

April 8, 2014

Mr. Richard E. Blubaugh
Vice President – Environmental Health & Safety Resources
Powertech (USA) Inc.
5575 DTC Parkway, Suite 140
Greenwood Village, CO 80111

SUBJECT: MATERIALS LICENSE SUA-1600, POWERTECH (USA) INC. DEWEY-BURDOCK ISR FACILITY IN FALL RIVER AND CUSTER COUNTIES, SOUTH DAKOTA (TAC J00606)

Dear Mr. Blubaugh:

By letter dated February 25, 2009, Powertech (USA) Inc. (Powertech (USA)) submitted a license application to the U.S. Nuclear Regulatory Commission (NRC) for a Source and Byproduct Materials License for the in-situ recovery of uranium at its Dewey-Burdock Facility in Fall River and Custer Counties, South Dakota. The applicant withdrew the application on June 19, 2009, and resubmitted it with supporting documentation on August 10, 2009. The NRC accepted the application for review on October 2, 2009. A notice of license request and opportunity to request a hearing was published in the *Federal Register* on January 5, 2010.

During the license application review process, the NRC staff's review was aided by Powertech (USA)'s responses to staff's requests for additional information (RAIs) and open issues responses to staff's RAIs. The RAIs were submitted to Powertech (USA) on May 28, 2010 and April 14, 2010, and open issues were disclosed in public meetings on April 7-8, 2011, December 7, 2011, and August 30, 2012.

The NRC staff completed its environmental review of the proposed facility and documented its findings in "NUREG-1910 Supplement 4 Volume 1, Environmental Impact Statement for the Dewey Burdock Project in Custer and Fall River Counties, South Dakota," dated January 31, 2014 (NRC ADAMS Accession Nos. ML14024A477, ML14024A478). A notice of availability of this document was published in the *Federal Register* on February 31, 2014.

During the safety review, the staff developed proposed license conditions and issued a draft license for the Dewey Burdock Project on July 31, 2012, and revised draft licenses on January 4, 2013, March 1, 2013. By email dated March 19, 2013, Powertech (USA) accepted revisions to the final draft license.

The NRC has found that the application for the Dewey-Burdock Facility materials license complies with the Atomic Energy Act of 1954, as amended (the Act), and the Commission's regulations. Based on its review, the staff concludes that the application meets the applicable requirements in 10 CFR Parts 20 and 40. More specifically, in accordance with 10 CFR 40.32(b)-(c), the staff finds that Powertech (USA) is qualified to use source material for the purpose that it requested, and that the equipment and procedures proposed by Powertech (USA) for use at its Dewey-Burdock Facility are adequate to protect public health and minimize

danger to life or property. The NRC staff's review supporting these findings is documented in the enclosed Safety Evaluation Report (Enclosure 1).

Therefore, in accordance with 10 CFR 40.32(d), the staff finds that issuance of a license to Powertech (USA) will not be inimical to the common defense and security or to the health and safety of the public. The staff also finds, in accordance with 10 CFR 40.32(e), after weighing the environmental, economic, technical, and other benefits against environmental costs and considering available alternatives, that the appropriate action is to issue Materials License SUA-1600 (Enclosure 2).

In accordance with 10 CFR 2.390 of the NRC's "Agency Rules of Practice and Procedure," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records component of NRC's Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC web site at <http://www.nrc.gov/reading-rm/adams.html>.

If you have any questions concerning the above, please contact Ron Burrows at (301) 415-6443 or via email at Ronald.Burrows@nrc.gov.

Sincerely,

/RA/

Andrew Persinko, Deputy Director
Decommissioning and Uranium Recovery
Licensing Directorate
Division of Waste Management
and Environmental Protection
Office of Federal and State Materials
and Environmental Management Programs

Docket No.: 40-9075
License No.: SUA-1600

Enclosures:

1. Safety Evaluation Report
2. Source Materials License

cc:

E. Holm, SDENR

danger to life or property. The NRC staff's review supporting these findings is documented in the enclosed Safety Evaluation Report (Enclosure 1).

Therefore, in accordance with 10 CFR 40.32(d), the staff finds that issuance of a license to Powertech (USA) will not be inimical to the common defense and security or to the health and safety of the public. The staff also finds, in accordance with 10 CFR 40.32(e), after weighing the environmental, economic, technical, and other benefits against environmental costs and considering available alternatives, that the appropriate action is to issue Materials License SUA-1600 (Enclosure 2).

In accordance with 10 CFR 2.390 of the NRC's "Agency Rules of Practice and Procedure," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records component of NRC's Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC web site at <http://www.nrc.gov/reading-rm/adams.html>.

If you have any questions concerning the above, please contact Ron Burrows at (301) 415-6443 or via email at Ronald.Burrows@nrc.gov.

Sincerely,

/RA/

Andrew Persinko, Deputy Director
Decommissioning and Uranium Recovery
Licensing Directorate
Division of Waste Management
and Environmental Protection
Office of Federal and State Materials
and Environmental Management Programs

Docket No.: 40-9075
License No.: SUA-1600

Enclosures:

1. Safety Evaluation Report
2. Source Materials License

cc:

E. Holm, SDENR

CLOSES TAC J00606

DISTRIBUTION: LGersey/RIV MMoriarty/DMSSA

ML14043A052

Office	DWMEP	DWMEP	DWMEP	DWMEP	DWMEP	OGC	DWMEP
Name	TLancaster	SAchten	TLancaster	ASnyder	BvonTill	MClark/PJehle	APersinko
Date	2/4/14	2/ 20/14	2/20/14	3/5/14	3/12/14	2/24/14	4/8/14

OFFICIAL RECORD COPY