



**Environmental Quality Board**

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**STATE OF MINNESOTA  
ENVIRONMENTAL QUALITY BOARD**

**MONTICELLO INDEPENDENT SPENT FUEL STORAGE  
INSTALLATION  
ENVIRONMENTAL IMPACT STATEMENT**

In the Matter of the Application by  
Xcel Energy To The Public Utilities  
Commission For a Certificate of Need  
for a Independent Spent Fuel Storage  
Installation at the Monticello  
Generating Plant

**FINDINGS OF FACT,  
CONCLUSIONS, AND ORDER  
DETERMINING SCOPE OF  
ENVIRONMENTAL IMPACT  
STATEMENT**

**04-87-CON-Monticello**

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The above captioned matter came before the Minnesota Environmental Quality Board (MEQB) on Thursday, June 16, 2005.

**FINDINGS OF FACT**

*Proposed Project*

1. The spent fuel pool at the Xcel Energy Monticello Generating Plant will run out of room by 2010. Limited re-racking is possible that would allow the plant to operate through two more operating cycles, or another four years past 2010.
2. The federal Nuclear Regulatory Agency (NRC) operating license for the plant also expires in September 2010.
3. A certificate of need is required from the Minnesota Public Utilities Commission (PUC) for expanded spent fuel storage associated with the operation of a nuclear power plant beyond its current operating license. Minnesota Statutes § 116C.83, subd. 2 and 3.
4. Xcel Energy is proposing to expand the spent fuel storage capacity at the Monticello Generating Plant with an independent spent-fuel storage installation (ISFSI). On January 18, 2005, Xcel Energy submitted its Certificate of Need Application ("CON Application") for the Monticello ISFSI to the PUC.
5. On March 16, 2005, Xcel Energy applied to the U.S. Nuclear Regulatory Commission (NRC) for a 20-year license renewal for the generating plant. Before deciding whether to grant the 20-year license renewal, the NRC must prepare a supplemental federal environmental impact statement (EIS).

6. The NRC, through rulemaking, has issued a general license for the spent-fuel storage technology Xcel Energy proposes to use at Monticello (Transnuclear NUHOMS 61 BT). Xcel Energy must demonstrate to the NRC that the ISFSI is designed to meet the specifications incorporated in the system's NRC general license and certificate of compliance. But otherwise, no new permit or approval for the ISFSI is required from the NRC.
7. The proposed ISFSI consists of a 200 foot by 460 foot lighted area located outside the generating plant, but within plant boundaries. Spent nuclear fuel would be placed in 20-ton steel canisters and sealed by welding in the plant, transported to the storage facility in a transfer overpack, and placed in large reinforced concrete storage vaults on a reinforced concrete pad. Up to 30 storage containers and vaults would be necessary to operate the plant through 2030, and up to 65 would be needed upon plant decommissioning. The proposed ISFSI is described in detail in the CON Application.
8. In the CON Application, Xcel Energy has asked the PUC for enough additional spent fuel storage capacity to allow the plant to operate for the entire twenty year license renewal period, until 2030.

*Environmental Impact Statement Requirement*

9. Before the PUC can make its certificate of need decision for the ISFSI, the MEQB must prepare a state environmental impact statement (EIS). Minnesota Statutes § 116C.83, subd. 6(b).
10. The Minnesota Power Plant Siting Act, Minnesota Statutes §§ 116C.51 to 116C.69, does not apply to this proceeding. Instead, the EIS for the proposed ISFSI falls under the Minnesota Environmental Policy Act, Minnesota Statutes chapter 116D, and the Minnesota Environmental Review Rules, Minn. Rules chapter 4410.
11. The MEQB accepted Xcel Energy's completed data portion of the Scoping EAW for the EIS on January 24, 2005.
12. The MEQB staff prepared a draft Scope Decision and Scoping EAW, and published the document's availability in the *EQB Monitor* on March 14, 2005. MEQB staff circulated the draft Scope Decision and Scoping EAW as required by Minn. Rule 4410.2100, subp. 3. On March 17, 2005, a press release with the project description, scoping document availability, and commenting procedures was faxed to major media outlets throughout the state, including newspapers, radio, and television, and to the local newspaper, the *Monticello Times*.
13. Copies of the draft Scoping Document and Scoping EAW were by March 14, 2005, placed in the following locations: Monticello Public Library - 200 West 6th St, Monticello, Big Lake Public Library; 160 Lake St S, Big Lake, 55309; Becker

Public Library; 11500 Sherburne Ave, Becker, 55308; the DNR Library, 500 Lafayette Road, St. Paul; the Minneapolis Public Library – Technology and Science, 250 Marquette Avenue, Minneapolis. The documents were also posted on the State of Minnesota's North Star web site and the EQB web site, and e-mailed and mailed to the project distribution list.

14. Within the minimum 30 day comment period on the draft EIS scoping decision and scoping EAW, the EQB must hold at least one public meeting. Minn. Rule 4410.2100, subp. 3.
15. A public open house/scoping meeting was held Monday, April 4, 2005 beginning at 2:00 pm until approximately 9:00 p.m. at the Monticello Community Center, Mississippi Room, 505 Walnut Street in the City of Monticello, Minnesota. EQB staff and staff from Nuclear Management Company (operator of the Monticello Generation Plant) made presentations at 7:00, followed by public comments and discussion. Approximately six members of the public attended the open house, in addition to state agency and utility staff.

#### *Public Comments*

16. The formal 30-day scoping comment period ended on April 13, 2005; however, EQB staff accepted late comments as well.
17. Written comments were received from the following individuals or organizations:
  - a. Xcel Energy (James Alders);
  - b. Minnesota Department of Commerce (Steve Rakow);
  - c. Andy Edgar;
  - d. Mary Curtis;
  - e. Lee Dilley;
  - f. Dawn Froelich;
  - g. Sara Johnson;
  - h. Lucille M. Hick;
  - i. Carol Overland, Esquire;
  - j. North American Water Office (George Crocker);
  - k. Minnesotans for an Energy Efficient Economy (Beth Goodpaster); and
  - l. River Communities United for Responsible Energy, or R-CURE; (Kristen Eide-Tollefson).
18. Comments on the EIS scope addressed numerous issues, including the likely term of storage for the spent fuel to be studied in the EIS, the scope and importance of federal preemption over radiation health and safety, and role of state and federal agencies in their respective regulatory processes, and the scope of alternatives to continued operation of the Monticello Generating Plant past 2010.

19. In response to these comments, the draft scoping decision and Scoping EAW were revised to include (1) an analysis of the impacts of on-site storage for up to 200 years, (2) a clarification that despite federal preemption, the EIS will address radiological health and safety issues in order to inform the public, inform the NRC, and compare generation alternatives, but will not include detailed independent studies of radiological health and safety issues, and (3) a revised process for defining one or more renewable "distributed energy" alternatives to the Monticello Generating Plant. Other changes include editing for clarification and the addition of a regulatory/ timeline/impact matrix to the EIS. Although some comments requested it, the revised scope of the EIS does not include an analysis of impacts of permanent storage of the spent nuclear fuel on-site at Monticello.

#### *Federal and State Cooperation*

20. The United States Nuclear Regulatory Commission (NRC) will be completing a supplemental environmental impact statement as part of its review of Xcel Energy's license renewal application. The NRC supplemental environmental impact statement and procedures required under the National Environmental Policy Act will overlap with the state environmental impact statement in some areas.
21. Minnesota Rules part 4410.3900 states that state governmental units shall cooperate with federal agencies to the fullest extent possible to reduce duplication between Minnesota Statutes, chapter 116D, and the National Environmental Policy Act, United States Code, title 42, sections 4321 to 4361. Minn. Rule 4410.3900, subp. 3, also says, in relevant part, "the RGU shall utilize the draft or final federal EIS as the draft state EIS for the project if the federal EIS addresses the scoped issues and satisfies the standards set forth in part 4410.2300."
22. The EQB and the NRC will cooperate, therefore, to the maximum extent possible to reduce duplication. However, because the NRC does not expect to complete a draft EIS until March or April of 2006, the federal EIS will not be available in time for use as a replacement for the state EIS. In addition, as proposed, the focus of the state EIS is on the proposed ISFSI and the NRC EIS is on the impacts of continued operation of the Monticello Generating Plant.

#### *Staff Recommendation*

23. EQB staff revised the draft Scoping Decision and Scoping EAW based on public comments. Staff recommends the EQB adopt the attached Scoping Decision and Scoping EAW, dated June 16, 2005.

Based upon the foregoing Findings of Fact, the Environmental Quality Board makes the following

### CONCLUSIONS

1. The Minnesota Environmental Quality Board (MEQB) has fulfilled all relevant procedural requirements of law or rule, including the required notice of the availability of the draft Scoping Decision and Scoping EAW and public comment period.
2. The MEQB has the authority to determine the scope of the environmental impact statement required by Minn. Stat. § 116C.83, subd. 6(b).
3. A joint federal/state EIS on the proposed Xcel Energy ISFSI at its Monticello Generation Plant is not feasible for the reasons cited above, so the state EIS will proceed separately but with maximum cooperation with the NRC.
4. The scope of the analysis planned for the EIS as described in the Scoping Decision and Scoping Environmental Assessment Worksheet, dated June 16, 2005, is reasonable and appropriate.
5. Any findings that might properly be termed conclusions and any conclusions that might properly be termed findings are hereby adopted as such.

Based upon the foregoing Findings of Fact and Conclusions, the Environmental Quality Board makes the following

### ORDER

**IT IS HEREBY ORDERED** that the environmental impact statement on the proposed Xcel Energy ISFSI at Monticello include the information required by Minn. Rule part 4410.2300 and other relevant requirements of Minnesota Rules Chapter 4410, as well as the issues and environmental factors outlined in the Scoping Decision and Scoping EAW for the project, dated June 16, 2005.

Approved and adopted this 16th day of June, 2005.

STATE OF MINNESOTA  
ENVIRONMENTAL QUALITY  
BOARD



Robert A. Schroeder,  
Chair