

May 8, 2013

Mr. John M. Fowler, Executive Director
Advisory Council on Historic Preservation
Office of Federal Agency Programs
1100 Pennsylvania Ave, NW, Suite 803
Washington, DC 20004

**SUBJECT: PRAIRIE ISLAND INDEPENDENT SPENT FUEL STORAGE INSTALLATION
PROPOSED 40-YEAR LICENSE RENEWAL**

Dear Mr. Fowler:

The purpose of this letter is to inform the Advisory Council on Historic Preservation, as set forth in 36 CFR Part 800.8(c), that the U.S. Nuclear Regulatory Commission (NRC) intends to coordinate compliance with Section 106 with the requirements of the National Environmental Policy Act (NEPA) for the subject action.

The NRC has received an application from the Northern States Power Company d/b/a Xcel Energy (NSPM) to renew Materials License Number SNM-2506 for the Prairie Island Independent Spent Fuel Storage Installation (PI ISFSI) located in Red Wing, Goodhue County, Minnesota. The NSPM is requesting that its license be renewed for a 40-year period. In 1993, the NRC issued NSPM a 20-year license to receive, possess, store, and transfer spent fuel generated from the operation of the Prairie Island Nuclear Generating Plant (PINGP) in the PI ISFSI. License SNM-2506 currently allows NSPM to store up to 48 Transnuclear Incorporated TN-40 and TN-40HT casks.

The PI ISFSI site is approximately 2.2 hectares (ha) (5.5 acres) in size and located within the PINGP site boundary and exclusion area of approximately 2.3E6 m² (560 acres) (photo enclosed). The PI ISFSI is located approximately 45 kilometers (km) (28 miles) southeast of the Minneapolis-St. Paul metropolitan 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.

As part of the review of this application, the NRC staff is conducting an environmental review in accordance with the Title 10 of the Code of Federal Regulations Part 51 (10 CFR Part 51), which implements the requirements of the National Environmental Policy Act of 1969, as amended (NEPA). The NRC staff is preparing an Environmental Assessment (EA) to assess the environmental impacts of the proposed action. In accordance with 36 CFR Part 800.8 (coordination with the NEPA), the EA will include analyses of impacts to historic properties and cultural resources. The NRC staff is coordinating the Section 106 process of the National Historic Preservation Act of 1966, as amended (NHPA), with the NEPA review.

NSPM has a Certificate of Need from the Minnesota Public Utilities Commission for the expansion of the PI ISFSI to accommodate a total of 64 casks. When expansion is necessary a separate NRC 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.

To enhance the scope and quality of our review, the NRC staff has initiated consultation with 27 Tribes. To date, the Prairie Island Indian Community (PIIC) is the only Tribe that has expressed interest. The NRC staff invited the PIIC to participate in a site visit of the PI ISFSI on June 20-21, 2012. On September 14, 2012, the NRC hosted a government-to-government meeting with the PIIC in Rockville, Maryland to discuss their concerns and to continue development of a Memorandum of Understanding (MOU) between the PIIC and the NRC. On October 3, 2012, the NRC signed an MOU with the PIIC for the purpose of preparing the EA for the proposed license renewal. The MOU established a cooperating agency relationship between the NRC and PIIC. During the week of November 5-7, 2012, the NRC staff conducted a second site visit at the PI ISFSI and an additional consultation meeting with the PIIC to further the NRC's understanding of the general types, descriptions, identification, and evaluation of historic properties of religious and cultural significance that may be affected by the proposed action. Consultation is currently ongoing and additional meetings with the PIIC are anticipated.

For additional information regarding the proposed action, the 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 ML113040123.

J. Fowler

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If you have any questions or comments, or need any additional information, please contact Ms. Jean Trefethen of my staff by telephone at 301-415-7000 or e-mail at Jean.Trefethen@nrc.gov.

Sincerely,

/RA/

Aby Mohseni, Deputy Director
Environmental Protection
and Performance Assessment Directorate
Division of Waste Management
and Environment Protection
Office of Federal and State Materials
and Environmental Management Programs

Docket No.: 72-10

Enclosure:
Figure 5 Mile Radius Around
the Prairie Island ISFSI

cc: Johnny Johnson, Prairie Island Indian Community
Brian Zelenak, Northern States Power Company

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