RICHARD E. BLUBAUGH
Vice President – Health Safety
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POWERTECH (USA) INC.

August 31, 2011

Kevin Hsueh, Branch Chief
Environmental Review Branch B
Environmental Protection and Performance Assessment Directorate
Division of Waste Management and Environmental Protection
Office of Federal and State Materials and Environmental Management Programs
U.S. Nuclear Regulatory Commission
Mail Stop T8-FO5
Washington, DC 20555-0001

Re: Powertech (USA) Inc.'s Response to NRC Request for National Historic Preservation Act Section 106 Information; Docket No. 040-09075

Dear Mr. Hsueh:

Attached please find a proposal, developed by SRI Foundation, to support Cameco Resources and Powertech (USA) Inc. efforts to collect National Historic Preservation Act Section 105 information required for the NRC evaluation of proposed Powertech (USA) Inc. operations at the proposed Dewey-Burdock Project.

Should you have any questions, please do not hesitate to contact the undersigned at (303) 790-7528.

Respectfully yours,

Richard E. Blubaugh

Enclosure
cc: R.F. Clement, President and CEO

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Proposal from Cameco Resources and Powertech Inc.
to the U.S. Nuclear Regulatory Commission

A plan for assisting NRC, as the Federal lead agency for Section 106, by gathering information about properties of religious and cultural significance to Federally-recognized Indian tribes that may be affected by their proposed undertakings

Cameco Resources and Powertech Inc. (hereafter "the companies") propose to carry out a phased program of information gathering with Indian tribes, as described below, in order to identify places of religious and cultural significance to those tribes that may be affected by the proposed Three Crow, Crow Butte, North Trend, Marsland (Cameco), and Dewey-Burdock (Powertech) projects. These efforts will be carried out in response to NRC's letter of August 5, 2011, to John Schmuck at Cameco and of August 12, 2011 to Richard Blubaugh of Powertech, requesting additional information on historic properties in support of compliance with Section 106 of the National Historic Preservation Act of 1966 and its implementing regulation, 36 CFR part 800. The companies have secured the services of the SRI Foundation (SRIF) of Rio Rancho, NM to assist them in this effort. Unless otherwise indicated, all tasks below will be carried out by SRIF under the direction of the companies.

Phase 1

- Prepare a written plan detailing how the companies propose to proceed and a final list of tribes to be contacted. The companies will submit the plan and list of tribes for review by NRC (and by BLM and SHPOs if they wish to review).
- Define a general study area, encompassing all five proposed undertakings, and two proposed expanded areas of potential effects (APEs; 36 CFR §800.4(a)), one including all areas from which the Dewey-Burdock project will be visible and one encompassing all areas from which any of the four Cameco project areas will be visible. These expanded APEs will take into account the potential sensitivity of places of religious and cultural significance to indirect effects.
- Touch base with NRC review and cultural resource staff; Wyoming, South Dakota, and Nebraska State Historic Preservation Officers (SHPOs); and Bureau of Land Management (BLM) South Dakota Field Office personnel to introduce the information-gathering effort and SRIF staff, and secure agency input on how this effort should proceed. Among the issues to raise: the list of tribes to be contacted, proposed expanded APEs, Advisory Council on Historic Preservation (ACHP) involvement, SHPO preferences for reviewing documents, BLM's preference for level of involvement, and available information about previously conducted ethnographic research.

- Review NRC documentation concerning previous consultation with tribes and any NRC policies or protocols for tribal consultation.
- Touch base with company attorneys to identify any sensitive issues relative to current administrative appeals or future litigation.
- Revise the plan and the list of tribes to reflect NRC (and SHPO and BLM, if participating) comments.

Phase 2

- Assist the companies in developing joint or separate RFPs to secure the services of appropriate ethnographers to complete identification of properties of religious and cultural significance (36 CFR §800.3(c)(2)(B)(ii)) within the two APEs. Assistance may include identifying potential ethnographic consultants, developing scopes of work, and reviewing and commenting on proposals received.
- Develop a brief overview of Native American use and practices in the study area encompassing the companies' project areas to serve as a context; this overview will include information on types of traditional cultural properties typically encountered in this region.
- Develop a script for initial tribal contacts concerning the information-gathering project, and identify supporting materials to be included. The supporting materials may include maps of the projects and areas to be studied (the APEs), photographs of what developed in situ uranium recovery projects look like, an animation of how the in situ recovery process works, etc. Parameters: Information provided should be brief, clear, and nontechnical. Tribes will be provided with a choice among several possible levels of future participation ranging from "not interested in being consulted about these projects" through "would like to be informed about results of efforts to identify archaeological sites and traditional cultural places" through "wish to participate in field visits and ethnographic interviews." Tribes will be encouraged to offer any comments on the proposed areas to be studied.
- Submit script and materials for review by the companies
- Companies submit script and accompanying materials for review by NRC (and BLM if they wish to participate)
- Revise script and materials per NRC (and BLM) comments

Phase 3

- Make initial contacts with all tribes on the final list. Although NRC has already initiated consultation about these undertakings by letter, it would be most effective if the initial contact about this information-gathering effort were to come from NRC based on draft letters and materials provided by the companies and developed by SRIF. Alternatively, the information sent to the tribes could include copies of the

letters from NRC to the companies requesting that the companies gather additional information on traditional cultural properties.

- Follow up with the tribes as needed to secure a response and decision from as many tribes on the list as possible.
- Maintain a detailed record of tribal contacts and responses.
- Provide information to the companies and NRC about tribes wishing to participate in field visits and ethnographic interviews, tribes wishing to participate at lesser levels of consultation, and tribes not wishing to participate.
- Adjust boundaries of the two expanded APEs in response to tribal comments if needed, and coordinate this with SHPOs and NRC.
- Prepare draft letters for NRC's use (if they so wish) to formally invite the interested tribes to be consulting parties for the appropriate Section 106 undertaking or undertakings .

Phase 4

- Provide assistance to the companies in managing the ethnographic contracts: monitor schedules, recordkeeping, and results; assist contractors with any problems; review reports; ensure that contractors are gathering the needed information about identification, eligibility, effects, and potential measures to resolve any adverse effects.
- Provide monthly updates on the progress of the project to the companies for submission to NRC (and BLM if they wish to receive these reports).
- Communicate with those tribes who asked to be kept informed as the projects proceed.

Phase 5

- Assemble information from contractors and prepare eligibility recommendations (36 CFR §800.4(c)) for traditional cultural properties in the Cameco and Powertech APEs.
- The companies then submit these eligibility recommendations to NRC for consultation with SHPOs and tribes (and BLM if any properties are on BLM-managed lands).
- Assemble information from contractors, apply the criteria of adverse effect (36 CFR §800.5(a)), and prepare recommendations concerning the effects of in situ recovery development activities on eligible or listed historic properties within the APEs.
- The companies then submit these effect recommendations to NRC for consultation with SHPOs and tribes (and BLM if any properties are on BLM-managed lands).

Optional Phase 6

- If any adverse effects are identified during Phase 5, assist the company or companies and the NRC to complete consultations with BLM, the SHPO(s) and tribal consulting parties (and ACHP, if they choose to participate) to identify measures to resolve the adverse effects (36 CFR §800.6).
- Prepare a draft Section 106 agreement document (or documents, if multiple Section 106 undertakings are found to have adverse effects (36 CRF §800.6(c) or §800.14(b)(3)) and submit to NRC.