

June 14, 2012

Mr. Jonny Johnson, President
Prairie Island Indian Community
5636 Sturgeon Lake Road
Welch, MN 55089

SUBJECT: INITIATION OF SECTION 106 CONSULTATION REGARDING THE PRAIRIE
ISLAND INDEPENDENT SPENT FUEL STORAGE INSTALLATION
PROPOSED LICENSE RENEWAL (DOCKET NO. 72-10)

Dear Mr. Johnson:

The U.S. Nuclear Regulatory Commission (NRC) has received an application from the Northern States Power Company – Minnesota (NSPM) to renew materials license number SNM-2506 for the Prairie Island Independent Spent Fuel Storage Installation (PI ISFSI) located in Red Wing, Minnesota, approximately 28 miles southeast of Minneapolis-St. Paul metropolitan area. NSPM is requesting that its license be renewed for a 40-year period, beginning on October 31, 2013. In 1993, the NRC issued NSPM a 20-year license to receive, possess, store, and transfer Prairie Island Nuclear Generating Plant (PINGP) spent fuel in the PI ISFSI. SNM-2506 currently allows NSPM to store up to 48 TN-40 and TN40HT casks.

The PI ISFSI site is approximately 5.5 acres in size and located within the PINGP site boundary and exclusion area. Operations include storage of and periodic transfer of filled casks to the ISFSI pad and routine inspections and monitoring of the ISFSI site. No change in routine operations or new construction and land disturbance is being requested in this license renewal. Based on this information, the “area of potential effects” (APE) for license renewal is limited to the ISFSI site and access road from the PINGP auxiliary building to the ISFSI.

NSPM has a Certificate of Need from the Minnesota Public Utilities Commission for the expansion of the ISFSI to accommodate a total of 64 casks. When expansion is necessary a separate licensing action and environmental review will occur. It is planned that two 18-foot pads would be built immediately south of the existing pads, and be large enough to accommodate eight casks apiece. Since expansion is not part of the proposed action (license renewal) but is reasonably foreseeable, these activities would be evaluated in the cumulative effects analysis.

As established in Title 10 *Code of Federal Regulations* Part 51 (10 CFR 51), the NRC regulation that implements the National Environmental Policy Act of 1969, as amended, the agency is preparing an Environmental Assessment (EA) for the proposed action. As authorized under 36 CFR 800.8, the NRC is intending to coordinate compliance with Section 106 through our NEPA process. The EA will include an analysis of potential impacts to historic and cultural resources. To support this analysis, NRC is requesting any information you may have regarding historic sites or cultural resources that may be affected by the proposed action to renew the license for the PI ISFSI. This information should also include properties of religious and cultural significance that may be eligible as a historic property under the NHPA to support the NRC

Section 106 determinations. Please contact us if you need to discuss concerns about the confidentiality of this information.

The NSPM PI ISFSI license renewal application is publicly available in the NRC Public Document Room located at One White Flint North, 11555 Rockville Pike, Rockville, Maryland 20852, or from the NRC's Agencywide Documents Access and Management System (ADAMS). The ADAMS Public Electronic Reading Room is accessible at <http://www.nrc.gov/reading-rm/adams.html>. The accession number for the application package is ML113140518. In addition, the NRC received your letter, dated June 7, 2012, regarding the ISFSI license renewal application. We are currently reviewing it and will respond via a separate letter.

Please submit any comments/information that you may have regarding this environmental review within 30 days of the receipt of this letter to the NRC Attn: Mr. Kevin Hsueh, Mail Stop T-8F05, Washington, DC 20555. If you have any questions, please contact Ms. Jean Trefethen of my staff by telephone at 301-415-5137 or by email at Jean.Trefethen@nrc.gov. Thank you for your assistance.

Sincerely,

/RA/

Larry W. Camper, Director
Division of Waste Management
and Environmental Protection
Office of Federal and State Materials
and Environmental Management Programs

Docket No.: 72-10
License No.: SNM-2506

Enclosure:
Figure 3.1-2, 5 Mile Radius Around
the Prairie Island ISFSI

cc: Phil Mahowald
Whitney White
Heather Westra

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Larry W. Camper Director
Division of Waste Management
and Environmental Protection
Office of Federal and State Materials
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Docket No.: 72-10
License No.: SNM-2506

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Figure 3.1-2, 5 Mile Radius Around
the Prairie Island ISFSI

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