

August 10, 2006

MEMORANDUM TO: Chairman Klein
Commissioner McGaffigan
Commissioner Merrifield
Commissioner Lyons

FROM: Gregory B. Jaczko */RA/*

SUBJECT: USE OF UNSHIELDED TRANSFER CASKS IN SPENT FUEL
MOVEMENT

Background

The staff recently approved exemptions for Omaha Public Power District after a thorough analysis to allow the Fort Calhoun nuclear power plant to perform a transfer of spent fuel to dry cask storage. Fort Calhoun did not have a crane with sufficient capacity to lift and transfer the spent fuel using a system approved by the NRC. As a result, significant shielding was removed from the approved transfer cask during the spent fuel transfer campaign. A copy of this exemption is attached.

The licensee submitted a license amendment request to allow the operation to proceed using the lightweight, minimally shielded, unapproved design. The use of this design resulted in very significant radiation levels in the spent fuel handling area and necessitated that the operation be performed remotely.

The staff's licensing action was thorough and was apparently the only option that would have allowed the Fort Calhoun Station to maintain the schedule for its planned outage this fall. Upgrading the crane or submitting an application to certify the lightweight, unshielded cask design would have taken at least one or more years. While at this time the exemption may have been the only possible path, I believe that a more timely and well planned resolution should have been found earlier by the licensee and its vendor.

Action

In light of the safety implications, and restrictive license conditions imposed by the staff in the exemption, I believe the Commission should clearly reinforce the staff's assessment in the exemption request that this exemption should not be viewed as a precedent for resolving similar spent fuel handling operations.

Specifically, the Commission should complete the following actions:

- (1) issue a brief clarification that this exemption should not be viewed as a precedent for fuel handling operations;

- (2) direct the staff to identify to the Commission other licensees that are likely to confront this or a similar challenge;
- (3) direct the staff to provide the Commission 10-day prior notification of issuance of any similar exemptions; and
- (4) direct the staff to prepare an appropriate generic communication on this issue to communicate the facts of this scenario and communicate the Commission's expectation that such issues should be resolved well in advance of fuel movement.

SECY, please track.

Attachment:
As stated

cc: OGC
EDO