John D. Parkyn Chairman of the Board and CEO Private Fuel Storage, LLC P.O. Box C4010 La Crosse, WI 54602-4010

Dear Mr. Parkyn:

Your letter to President George W. Bush dated October 5, 2005, has been referred to the U.S. Nuclear Regulatory Commission (NRC) for review. In your letter, you noted that the NRC has approved a license for Private Fuel Storage, LLC (PFS), and you offered to explain the PFS "option" to the President's staff.

As you are aware, the Commission, in its Memorandum and Order, CLI-05-19, dated September 9, 2005, authorized the NRC staff, upon making the requisite findings on all non-contested issues, to issue a license to PFS to construct and operate its proposed facility. That process is nearing completion at this time, but a license has not yet been issued or finally approved.

Prior to issuing a license, the NRC must assure that it has complied with applicable laws, including the National Historic Preservation Act (NHPA). The NRC, the Bureau of Land Management (BLM), the Bureau of Indian Affairs, and the Surface Transportation Board have worked together to fulfill their NHPA Section 106 obligations. As you know, this has led to the development of a Memorandum of Agreement (MOA) for the protection of historic and cultural resources, and draft treatment and discovery plans to assure the mitigation of any adverse impact on such resources. All necessary parties have signed the MOA, with the exception of BLM and the Utah State Historic Preservation Officer, who have declined to sign the MOA at this time. Accordingly, the NRC, by letter dated November 22, 2005, notified the Advisory Council on Historic Preservation (ACHP) that the NRC is terminating the Section 106 consultation process, pursuant to 36 CFR 800.7, and requested the ACHP's comments on such termination. The ACHP is required to provide such comments within 45 days, after which the NRC will proceed to make a final determination on its licensing action.

If you have any questions about this matter, please do not hesitate to contact Mr. Stewart Brown of my staff at (301) 415-8531.

Sincerely, /RA/

Jack R. Strosnider, Director Office of Nuclear Material Safety and Safeguards

Docket No. 72-22

cc: PFS Service Lists
List of MOA Signatories & Concurring Parties
Melissa S. Bennett

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Jack R. Strosnider, Director
Office of Nuclear Material Safety
and Safeguards

Docket No. 72-22

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Melissa S. Bennett

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