



STATE OF ILLINOIS  
Illinois Commerce Commission

August 27, 1997

DAN MILLER  
CHAIRMAN

160 NORTH LA SALLE STREET  
SUITE C-800  
CHICAGO, ILLINOIS 60601-3104  
TEL: (312) 814-2859  
FAX: (312) 814-1818

Dianne R. Nielson, Ph.D.  
Executive Director  
Department of Environmental Quality  
State of Utah  
168 North 1950 West  
P.O. Box 144810  
Salt Lake City, Utah 84114-4810

**RE: Your Letter of June 13, 1997 Regarding Participation by Illinois Power  
in Private Fuel Storage's proposed storage facility on the Skull Valley  
Goshute Indian Reservation.**

Dear Dr. Nielson:

On June 20<sup>th</sup>, shortly after your letter was written, Private Fuel Storage, L.L.C. submitted an Application for 10 C.F.R. Part 72 with the United States Nuclear Regulatory Commission. In Volume 62, No. 129 Page 36320 of the Federal Register the United States Nuclear Regulatory Commission has expressed their intent to establish a local public document room in your area. I believe this recent license application will answer many of the questions you have posed in your letter.

The following are my responses to each of the questions from your letter of June 13<sup>th</sup>.

1. **Has Illinois Power informed you of its participation in Private Fuel Storage, LLC? If so, what is the scope of its involvement?**

Yes.

The scope of Illinois Power's involvement is addressed in the June 20<sup>th</sup> license application of Private Fuel Storage, L.L.C. – NRC Docket Number 72-22.

9709080075 970827  
PDR ADOCK 07200022  
C PDR



2. **Has Illinois Power submitted any information to you about its involvement in the proposed Skull Valley Goshute high level nuclear waste storage facility? Have you received a copy of the lease or any other arrangements between PFS and the Skull Valley Band of Goshutes?**

We have received and reviewed some of the publicly available information in the June 20<sup>th</sup> License application of Private Fuel Storage, L.L.C. – NRC Docket Number 72-22. This information is available at the NRC's Spent Fuel Project Office in Washington, D.C. (NRC Project Manager Mark Delligatti 301/415-8518) as well as the Tooele County Library in Utah and the Marriott Library at the University of Utah.

3. **Does Illinois Power need your permission to contribute funding or other assets to licensing, bonding, startup or operating costs related to the proposed facility? At what point would your permission be required? Is it dependent on an absolute dollar amount or percentage of net worth that Illinois Power pledges to contribute to the venture?**

The Illinois Commerce Commission has not held any proceedings where the question of whether a public utility needs Commission permission to contribute funding or other assets to licensing, bonding, start-up or operating costs related to the proposed facility has been raised and, consequently, has no established position with regard to your inquiry.

4. **What procedures do you have regarding decommissioning of off-site spent storage facilities?**

There would be a prudence review if recovery of costs are sought from Illinois Ratepayers.

5. **What types of financial assurances and documentation do you require a utility to provide to ensure that the spent fuel is properly stored and disposed off-site or until the U.S. Department of Energy has taken physical possession and ownership of the spent fuel?**

I am not aware of any financial assurances or documentation required of Illinois utilities by the Commission regarding storage and disposal of spent fuel.

6. **Could bonding for decommissioning an off-site storage facility be incorporated into current funding to decommission the nuclear power plant? If so, what rights would a storage claimant have relative to other claims?**

The Commission has no established position regarding the question of whether bonding for decommissioning an off-site storage facility could be incorporated into current funding to decommission a nuclear power plant.

7. **Must Illinois Power obtain permission from you, or other State officials, to load spent nuclear fuel into casks? To ship spent fuel casks off-site? To pay for the costs of the cask, loading the fuel into a cask and transporting it off-site to Utah?**

Other State Agencies. The Illinois Commerce Commission is the economic regulator of Illinois Power in the State of Illinois. Technical, safety, and environmental issues would typically be addressed by the Illinois Department of Nuclear Safety, the Illinois Environmental Protection Agency, and federal agencies such as the United States Nuclear Regulatory Commission, the United States Environmental Protection Agency, and the United States Department of Energy.

There would be a prudence review when/if recovery of costs are sought from Illinois ratepayers.

8. **What approvals or special arrangements do you require that would enable a utility to retain ownership and liability for spent fuel while off-site?**

I am not aware of any approvals or special arrangements required by the Commission to enable a utility to retain ownership and liability for off-site spent fuel.

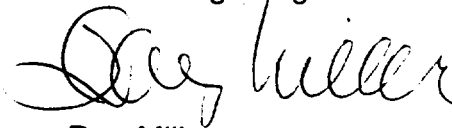
9. **What approvals or special arrangements do you require that would enable spent fuel casks, including leaking or damaged spent fuel casks, to be returned to your state for storage on-site at the utility that originally generated the waste? Does it make a difference whether the returned spent fuel casks is for short term repackaging or long term storage?**

Dr. Dianne R. Nielson  
August 27, 1997  
Page 4

I am not aware of any Commission approvals or special arrangements required to enable spent fuel casks to be returned to the state of Illinois for storage on-site at the utility that originally generated the waste. Technical, safety, and environmental issues would typically be addressed by the Illinois Department of Nuclear Safety, the Illinois Environmental Protection Agency, and federal agencies such as the United States Nuclear Regulatory Commission, the United States Environmental Protection Agency, and the United States Department of Energy.

If I can be of further assistance to you regarding questions about economic regulatory issues, please don't hesitate to contact John Stutsman of our staff at 217/524-0337.

Yours for good government,

A handwritten signature in black ink, appearing to read "Dan Miller", written in a cursive style.

Dan Miller  
Chairman

CC: IDNS  
IEPA  
IDNR  
USEPA  
USNRC  
IP

\\stuj\\Nuclear\\Utah\\utah dept of env quality.doc