

Nuclear Regulatory Commission Regulatory Conference EAF-NMSS-2025-0102

Holtec International
USNRC Headquarters
September 3, 2025

Meeting Logistics

- Operation of Microsoft Teams Meeting Call
- Endure all phones and background noises are MUTED
- Scheduled break (15-minute)
- NRC Caucus (Team Meeting)
- Public Question Session(if you called in, please Press *1 on phone “raise hand,” then wait for the Operator to acknowledge you.



Public Meeting Disclaimer

The public is invited to observe the meeting and will have one or more opportunities to communicate with the NRC *after* the business portion, but before the meeting is adjourned.



Agenda

Topic	Participants
NRC Opening Remarks and Introductions	Shana Helton, Director, NMSS/DFM
Holtec Opening Remarks and Introductions	Holtec
Enforcement Process	Michele Burgess, Enforcement Coordinator, NMSS
Summary of Apparent Violations	Marlone Davis, Sr. Transportation and Storage Safety Inspector, NMSS/DFM/IOB
Holtec Presentation	Holtec
Break and NRC Caucus	NRC
Questions and Discussion	NRC and Holtec
Holtec Closing Remarks	Holtec
NRC Closing Remarks	Shana Helton, Director, NMSS/DFM
Public Question and Answer Session	Public Attendees

Today's Meeting

No Final Decision on safety significance or enforcement action will be made today.

○ NRC Inspection Report ([IR07201014/2024-201](#)) provided our *current* understanding and perspective on the issue.

○ **NRC seeks Holtec's Perspective**

- Any additional details NRC should consider
- Whether findings/violations occurred
- Perceived significance of the findings/violations
- Corrective actions implemented and/or Planned Timeline



NRC Enforcement Program

- Inspection and/or Investigation
- NRC Review of Issues
- Exit Meeting with licensee
- Letter to Licensee with apparent violations
- Licensee submit written response or participate in a Pre-decisional Enforcement Conference (PEC) 
- NRC Review of ALL Information
- Final Agency Decision, and communication of final decision to Holtec

WE ARE HERE

Possible Outcomes

- No Enforcement Action Taken
- A Notice of Violation (NOV). An NOV is a written notice that a violation has occurred and how the requirement was violated. A written response from the licensee or Certificate of Compliance (CoC) holder may be required for a Notice of Violation.
- A Notice of Violation with a Civil Penalty. The purpose of a civil penalty is to emphasize compliance in a way that prevents future violations and that focuses attention on significant violations.
- And finally, in rare cases, the NRC can issue Orders – which can be used to Modify, Suspend, or Revoke a license.

Determine Significance = Severity Level

SEVERITY LEVEL – I
(most significant regulatory concern)

SEVERITY LEVEL – II
(very significant regulatory concern)

SEVERITY LEVEL – III
(significant regulatory concern)



(Escalated Enforcement)

(Non-Escalated Enforcement)

SEVERITY LEVEL – IV
(less significant concern, but more than minor)

Four factors in assessing Severity Level

- Actual Safety Consequences
- Potential Safety Consequences
- Impact on Regulatory Process - Whether the NRC was prevented from carrying out its regulatory responsibilities
- Associated willfulness

Civil Penalty



Primary considerations:

1. How the violation was identified
 2. The promptness and completeness of any corrective actions taken
- If a licensee has not had escalated enforcement in the past 2 years or 2 inspections, the only factor in determining if a civil penalty is assessed is the licensee's corrective actions.

Appeal Rights

- Holtec has the right to challenge any NRC determination or action that may be presented.
- Instructions for challenging an NRC enforcement action are included in our transmittal letter and the action itself.

Enforcement Outcomes are Publicly Available

- If NRC takes enforcement action, it will normally be **publicly available** in ADAMS and on NRC's web site.
- If a civil penalty or an order is issued, normally, a **press release** will be issued as well.

Background Information



The NRC inspection staff conducted a design inspection of Holtec International dry cask storage systems at their Advanced Manufacturing Division in Camden, New Jersey on October 21-25, 2024.



Based on the results of the inspection, the NRC staff determined that five (5) apparent violations of NRC requirements occurred.



The NRC documented the details of the inspection in an NRC letter and inspection report dated July 18, 2025 (ADAMS Accession No. [ML25177C973](#))

What is the Potential Safety Significance?

- Water could be trapped, and block air flow and operators may not see the lower vents being blocked.
- If air flow is blocked for > 32 hours, without the mitigation, fuel could exceed temperature limits. If blocked for a longer period, the MPC could exceed pressure limits.
- Operating experience at several sites shows water accumulated in unloaded casks and remained for more than 24 hours after the rain event.
- No immediate safety concern because of voluntary actions taken, to date, by licensees to limit heat load and ensure water can drain.



Drain Vent



Apparent Violation A

- 10 CFR 72.48(c)(2)(vi) “Changes, tests, and experiments (CTEs),”
 - Holtec failed to obtain a CoC amendment pursuant to 10 CFR 72.244, prior to implementing a design change that raised the air inlet vents, which were previously on the bottom of the HI-STORM FW overpack to now being in elevated positions above ground level.
 - The design change made what was deemed as a non-credible event (i.e., blocking of all inlet vents greater than 32 hours) described in the Final Safety Analysis Report (FSAR) to a credible event that would create a possibility for a malfunction of a different result than any previously evaluated in the FSAR as updated for the HI-STORM FW overpack and Multi-Purpose Canister (MPC).

Apparent Violation B

- 10 CFR 72.146 “Design changes”
- Holtec failed to subject design changes made on the HI-STORM FW overpack to design control measures commensurate with those applied to the original design.
- The design change made failed to identify that rainwater or floodwater that enters the overpack can remain trapped inside of the overpack blocking the air inlets for an extended period due to the elevated position of the air inlet vents.

Apparent Violation C

- 10 CFR 72.48(d)(1) “Changes, tests, and experiments (CTEs),”
 - Holtec failed to include a written evaluation which provided the bases for the determination that operating the HI-STORM 100 overpack without a lid outside the fuel handling building does not require a CoC amendment pursuant to paragraph (c)(2) of this section.
- Holtec stopped at a screening and failed to perform an evaluation to demonstrate that the MPC would not be adversely impacted in a configuration not previously analyzed in the FSAR as updated.



Apparent Violation D

- 10 CFR 72.48(d)(1) “Changes, tests, and experiments (CTEs),”
 - Holtec failed to include a written evaluation which provided the bases for the determination that the introduction of an alternative storage overpack related to the HI-STORM FW Version F and new common lid using an updated method of evaluation (MOE) does not require a CoC amendment pursuant to paragraph (c)(2) of this section.
 - Holtec failed to provide the bases for changing an element of an MOE when they updated software and did not compare the results of the revised software with those results described in the FSAR as updated to determine if the change needed NRC review and approval.



Apparent Violation E

- 10 CFR 72.172 “Corrective action”
 - Holtec failed to promptly identify and correct a condition adverse to quality for a Holtec design basis analysis used for the development of stress and strain curves for their storage and transportation systems.
 - The NRC discovered this issue during a review of the fuel basket violation when the staff noted that Holtec used the wrong valve in their design analysis.



Holtec International Presentation

- Holtec's Perspective on Apparent Violations
- Corrective Actions and Additional Information to Consider for Final Enforcement Decision

NRC and Holtec International Discussions and Q&A Session



NRC Regulatory Conference
with
Holtec International



NRC Caucus in Session

.....Returning shortly

NRC and Holtec International Discussions and Q&A Session



Pre-decisional Enforcement Conference Closing Remarks

Jean Fleming, Holtec International
Shana Helton, NRC

Opportunity for Public Comments

- As time permits, NRC will take public comments and questions.
- **To ask a question or provide a comment to the NRC about the information discussed today, please use the raise hand feature in TEAMS or for those on the bridge line press *5 to raise your virtual hand and wait for the facilitator to prompt. Press *6 to mute/unmute your line.**
- Please clearly state your name and affiliation before you speak

Thank you!

References

- NRC letter and Inspection Report (Accession No. [ML25177C973](#))
- NRC Presentation Slides (Accession No. [ML25240B505](#))
- Holtec Presentation Slides(Accession No. [ML25240B644](#))
- Public Meeting Notice (Accession No. [ML25224A086](#))