

August 8, 2006

Ms. Tina Daly
1880 Pickering Road
Phoenixville, PA 19460

Dear Ms. Daly:

I am responding to your letter of July 18 in which you ask questions regarding NRC's oversight of the planned dry cask storage installation at Limerick Generating Station.

In 1982, Congress passed the Nuclear Waste Policy Act, which directed the NRC to approve a means of interim dry storage by rulemaking, omitting site-specific evaluations "to the maximum extent practicable." The NRC amended its regulations in 1990 to authorize nuclear power plant licensees to store spent fuel at reactor sites in NRC-approved dry storage casks under a general license, without needing to submit an application for a specific license to store spent fuel at a particular site.

Nuclear plant operators frequently use the general license option and select a storage cask system that previously has been certified for use by the NRC. An NRC-approved cask system is one that has undergone a detailed technical review of its safety features by NRC experts and been found to be acceptable for the storage of spent fuel at any site meeting all of the NRC's requirements. The NRC issues a Certificate of Compliance for a cask system design to a cask vendor if the staff finds it technically adequate. That system is then added to the list of approved systems in the NRC's regulations.

A company that plans to store spent fuel at its nuclear power plant site under a general license is required to perform evaluations to demonstrate that the NRC-approved cask system selected is appropriate for use at that site. These evaluations must show that the cask Certificate of Compliance conditions and technical specifications can be met, including analysis of earthquake intensity and tornado missiles. The licensee must also review its security program, emergency plan, quality assurance program, training program and radiation protection program, and make any necessary changes to incorporate the dry cask storage system at its reactor site. The NRC periodically inspects the design, fabrication, and use of dry cask storage systems by sending inspectors to licensee and cask vendor facilities. The inspectors examine whether licensees and vendors are performing activities in accordance with radiation safety requirements, licensing and certificate of compliance requirements, and quality assurance program commitments. Inspectors follow guidance in the NRC Inspection Manual, which contains objectives and procedures to use for each type of inspection. In addition, the NRC conducts inspections of the dry cask storage facility at the reactor site, prior to initial fuel movement, to assure compliance with NRC requirements.

Regarding an environmental impact statement (EIS), NRC performed a generic EIS as part of the original spent fuel storage rulemaking. NRC will periodically add cask system designs approved for use under the general license provision by rulemaking. As part of this, NRC does an environmental assessment based on the requested action to determine whether the action

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will significantly affect the environment. If the EA shows that the proposed actions will not have a significant impact on the environment, a finding of no significant impact is made in the conclusion of the EA and no EIS is prepared. The EA is part of the rulemaking package. An additional environmental impact statement is not needed to be performed when a company is planning to use a certified cask system at its site.

You asked what happens to the spent fuel if the plant is shut down. The company licensed to operate the plant, in the case of Limerick, Exelon, would be required to continue to provide for safe storage of the fuel. When a federal repository for high level waste is licensed, Exelon would then transfer its spent fuel to the Department of Energy.

The NRC has sole responsibility for ensuring that nuclear power plants are operated safely. The agency also is responsible for assuring that spent fuel is stored safely.

Should you have further questions, please contact me.

Sincerely,

/RA/

Diane Screnci
Sr. Public Affairs Officer

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