



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

December 2, 1996

Curtis Campbell, Sr., President
Prairie Island Indian Community
5636 Sturgeon Lake Road
Welch, Minnesota 55089

Dear Mr. Campbell:

On April 4, 1995, representatives from the Prairie Island Dakota Indian Community (Community) met with staff from the U.S. Nuclear Regulatory Commission (NRC). The purpose of this meeting was to discuss the Community's proposed multi-agency memorandum of understanding (MOU) concerning the Prairie Island Nuclear Power Plant and the NRC's March 27, 1995 letter in which the NRC staff declined to sign the proposed MOU. In the course of discussions at the April 4 meeting, Community representatives asked two questions which posed significant policy issues requiring Commission consideration. The Commission has carefully considered these questions and has recently provided its direction to the NRC staff.

The first question was whether, in lieu of signing the multi-agency MOU proposed by the Community, NRC would consider entering into a two-party general MOU with the Community for the purpose of enumerating NRC's responsibilities relative to regulation of the Prairie Island plant in light of the health and safety concerns of the Prairie Island Dakota Indian Community. In addition, the general MOU would describe how the two parties communicate and share information.

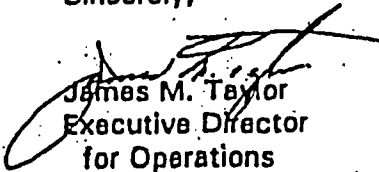
The Commission has directed the staff to continue to implement the spirit and letter of President Clinton's April 29, 1994 executive memorandum to ensure that the rights of sovereign Tribal governments are fully respected and to operate within a government-to-government relationship with Federally-recognized Native American Tribes. As you know, the NRC staff has met with representatives from the Community, including members of the Tribal Council, on several occasions on issues such as the status of dry cask storage activities at the Prairie Island plant. Points of contact have been established between the Community and the NRC staff for information exchange. In addition, the Tribal Council has been placed on standard distribution for the Prairie Island dockets for the plant, the onsite independent spent fuel storage facility and the proposed Goodhue County offsite independent spent fuel storage installation (ISFSI). As such, the Community has been provided with the Prairie Island plant inspection and effluent reports, meeting notices, general correspondence and enforcement notifications, as well as all communications associated with the proposed offsite ISFSI. The Commission believes that the current mechanisms in place for staff interactions with the Community are appropriate, and does not desire to negotiate a two-party general MOU at this time. However, this letter will serve as an additional commitment that the NRC will continue the cooperative relationship which has been established with the Community.

The second policy issue raised at the meeting was whether the NRC would be willing to extend the Commission's "Policy on Cooperation With States at Commercial Nuclear Power Plants and Other Utilization and Production Facilities" to representatives of the Prairie Island Dakota Community. This policy sets out the general framework for cooperating with States concerning NRC-licensed production and utilization facilities by routinely providing information to the Governor-appointed State Liaison Officer and responding to requests from States in a timely manner. In addition, the policy establishes procedures for qualified State representatives to observe NRC inspections and the general guidance for negotiating an MOU which would allow qualified host States to perform inspections for and on behalf of the NRC. A host State is defined in the policy statement as a State in which the NRC-licensed facility is located. Under the policy, adjacent States are given the opportunity to observe NRC inspections. An adjacent State is defined as a neighboring State located within the 10-mile emergency planning zone of a plant.

The Commission indicated that representatives from the Community, similar to an adjacent State, can observe NRC inspections at the Prairie Island Nuclear Power Plant provided that the Community meets the same NRC requirements as an adjacent State. Under the Commission's policy, a State must satisfy certain requirements to observe NRC inspections and/or inspection entrance and exit meetings. The State representative must be knowledgeable in radiological health and safety matters and, among other things, have made advance arrangements with the licensee for site access training and badging, and must satisfy escort and confidentiality requirements. Enclosed for your consideration is a protocol for State observation which can serve as a model for Tribal observation. The same protocols for a host State apply to an adjacent State (or in your case, Tribal) observer. A request for observation should be submitted to A. B. Beach, Region III Administrator. If the host State and the Community request observation of the same inspection, the Regional Administrator will make the final determination on the number of observers who may accompany the inspection. James Lynch, Region III State Liaison Officer, will provide you with further details regarding observations of NRC inspections.

NRC Chairman Shirley Ann Jackson is available to meet with you to discuss the Commission's decision. The NRC looks forward to continuing the positive dialogue which has been established. If you have any questions, please call Mr. Lynch at (630) 829-9661.

Sincerely,


James M. Taylor
Executive Director
for Operations

Enclosure:
As stated

cc: Ada E. Deer, Assistant Secretary-Indian Affairs, DOI
Larry Morrin, Acting Area Director, BIA-Minneapolis
Roger Anderson, Northern States Power Co.
Heather Westra, Community Environmental Services, PIIC
Krista Sanda, Minnesota Department of Public Service