



January 6, 2009

VIA COURIER

Ms. Anne McLay
Project Officer
Uranium Mines and Lands Evaluation Division
Directorate of Nuclear Cycle and Facilities Regulation
Canadian Nuclear Safety Commission
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Dear Ms. McLay:

CNSC Request for Information pursuant to Subsection 12(2) of the *General Nuclear Safety and Control Regulations*: Effluent Discharge Releases at the Port Granby Waste Management Facility

Further to your letter dated December 19, 2008 regarding Cameco Corporation's response to the subsection 12(2) request for information, Cameco Corporation (Cameco) would like to advise as follows.

Cameco will deliver a preliminary draft Conceptual Site Model (CSM) diagram early in 2009 as part of the Characterization Report.

Cameco has reviewed the expectation outlined in the letter that Cameco demonstrate by March 2009 the consideration of "various options to minimize the likelihood of a Spring 2009 overflow of any pond." Cameco wanted to first clarify that at the Port Granby Waste Management Facility (PGWMF), only the east and west reservoirs have ever overflowed while Cameco has operated the facility and these overflows only occur on Cameco-owned property. Further, Cameco monitors the levels in these reservoirs and the operational performance of the treatment system very closely and in an overflow situation, Cameco conducts an enhanced sampling and analysis program. Cameco will evaluate the options for minimizing the overflow and will do so as part of the Status Report that is to be submitted in the middle of 2009. However, any physical modifications to these reservoirs are not practical to implement during the current winter months.

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Finally, with respect to the request that Cameco include details regarding implementation of water treatment options approved by the CNSC, as detailed in Cameco's November 28, 2008 correspondence, the Low-Level Radioactive Waste Management Office (LLRWMO) – a division within Atomic Energy of Canada Limited (AECL) is the proponent of the Port Granby Project and it is anticipated that AECL will become the licensee and operator of the PGWMF in 2010. Further, the LLRWMO has recently submitted a draft document that details water treatment options for the new facility that will improve performance if implemented. This document recommends options based on a review of contaminants of concern and their potential impacts on the receiving environment. Cameco is waiting for an indication as to which recommended treatment options are acceptable. Cameco is committed to working with the LLRWMO to ensure that any water treatment options are compatible - both technically and from a timing perspective - with the LLRWMO's plans for the remediation of the PGWMF.

Cameco has committed to assess the adequacy of design for the PGWMF and will provide the CNSC with this information in the middle of 2009. If this study suggests modifications are warranted for the PGWMF, Cameco will work with the LLRWMO to plan for the implementation of these modifications.

Yours truly,



Andrew J. Oliver
Vice President
Fuel Services Division
Cameco Corporation