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July 11, 2003

Hurbert T. Bell, Inspector General  
Office of the Inspector General  
U.S. Nuclear Regulatory Commission - T5D28  
Washington, DC 20555

Dear Inspector General Bell:

It has come to my attention that on June 19, 2003, Public Citizen and Nuclear Information Resource Services requested that your office investigate alleged quality assurance violations related to the fabrication of Holtec International Incorporated spent nuclear fuel cask systems, and the subsequent failure of U.S. Nuclear Regulatory Commission ("NRC") staff to detect, investigate, and mitigate these cask system design and fabrication problems. Moreover, NRC staff recently issued a notice of violation to Holtec with respect to helium in the canister.

These matters are of great concern. The NRC is currently contemplating issuing a license to Private Fuel Storage, LLC ("PFS") to locate the largest spent nuclear fuel storage facility in the country here in the State of Utah. The PFS application contemplates an unprecedented capacity of 40,000 MTUs of spent nuclear fuel to be transported across the nation and stored in Utah. Importantly, PFS plans to utilize the same Holtec shipping and storage cask systems at issue in the June 19<sup>th</sup> Public Citizen letter. It is vital that these issues are thoroughly investigated and resolved, including 1) whether Holtec cask systems can in fact be fabricated as designed and certified, 2) whether the Holtec casks, as built, can safely transport and store spent nuclear fuel and 3) whether the NRC staff has the capability to ensure Holtec cask systems are designed, fabricated, and maintained in accordance with the applicable certificate of compliances or other approvals to protect public health and safety.

I strongly urge your office to investigate this matter promptly and thoroughly. It is not only a matter of grave importance with respect to the safety of Utah citizens, but a national concern for all citizens along transportation routes.

Sincerely,

Michael O. Leavitt  
Governor

cc: The Honorable Orrin Hatch, U.S. Senate  
The Honorable Robert Bennett, U.S. Senate  
The Honorable Chris Cannon, U.S. House of Representatives  
The Honorable Jim Matheson, U. S. House of Representatives  
The Honorable Rob Bishop, U. S. House of Representatives