

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 8

1595 Wynkoop Street DENVER, CO 80202-1129 Phone 800-227-8917 http://www.epa.gov/region08

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A LEGION VIII

Ref: 8ENF-W

CERTIFIED MAIL LETTER RETURN RECEIPT REQUESTED

Mr. Brent Berg, Acting President Cameco Resources 2020 Carey Ave., Ste 600 Cheyenne, WY 82001

Re: Administrative Order Addendum issued to Cameco Resources, owner of Power Resources/Smith Ranch Public Water System, PWS ID # WY5601500, Docket No. SDWA-08-2014-0009

Dear Mr. Berg:

Pursuant to paragraph 10 of the Administrative Order (AO) issued March 20, 2014, to Cameco Resources (Company), as owner of Power Resources/Smith Ranch Public Water System (System), this Addendum to the AO incorporates the schedule for: testing and evaluating multiple treatment technologies, selecting a technology, and submitting to EPA a second plan and schedule for the selected technology to bring the system into compliance with the MCL for selenium. This schedule was outlined in an April 23, 2014, letter from Kenneth Garoutte on behalf of the Company, which was sent to EPA by email on April 23, 2014. This Addendum letter constitutes the written approval by EPA of the Company's schedule as indicated in the chart below.

Please be advised that the Company must continue to sample quarterly for selenium and provide quarterly public notice of the selenium maximum contaminant level (MCL) violations as long as the running annual average exceeds 0.05 milligrams per liter (mg/l).

Please note that EPA expects this approved schedule to be met. While not creating any right to an extension, EPA may in its discretion consider granting an extension to any deadline in the schedule under limited circumstances. If unexpected events occur that are beyond the Company's control and that may prompt the Company to request an extension of these deadlines, the Company will be responsible for notifying EPA well in advance of the deadline dates. EPA will not consider extending these deadlines without a clear justification for their need. The Company must provide the following information in any request for extensions: a description of the work that has been completed and the additional work that may not be completed by the deadline dates, the unexpected events that occurred and how Respondent attempted to foresee or overcome these obstacles, the proposed new deadline dates, and an explanation that justifies the new proposed deadline dates.

Deadline

Test and evaluate multiple treatment technologies for selenium reduction.	August 31, 2014
Report progress on testing and evaluation of treatment technologies to EPA.	July 19, 2014
Make a decision on which treatment technology will be installed to bring the system into compliance and report decision to EPA.	August 31, 2014
Submit to EPA a plan and schedule for the selected technology to bring the System into compliance with the MCL for selenium.	September 30, 2014

Consistent with paragraph 11 of the AO, the interim milestone deadlines above are now enforceable requirements of the AO.

Please be advised that the Company is required to comply with all provisions of the AO. Penalties for failing to comply are set forth in the Order. Please contact Jill Minter at (303) 312-6084 if you have any questions concerning this Addendum. If the Company is represented by an attorney, please ask your attorney to call Mia Bearley at the above 800 number, extension 6554, or at (303) 312-6554.

Sincerely,

James H. Eppers, Supervisory Attorney Legal Enforcement Program Office of Enforcement, Compliance and Environmental Justice

Arturo Palomares, Director Water Technical Enforcement Program Office of Enforcement, Compliance and Environmental Justice

cc: WY DEQ/DOH (via email)

Tina Artemis, EPA Regional Hearing Clerk

Ken Garoutte, PWS Operator and Manager of Safety, Health, Environment and Quality, Cameco Resources, Smith Ranch-Highland Operation