication acceptance tests and procedures shall be performed in accordance with detailed written procedures." Duke is of the opinion that inclusion of this sentence would provide sufficient assurance that the NUHOMS canisters can fulfill their intended safety functions and that allowable stress values are not exceeded.

If there are any questions regarding this matter, please contact Luellen B. Jones at (704) 382-5826.

Sincerely,

M. S. Tuckman
Executive Vice President
Nuclear Generation
Duke Power Company