

July 27, 2012

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

SUBJECT: REVIEW OF LICENSE RENEWAL APPLICATION FOR PRAIRIE ISLAND
INDEPENDENT SPENT FUEL STORAGE INSTALLATION

Dear President Johnson:

I am writing in response to your letter of June 7, 2012, regarding the U.S. Nuclear Regulatory Commission's (NRC's) review of the Northern States Power Company-Minnesota (doing business as Xcel Energy) license renewal application for its Independent Spent Fuel Storage Installation (ISFSI) at the Prairie Island Nuclear Generation Plant.

The NRC recognizes that the Prairie Island Indian Community (PIIC) has unique knowledge and insight they can provide to facilitate our environmental review and we have started developing a Memorandum of Understanding (MOU) with the PIIC. The MOU will detail our cooperating status and environmental review schedule. Ms. Jean Trefethen of my staff is coordinating this effort with PIIC representative, Ms. Heather Westra.

To work with PIIC on a government-to-government basis and further facilitate our cooperation with the PIIC, the NRC would like to schedule a Tribal consultation meeting. The NRC staff would respectfully suggest 1 or 2 days during the period of September 5, 2012, thru September 14, 2012, at a convenient time and place. The Tribal consultation meeting will provide an opportunity for NRC management to meet with the PIIC tribal officials to discuss items of mutual interest related to the Prairie Island ISFSI. Please coordinate details of this meeting with Ms. Trefethen, (301-415-5137, jean.trefethen@nrc.gov).

Our environmental review will be conducted in accordance with Title 10 of the *Code of Federal Regulations* Part 51, the NRC regulations that implement the National Environmental Policy Act of 1969, as amended. NRC staff will begin this review process by developing an environmental assessment (EA). The EA will provide sufficient evidence and analysis for determining whether to prepare an environmental impact statement or a finding of no significant impact. As part of this EA, we plan to include an environmental justice review.

J. Johnson

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The Commission is currently reviewing what further action is necessary in order to make licensing decisions that rely on the waste confidence decision and temporary storage rule. Therefore, the issue related to this rule will be addressed at a later time in accordance with the Commission's decision.

Sincerely,

/RA/

Mark A. Satorius, Director
Office of Federal and State Materials
and Environmental Management Programs

cc: V. Winfrey, PIIC
R. Johnson, PIIC
A. Childs II, PIIC
A. Bennett, PIIC

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DATE	7/11/12	7/12/12	7/17/12	7/19/12	7/23/12
OFC	OGC	DWMEP	DWMEP	FSME	FSME
NAME	CHair via email	APersinko	LCamper	PTressler for CPoland	MSatorius
DATE	7/24/12	7/24/12	7/26/12	7/26/12	7/27/12

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