



Energy Facility Permitting

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October 6, 2008

TO: William Glahn, Director
Office of Energy Security

THROUGH: Marya White, Manager

FROM: William Cole Storm, Staff
OES EFP (Tel: 651-296-9535)

RE: Structure and Charge Citizen Advisory Committee
PINGP Extended Power Uprate & Additional Dry Cask Storage Proposals
PUC Docket Number: E002/CN-08-510
PUC Docket Number: E002/GS-08-690
PUC Docket Number: E002/CN-08-509

ACTION REQUIRED: Signature of the Commissioner on the attached determination for the structure and charge of the Advisory Task Force (ATF). Once signed, the Office of Energy Security (OES) staff will appoint members to the ATF per the proposed structure and begin work on the proposed charge.

BACKGROUND: On August 1, 2008, Xcel Energy submitted a large electric power generating plant (LEPGP) Site Permit application to the Minnesota Public Utilities Commission (Commission) for the proposed Prairie Island Nuclear Generating Plant (PINGP) Extended Power Uprate (EPU) project.

The proposed EPU of 164 MWe consists of an 82 MWe net capacity uprate at Unit 1 and an 82 MWe net uprate at Unit 2. Xcel Energy proposes to complete the uprate on Unit 1 during the 2012 refueling outage and on Unit 2 during the 2015 refueling outage.

On August 14, 2008, the Commission considered the completeness of the Site Permit Application at its regularly scheduled meeting. The Commission Order, dated August 15, 2008, adopted the recommendations of the OES, except as modified regarding the advisory task force. In regards to the advisory task force, the Commission decided to take no action at that time.

If the Commission does not name a task force, the rules allow a citizen to request appointment of a task force (Minnesota Rule 7849.5580). The Commission would then need to determine at its next meeting if a task force should be appointed or not.

The proposed uprate project is also required to obtain a Certificate of Need (CON) from the Commission pursuant to sections 216C.05 to 216C.30. Xcel Energy filed an application for a CON with the Commission for the project on May 16, 2008, in accordance with Minnesota Rules Chapter 7829 and 7849.

Along with its May 16, 2008, filing, Xcel Energy also filed a CON for additional dry cask storage at the existing Independent Spent Fuel Storage Installation (ISFSI) at the PINGP. This filing was pursuant to Minn. Stat. § 116C.83, Minn. Stat. § 216B.243, and Minn. Rule 7855. The PINGP currently has State authorization for enough dry casks (e.g., 29) to store the spent fuel generated until the end of the current operating licenses in 2013 and 2014; there are currently 24 dry casks at the PINGP ISFSI. In order for the reactors to continue operation through a license renewal period to 2033 and 2034, up to an additional 35 dry casks would need to be added to the existing ISFSI.

On July 15, 2008, the Commission accepted the two CON applications as complete (July 22, 2008 order). The docket numbers for the certificate of need for the Extended Uprate and the Additional Dry Cask Storage are E002/CN-08-509 and E002/CN-08-510, respectively.

The OES EFP staff held a Public Information and Environmental Review Scoping Meeting on September 10, 2008. The purpose of the meeting was to inform the public of the project, the regulatory process, and to solicit input from the public as to the scope of the environmental review document. The comment period for the scoping process closes on October 7, 2008.

Thirty-eight persons signed the attendance sheet at the public meeting, with 10 of those persons pre-registering to speak; another five or so persons raised their hands to speak after the pre-registered speakers had their turn. The major area of concern voiced was the health and safety of the people living in close proximity to the PINGP and the associated ISFSI. Other issues included the environmental impacts from appropriating additional water from the Mississippi River, increased temperatures of the discharge water to the river and potential security of the ISFSI.

On September 11, 2008, the Commission received two requests for the establishment of an Advisory Task Force. The first request was from Mr. Sigurd Anderson representing the Communities United for Responsible Energy (CURE) and the second request was from a Mr. John Howe.

On September 25, 2008, the Commission met to consider the petition for the formation of an ATF. After hearing the interested parties and deliberating, the Commission voted to authorize the OES EFP staff to establish an advisory task force; the Commission also accepted the suggested structure and charge presented by OES staff.

CC: Deb Pile, Supervisor



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In the Matter of Xcel Energy's proposal
for the PINGP Extended Power Uprate
& Additional Dry Cask Storage projects.

ADVISORY TASK FORCE DECISION ON STRUCTURE & CHARGE

E002/CN-08-510

E002/GS-08-690

E002/CN-08-509

The above-entitled matter came before the Commissioner of the Department of Commerce (Department) for a decision on the appointment of an Advisory Task Force (ATF) to advise the Public Utilities Commission (Commission) on Xcel Energy's proposals for an extended power uprate and request for additional dry cask storage at the Prairie Island Nuclear Generating Plant (PINGP).

WHEREAS, the PUC accepted Xcel Energy's applications for a certificate of need for the extended power uprate and request for additional dry cask storage on July 15, 2008; and

WHEREAS, the PUC accepted Xcel Energy's application for a large electric power generating plant site permit for the extended power uprate on August 15, 2008; and

WHEREAS, the PUC authorized the Office of Energy Security (OES) to establish an ATF on September 25, 2008; and

WHEREAS, Minn. Rule 7849.5270 provide for the establishment of an ATF to aid and advise the Commission in evaluating sites and issues for review in the environmental document. Under these rules, the Commission shall provide guidance to the ATF in the form of a charge to the ATF and through specific requests to it; and

WHEREAS, Minn. Statute 216E.08, Subdivision 1, establishes that an ATF be comprised of at least one representative from each of the following: regional development commissions, counties and municipal corporations, and one town board member from each county in which the site is proposed to be located. This statute further stipulates that no officer, agent, or employee of the applicant shall serve on the ATF; and

THEREFORE, having reviewed this information, the Department makes the following determination with regard to the need for and charge to an ATF relating to this matter.

Advisory Task Force Authorization

As directed by the Commission, the OES establishes an ATF to advise the Commission in evaluating issues for review in the environmental document for the proposed Xcel Energy PINGP Extended Power Uprate and request for Additional Dry Cask Storage proposals.

STRUCTURE

The advisory task force members will be solicited, per Minn. Stat. 216E.08, subdivision 1, from the following:

A. Local units of government:

Goodhue County
The City of Red Wing
Township

B. Prairie Island Native American Community (members)

In addition, the Advisory Task Force will include four private citizens, who live, work or own property on or near the PINGP. Plus up to four additional members from nongovernmental organizations (Environmental Interest Groups, Chamber of Commerce, and other stakeholders). The Task Force will comprise no more than 17 members.

CHARGE

The Advisory Task Force members will assist the OES EFP staff in developing the scope of environmental review for the EIS being prepared for the three PINGP dockets currently before the Commission (PUC Dockets E002/GS-08-690, E002/CN-08-509 and E002/CN-08-510).

The OES EFP released a Draft Scoping Document on August 25, 2008; this document will service as the foundation of the ATF's work. Tasks relating to development of the scope of the environmental review will include:

1. Familiarize the membership of the ATF with the proposed projects by reviewing the Certificate of Need applications and the LEPGP Site Permit application;
2. Review the Draft Scoping Document produced by the OES EFP staff; and
3. Assist in determining specific impacts and issues of local concern that should be assessed in the EIS by adding detail to the Draft Scoping Document.

The Task Force will expire upon completing the above charge or upon designation by the Commissioner of the DOC of Scoping Decision.

The following issues will not be addressed in the scope of environmental review:

Prairie Island Plant Radiation and Safety. The EIS will summarize the environmental impacts of continued operation of the PINGP, but will not include a detailed study of these issues because the NRC will complete a detailed evaluation of environmental impacts, and mitigation options, of continued plant operations during its license renewal review. See Minn. Rule 4410.1700, subp. 6. Likewise, the EIS will summarize but not evaluate potential mitigation methods regarding radiation and safety issues of continued operation of the plant because the NRC has sole regulatory jurisdiction over those issues.

Storage Technology, Accidents, Terrorism. The EIS will summarize but not evaluate options for dry cask storage because the NRC has sole jurisdiction over whether and how spent fuel is stored on site at nuclear power plants, including ISFSI design and safety from threats such as accident and terrorism. Likewise, the EIS will not evaluate life-cycle safety of the ISFSI, ISFSI management, or the adequacy of security at the generating plant or the proposed ISFSI.

Nuclear Fuel Cycle. The EIS will not address the impacts of the nuclear fuel cycle because that issue will be addressed in the federal generic and supplemental EIS to be completed during the federal re-licensing review.

Off-Site Alternatives. The EIS will not evaluate the siting of new ISFSI sites outside the PINGP boundaries.

Economic Feasibility of Alternatives. The analysis of the economic feasibility will cover the same alternatives for which environmental impacts are evaluated, but will incorporate by reference the analysis of the Department of Commerce in the CON proceeding.

Transportation of Spent Fuel from PINGP. While certain matters regarding Yucca Mountain will be described in the EIS, the EIS will not include a discussion of any issues related to the transportation of spent nuclear fuel from Minnesota to Yucca Mountain.

Nuclear Regulatory Commission Standards. While the EIS will reference certain standards and rules promulgated by the NRC, the EIS will not address the adequacy of any federal standards that are applicable to the ISFSI or the generating plant. Nor will the EIS evaluate potential mitigation measures to reduce radiation exposure, accident risks or security requirements.

The OES energy facility permitting staff is hereby directed to solicit members for the ATF and preside over the implementation of the charge as authorized.

Signed this 6th day of October, 2008



William Glahn, Director
Minnesota Office of Energy Security