

June 24, 2004

Mr. Alan Stanfill
Senior Program Analyst
Advisory Council on Historic Preservation
12136 West Bayaud Avenue, Suite 330
Lakewood, CO 80228

SUBJECT: NOTIFICATION OF INTENT TO PREPARE A MEMORANDUM OF
AGREEMENT FOR THE LOUISIANA ENERGY SERVICES PROPOSED
NATIONAL ENRICHMENT FACILITY

Dear Mr. Stanfill:

As you are aware, by letter dated December 12, 2003, Louisiana Energy Services (LES) submitted an application to the U.S. Nuclear Regulatory Commission (NRC) for a license to construct, operate, and decommission a gas centrifuge uranium enrichment facility to be located near Eunice, New Mexico. The proposed enrichment facility covers an area of approximately 543 acres. Construction activities, including permanent plant structures, temporary construction facilities, contractor parking and lay-down areas, would disturb 200 acres.

In September 2003, LES performed a cultural resource inventory of the proposed site. Seven prehistoric archeological sites were identified with several of these sites occurring in the Area of Potential Effects (APE). The APE is considered the proposed site area including the permanent and temporary building(s) footprints, parking and lay-down areas, and all site access roads. In addition, the undertaking is located on the land currently owned by the State of New Mexico. However, in a land exchange process, this land would be deeded to LES. This land exchange process would be considered an adverse effect to these seven sites. A copy of the cultural resources report documenting the cultural resource inventory is enclosed.

In accordance with NRC regulations at 10 CFR Part 51 and the National Environmental Policy Act, the NRC staff is preparing an Environmental Impact Statement (EIS) on the proposed facility which will assess the potential impacts of the proposed facility on the historic and archaeological resources of the area and on the cultural traditions and lifestyle of Indian tribes. The NRC staff will develop a Memorandum of Agreement (Agreement) with the New Mexico State Historic Preservation Officer, the New Mexico State Land Office and LES to ensure that the proposed action is undertaken in accordance with the requirements of Section 106 of the National Historic Preservation Act.

Pursuant to the requirements of 36 CFR 800, the NRC staff is notifying the Advisory Council on Historic Preservation (Council) of its intent to prepare the Agreement. The NRC staff recognizes that criteria exist for the Council's involvement in reviewing individual Section 106 cases. As described in Appendix A to 36 CFR 800, one of these criteria is whether the undertaking has the potential for presenting procedural problems. As discussed in the telephone conference calls on June 9, 2004 and June 22, 2004, the Agreement will address the land exchange process and its impacts on cultural resources.

Also, the NRC staff has offered Indian tribes that may be concerned with the possible effects of the proposed action on historic properties, an opportunity to participate in the Section 106 consultation process. As specified in 36 CFR 800.6, a copy of the executed Agreement will be submitted to the Council.

If you have any questions or comments, please contact Melanie Wong at (301) 415-6262.

Sincerely,

/RA/

Scott C. Flanders, Deputy Director
Environmental and Performance Assessment
Directorate
Division of Waste Management
and Environmental Protection
Office of Nuclear Material Safety
and Safeguards

Docket: 70-3103

Enclosure: Cultural Resources Inventory
for the National Enrichment Facility (ML040930424)

cc: Service List (w/o enclosure)

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