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WYOMING MINING ASSOCIATION

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PUBLIC
ADJUDICATION

April 26, 2000

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PROPOSED RULE **PR 170+171**
(65FR16250)

Secretary
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555-0001

Attn: Rulemakings and Adjudications Staff

RE: Wyoming Mining Association's Comments on Revision of Fee Schedules for FY 2000
(Federal Register Volume 65, page 16249, dated March 27, 2000)

Gentlemen:

The Wyoming Mining Association (WMA) is an industry association of mining companies and associates (vendors, contractors, consultants and suppliers) in Wyoming. The association includes several uranium recovery licensees including three operating uranium in situ leach (ISL) operations and one of the six remaining conventional uranium mills in the United States. It should be noted that the conventional mill is not operating and is on "stand-by" status. The WMA has reviewed the above described Federal Register Notice and herein submits comments concerning the proposed increase for NRC fees.

Although the proposed NRC license fee increases for FY2000 are relatively minor, the WMA remains very concerned that the overall NRC licensee fees are excessive and overly burdensome on an already economically depressed industry. This concern is critically important in Wyoming where three of the five ISL facilities in the US are operating, providing much needed employment, and producing uranium fuel which assists in powering US nuclear power plants. One Wyoming ISL operation will be ceasing uranium production activities within the next 90 days, leaving only four ISL facilities remaining in production in the US. While the industry is desperately striving to reduce costs and streamline operations in order to endure in the depressed market, all we see from the NRC is exorbitant fees that only continue to increase with no checks or balances.

The WMA has previously expressed concerns with the NRC fee structure, particularly the assessment of costs for Project Managers time (see letter dated April 30, 1999). NRC licensees in Wyoming have just received the first invoices containing charges attributable to Project Manager costs. Consistent with previous concerns, WMA believes that the Project Manager costs being incurred by licensees are excessive, with the NRC invoices containing limited detail on how these costs were determined. Because licensees have no ability to predict such costs, it is

impossible to accurately estimate such expenditures for budgeting purposes. Even more importantly, licensees have no ability to influence the magnitude of these costs. Indeed, licensees are being required to pay for all of the Project Manager's costs without absolutely any control over what those costs are.

The only conventional uranium mill in Wyoming remains on "stand-by" status. In spite of the fact that this facility is not operating, NRC still charges the same exorbitant fees as if the facility was in operation (FY2000 Annual Fee of \$132,000). This non-operating facility, which requires minimal regulatory oversight from the NRC, is incurring additional significant Project Manager costs for activities not even related to the facility.

The WMA also previously commented on the excessive regulatory oversight of uranium recovery licensees as evidenced by two routine inspections of ISL operations each year, and the regulation of ground water concerns at ISL operations where it is questionable whether NRC has any regulatory authority over ISL wellfield operations in the first place. This excessive oversight has caused increased fees to licensees in the form of exorbitant review costs and annual fees. Licensing costs have now further significantly been increased by the new Project Manager costs. WMA strongly recommends that NRC reduce the inspection frequency at ISL sites, and in conjunction with recommendations contained in the National Mining Association (NMA) "White Paper", relinquish jurisdiction of ISL wellfields to the States. Such actions could go a long way in streamlining the excessively burdensome and costly licensing process and allow NRC to reduce staff within the Uranium Recovery Branch. A reduction in staff should directly assist with a corresponding significant reduction in the licensing fees impacting this economically depressed industry.

In summary, the WMA again reiterates that the fee structure as proposed for the uranium recovery industry is excessive and imposes an unfair financial burden on an already economically depressed industry which is important to Wyoming and the nation. The WMA appreciates the opportunity to comment on this proposed rule. If you have any questions please do not hesitate to contact me.

Sincerely yours,
WYOMING MINING ASSOCIATION



Marion Loomis
Executive Director

cc: Senator Michael Enzi
Senator Craig Thomas
Representative Barbara Cubin
Senator James Inhofe
Katie Sweency - NMA