



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

OFFICE OF THE
GENERAL COUNSEL

October 6, 2000

G. Paul Bollwerk, III, Chairman
Administrative Judge
Atomic Safety and Licensing Board
U.S. Nuclear Regulatory Commission
Washington, DC 20555

Dr. Peter S. Lam
Administrative Judge
Atomic Safety and Licensing Board
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Dr. Jerry Kline
Administrative Judge
Atomic Safety and Licensing Board
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Washington, DC 20555

In the Matter of
Private Fuel Storage L.L.C.
(Independent Spent Fuel Storage Installation)
Docket No. 72-22-ISFSI

Dear Administrative Judges:

Enclosed is a copy of the NRC Staff's "Safety Evaluation Report Concerning the Private Fuel Storage Facility," dated September 2000 ("SER"), along with a copy of a letter from Mark L. Delligatti to John D. Parkyn, dated September 29, 2000, transmitting the SER to Private Fuel Storage, L.L.C. ("PFS" or "Applicant"). Electronic copies of the enclosed documents are now available in the NRC's ADAMS system (Accession No. ML003755643).

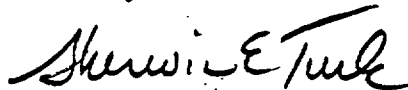
The enclosed SER incorporates, with certain modifications, the Staff's "Safety Evaluation Report of the Site-Related Aspects of the Private Fuel Storage Facility Independent Spent Fuel Storage Installation," dated December 15, 1999 (revised and reissued January 4, 2000). In addition, the enclosed SER provides the remainder of the Staff's safety evaluation of the PFS license application and resolves all outstanding safety issues concerning that application, including the use of the Holtec International HI-STORM 100 Cask System at the proposed PFS site.

The Staff has previously stated its position with respect to Contention Utah L (geotechnical issues). See "NRC Staff's Notice Concerning Contention Utah K, and Statement of Position Concerning Contention Utah L," dated April 28, 2000. The enclosed SER includes a discussion of matters related to that contention, consistent with the Staff's statement of position (SER Chapter 2). In addition, the SER evaluates PFS' request for an exemption from the provisions in 10 C.F.R. § 72.102(f) that require a deterministic seismic hazard analysis ("DSHA") in determining the impact of earthquakes on the Facility. This exemption

request has been the subject of other, late-filed contentions submitted by the State of Utah. The SER concludes that PFS' use of a probabilistic seismic hazard analysis ("PSHA") methodology in analyzing potential seismic events, with a 2,000-year return period, is acceptable, and that there is a sufficient basis to grant the PFS request for exemption at the time a license is issued (*Id.*, § 2.1.6.2).

Finally, the enclosed SER presents the Staff's position concerning the remaining issues in Contention Utah K/ Confederated Tribes B. *See Private Fuel Storage, L.L.C.* (Independent Spent Fuel Storage Installation), LBP-99-35, 50 NRC 180 (1999); *Id.*, LBP-99-39, 50 NRC 232 (1999). As set forth in the enclosed SER, the Staff has concluded that aircraft crashes and other matters raised in Contention Utah K/ Confederated Tribes B do not present a credible hazard for the proposed PFS facility (SER Chapter 15).

Sincerely,



Sherwin E. Turk
Counsel for NRC Staff

cc w/Encl.:

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