

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

In the Matter of

PRIVATE FUEL STORAGE, L.L.C.
(Independent Spent Fuel Storage
Installation)

Docket No. 72-22-ISFSI

ASLBP No. 97-732-02-ISFSI

December 22, 1999

DECLARATION OF DAVID A. SCHLISSEL IN SUPPORT OF
STATE OF UTAH'S RESPONSE TO APPLICANT'S MOTION FOR PARTIAL
SUMMARY JUDGMENT OF UTAH CONTENTION E

I, David Schlissel, declare under penalty of perjury that:

1. I am the President of Schlissel Technical Consulting, Inc., a private consulting firm based in Belmont, Massachusetts. A statement of my qualifications is included in Exhibit No. 2 of the "State of Utah's Objections and Responses to Applicant's Second Set of Discovery Requests With Respect to Groups II and III Contentions," dated June 28, 1999.

2. I am familiar with Private Fuel Storage's ("PFS's") License Application in this proceeding. I am also familiar with the documents that PFS has provided to the State of Utah concerning State of Utah Contention E, PFS's responses to Discovery Requests submitted by the State of Utah, and PFS's responses to the NRC Staff's Requests for Additional Information. I have extensive professional experience in the monitoring and evaluation of nuclear power plant management, operations, maintenance, and decommissioning. I also am familiar with the sales of nuclear power plants that have been completed within recent years or that have been announced.

3. GPU, Inc. has sold the Three Mile Island Unit 1 nuclear power plant to AmerGen Energy Co. ("AmerGen"). See Exhibit 1 to this Declaration.

4. GPU, Inc. has reached an agreement to sell the Oyster Creek nuclear power plant to AmerGen. This proposed transaction is currently undergoing regulatory scrutiny. See Exhibit 2 to this Declaration.

5. When the sales of the Three Mile Island Unit 1 and Oyster Creek nuclear power plants are completed, GPU, Inc. will no longer have any need to participate as an owner of PFS or as a customer to store spent nuclear fuel at the PFS facility because the new owner, AmerGen, has assumed title to all spent nuclear fuel from these plants. See page 3 of Exhibit 3 and page 2 of Exhibit 4 to this Declaration.

6. The Illinois Power Company has sold the Clinton Nuclear Station to AmerGen. See Exhibit 5 to this Declaration. As a result of this transaction, Illinois Power Company no longer has any need to participate as an owner of PFS or as a customer to store spent nuclear fuel at the PFS facility because the new owner, AmerGen, has assumed title to all spent nuclear fuel from the Clinton Nuclear Station. See page 2 of Exhibit 6 to this Declaration.

7. The Consolidated Edison Company of New York, Inc., ("Con Ed") has announced that it is reevaluating its continued ownership in the Indian Point 1 and Indian Point 2 nuclear power plants. See Exhibit 7 to this Declaration. If Con Ed decides to sell these plants, it will no longer have any need to participate as an owner of PFS or as a customer to store the spent nuclear fuel from these plants at the PFS facility because it has been the usual practice for the new owner of a nuclear power plant to assume title to all spent nuclear fuel.

8. PFS's License Application contains an estimated cost of \$100 million for facility construction. License Application Chapter 1, Section 1-6. This estimate is based on the assumption that the construction of an Off-Site Rail Line or an Intermodal Shipping Facility & related equipment would cost \$20.9 million. PSFS LA RAI, Question 1-3, page 3 of 3.

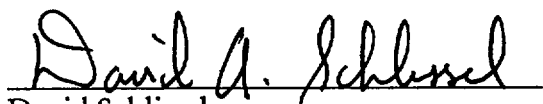
9. PFS has stated that the Low rail corridor is its preferred approach for shipping transportation casks from the rail main line to the PSFS. Applicant's Response to Contention E Request for Admission No. 6 in the State of Utah's Third Requests for Discovery.

10. A February 1998 Transportation Study prepared for PFS by Stone & Webster Engineering Corporation noted that the construction cost for the Low Junction corridor would be \$34,823,000. (Bates Page No. 9802, PFS-19901) This figure

is at least \$13.9 million higher than the assumption underlying the construction cost estimate in the License Application.

11. The remaining owners of PFS are utility companies whose costs of service are regulated by the commissions in the states in which their service areas are located. The remaining owners of PFS will require approval by those state commissions before they will be able to commit ratepayer provided funds to the PFS project. It is not possible to determine, at this time, whether the state commissions will approve the use of ratepayer provided funds on the PFS project, when such approval may be granted, and what conditions the state commissions may attach to the use of ratepayer provided funds. I believe that the Boston Edison Company withdrew as an owner of PFS after its participation was raised as an issue before the Department of Public Utilities of the Commonwealth of Massachusetts.

Dated this 22nd day of December, 1999.


David Schlissel