

January 27, 2006

ACHP, Office of Federal Agency Programs
Attention: Don Klima, Director
1100 Pennsylvania Avenue NW, Suite 809
Washington, D.C. 20004

SUBJECT: SECTION 106 CONSULTATION REFERRAL FOR THE PROPOSED
AMERICAN CENTRIFUGE PLANT, PIKE COUNTY, OHIO

Dear Mr. Klima:

The U.S. Nuclear Regulatory Commission (NRC) is providing additional information relevant to the Section 106 consultation for USEC Inc.'s proposed American Centrifuge Plant (ACP). The NRC informed the Council by letter dated May 20, 2005, of its intent to use the National Historic Preservation Act (NEPA) process to fulfill NRC responsibilities under Section 106 of the NEPA. We subsequently transmitted a copy of the draft environmental impact statement (DEIS) by letter dated September 6, 2005.

This letter is submitted in fulfillment of 36 CFR 800.8(c)(2)(ii), to refer to you objections by a consulting party on the NRC's compliance with Section 106 through use of its NEPA process and of the NRC's findings of no effect on historic properties that were presented in the DEIS.

Enclosed is a complete chronological listing of Section 106 correspondence regarding the proposed undertaking that is directly available at the NRC's website: <http://www.nrc.gov/materials/fuel-cycle-fac/summ-section-106.html>. Table 1 provides a listing of all correspondence to and from Federal, state, and local government organizations. Table 2 provides a listing of all correspondence to and from Indian tribes. Table 3 provides a listing of all correspondence to and from the objecting party, Mr. Geoffrey Sea. The documents listed in Table 3 include Mr. Sea's scoping comments, his pleadings as an intervenor, his oral comments at a public meeting, email communications, and the appendices to his promised written comments submitted on the DEIS. The actual comments were not received by the NRC as Mr. Sea indicated that he would be providing them directly to the Council. Finally, Table 4 provides a listing of publicly available cultural resource surveys and related information. Additionally, the NRC is maintaining a public website, <http://www.nrc.gov/materials/fuel-cycle-fac/usecfacility.html>, that provides access to information concerning the NRC's safety and environmental review for the proposed ACP, and includes a link to the DEIS.

In the DEIS, the NRC staff presents a discussion of historic resources in Chapter 3 on pages 3-5 to 3-11. Subsequently, the staff presents a discussion of impacts to historic resources in Chapter 4 of the DEIS on pages 4-4 to 4-7. On page 4-5 of the DEIS, the NRC staff identifies historic properties and other properties that may be eligible for the National Register within the area of potential effects (APE) of the project. After consideration of the construction and operations activities that might affect these properties, the DEIS concludes that the project will have no effect on historic properties or potentially Register-eligible properties within the APE.

Because of Mr. Sea's concerns about effects on his house, known as The Barnes Home, which is adjacent to the APE, a structure that is likely Register-eligible under Criteria A and C, the DEIS also considered potential effects on this property. Similarly, because of the concerns of Mr. Sea and those of two Native American tribes about the possible project effects on the Scioto Township Works (approximately 1 kilometer from the proposed ACP), a prehistoric earthworks listed on the National Register for Criterion D values, the NRC also considered possible effects on this property. The visual setting, noise levels, and traffic levels around these properties are unlikely to change significantly from current conditions as a result of the project. Consequently, in both cases, the DEIS analysis on pages 4-5 to 4-7 found that activities associated with construction and operation of the American Centrifuge Plant would have no effect on the attributes that contribute to historic significance of the properties. The NRC's evaluation of effects on the Scioto Township works presumed that Native American concerns related to attributes under Criterion A. The NRC has asked the Native American tribes to provide more information about the values of concern associated with the Scioto Township works, but has received no information from the tribes beyond what is provided in the enclosed referenced materials.

Mr. Sea has also indicated concerns about what appeared to be prehistoric earthworks at one of the well fields that will supply water for the proposed ACP. The DEIS presents a discussion of impacts from the well field in question on page 4-7 and the NRC's findings that there would be no effect on these apparent earthworks. Subsequent to publication of the DEIS, the NRC received a statement from Mr. Blaine Bleekman (see Table 4 in enclosure), a local resident, who described construction of three levies along the Scioto River after a 1959 flood, including the levy that Mr. Sea is concerned about. While it appears most likely that these structures are recently constructed flood control levies, it is still the NRC's position that there will be no effect on these structures from continued pumping at this U.S. Department of Energy (DOE) well field

Mr. Sea is also concerned about several other properties, including the Rittenour Home, the Sargent Home, and the location where the last passenger pigeon was killed, but these are further from the proposed ACP than the Barnes House or Scioto Township Works and so were not considered in the DEIS analysis.

Finally, Mr. Sea believes that we have not properly carried out the Section 106 consultation requirements nor have we properly incorporated Section 106 compliance into the NRC's NEPA process as described in 36 CFR 800.8.

While you will be able to review the materials, it appears to the NRC that Mr. Sea believes there is a historic landscape linking the prehistoric Scioto Township Works; the historic Barnes Home, Rittenour Home, Sargents Home, and the passenger pigeon kill site; and the Portsmouth Gaseous Diffusion Plant Historic District. He disagrees that NRC has adequately identified historic properties because the NRC's analysis has not considered this historic landscape. Mr. Sea has a vision of promoting tourism to this landscape to enable public appreciation of the history represented on this landscape. He feels that NRC's action in approving the license for the ACP will lead to future operations on a DOE site that he believes would otherwise be closed. He believes that continuing operations at the DOE site would diminish the opportunity for public appreciation of the historic values in the landscape. He finds this to be an effect on those historic properties and cultural resources.

Additionally, the NRC has received comments from the Ohio Historic Preservation Office that suggest the usage of “small” to characterize impacts in the NEPA document following description of findings of “no effect on historic properties” may be confusing, and that there may be some observable impacts that are better described as “moderate” in level although these impacts do not extend to attributes that contribute to the properties’ National Register eligibility. The NRC will clarify this language in the DEIS.

The NRC believes that it has met its Section 106 obligations including the identification of consulting parties, identification of historic properties within and beyond the APE, and that its assessment of project effects are correct. We welcome the Council’s review of Mr. Sea’s objections and look forward to learning of the Council’s findings.

If you have any questions about this information or wish to provide any other additional information please feel free to respond in writing or to contact Matthew Blevins by phone at 301-415-7684 or by e-mail at MXB6@nrc.gov. Mr. Blevins will be happy to set up a meeting or telephone conference to facilitate the consultation.

Sincerely,

/RA/

B. Jennifer Davis, Chief
Environmental Review Section
Division of Waste Management
and Environmental Protection
Office of Nuclear Material Safety
and Safeguards

Docket No.: 70-7004

Enclosures: As stated

cc: w/o enclosures, see attached list

Additionally, the NRC has received comments from the Ohio Historic Preservation Office that suggest the usage of “small” to characterize impacts in the NEPA document following description of findings of “no effect on historic properties” may be confusing, and that there may be some observable impacts that are better described as “moderate” in level although these impacts do not extend to attributes that contribute to the properties’ National Register eligibility. The NRC will clarify this language in the DEIS.

The NRC believes that it has met its Section 106 obligations including the identification of consulting parties, identification of historic properties within and beyond the APE, and that its assessment of project effects are correct. We welcome the Council’s review of Mr. Sea’s objections and look forward to learning of the Council’s findings.

If you have any questions about this information or wish to provide any other additional information please feel free to respond in writing or to contact Matthew Blevins by phone at 301-415-7684 or by e-mail at MXB6@nrc.gov. Mr. Blevins will be happy to set up a meeting or telephone conference to facilitate the consultation.

Sincerely,

/RA/

B. Jennifer Davis, Chief
 Environmental Review Section
 Division of Waste Management
 and Environmental Protection
 Office of Nuclear Material Safety
 and Safeguards

Docket No.: 70-7004

Enclosures: As stated

cc: w/o enclosures, see attached list

DISTRIBUTION: EPADr/f LCamper SFlanders YFaraz BSmith
 LWilliamson RLinton CWalls JHenson, RII RVirgilio, OSP
 LRakovan, EDO JGiitter SEchols RPierson MBupp, OGC
 DMcIntyre, OPA JClifford DMartin MBurrell, OE

ML060120438

| | | | | |
|-------------|----------|----------|----------|--|
| OFC | DWMEP:PM | DWMEP:SC | OGC | |
| NAME | MBlevins | BJDavis | LClark | |
| DATE | 01/23/06 | 01/27/06 | 01/17/06 | |

OFFICIAL RECORD COPY

USEC Service List

cc:

William Szymanski
U.S. Department of Energy
1000 Independence Ave, SW
Washington, DC 20585

Michael Marriotte
Nuclear Information and Resource Service
1424 16th St., NW
Washington, DC 20036

The Honorable Robert Ney
Congressman
c/o Carrie Mytinger
51 E Second Street
Chillicothe, OH 45601

The Honorable George V. Voinovich
United States Senator
524 Hart Senate Office Building
Washington, DC 20510

Mr. Marvin Jones
President and CEO
Chillicothe Chamber of Commerce
165 South Paint Street
Chillicothe, OH 45601

The Honorable Mike DeWine
United States Senator
140 Russell Senate Office Building
Washington, DC 20410

The Honorable Bob Taft
Governor of Ohio
77 South High Street
30th Floor
Columbus, Ohio 43215-6117

Ms. Mary Glasgow
601 Chillicothe Street
Portsmouth, Ohio 45662

Mr. Teddy L. Wheeler
Pike County Auditor
Pike County Government Center
230 Waverly Plaza, Suite 200
Waverly, Ohio 45690-1289

Mr. Harry Rioer
Pike County Commissioner
230 Waverly Plaza, Suite 1000
Waverly, Ohio 45690

Mr. Larry E. Scaggs
Township Trustee
230 Waverly Plaza, Suite 1000
Waverly, Ohio 45690

Kara Willis
16 North Paint St., Suite 102
Chillicothe, Ohio 45601

Jim Brushart
Pike County Commission Chair
230 Waverly Plaza Suite 1000
Waverly, Ohio 45690

Mr. David Bowe
ATTN: Mail Stop 4025
P.O. Box 628
Piketon, OH 45661

Mr. Blaine Beekman
Executive Director
Pike County Chamber of Commerce
12455 State Route 104
Waverly, OH 45690

Billy Spencer
Mayor of Piketon
P. O. Box 547
Piketon, Ohio 45661

Rocky Brown, Mayor of Beaver
7677 State sr335
Beaver, Ohio 45613

Mr. Geoffrey Sea
The Barnes Home
1832 Wakefield Mound Road
Piketon, OH 45661

Ms. Vina K. Colley, President PRESS
3706 McDermott Pond Creek
McDermott, Ohio 45652

Mr. Peter J. Miner, Licensing Manager
USEC, Inc.
6903 Rockledge Drive
Bethesda, MD 20817

Mr. Randall De Vault
U.S. Department of Energy
P.O. Box 2001
Oak Ridge, TN 37831

Mr. Dan Minter
Southern Ohio Development Initiative
P.O. Box 467
Piketon, OH 45661

Mr. James R. Curtiss
Winston & Strawn,
1700 K Street, NW
Washington, DC. 20006

Mr. Teddy West
2170 Wakefield Mound Road
Piketon, OH 45661

Ms. Carol O'Claire, Supervisor
Radiological Branch
Ohio Emergency Management Agency
2855 West Dublin-Granville Road
Columbus, OH 43235-2206

Mr. Rod Krich, Vice President
Licensing Projects
Exelon Generation Co.
4300 Winfield Road
Warrenville, IL 60555

Mr. Lindsay A. Lovejoy, Jr.
Nuclear Information and Resource Service
618 Paseo de Peralta, Unit B
Santa Fe, NM 87501

Mr. Robert Huff, President and CEO
Portsmouth Area Chamber of Commerce
324 Chillicothe St.
P.O. Box 509
Portsmouth, OH 45662

Robert E. Owen
Chief, Bureau of Radiation Protection
Ohio Dept. Of Health
35 East Chestnut Street
Columbus, OH 43215

Donald J. Silverman
Morgan, Lewis and Bockius
1111 Pennsylvania Ave, NW
Washington D.C. 20004

Ewan Todd
403 E. Oakland Avenue
Columbus, OH 43202

Ms. MarJean Kennedy
Regional Representative
Governor's Office
of Economic Development
15 N. Paint St., Suite 102
Chillicothe, OH 45601

Ms. Joyce Leeth
Pike County Recorder
230 Waverly Plaza, Suite 500
Waverly, OH 45690

Mr. Dwight Massie
c/o The First National Bank
P.O. Box 147
Waverly, OH 45690-0147

Mr. Marvin Jones
President and CEO
Chillicothe Chamber of Commerce
165 South Paint Street
Chillicothe, OH 45601