

June 5, 2001

Mr. Jack N. Gerard  
President and CEO  
National Mining Association  
1130 17<sup>th</sup> Street, NW  
Washington, D.C. 20036-4677

SUBJECT: URANIUM RECOVERY ISSUES

Dear Mr. Gerard:

I am responding to your April 27, 2001, letter to U.S. Nuclear Regulatory Commission (NRC) Chairman Richard A. Meserve on uranium recovery issues. The National Mining Association (NMA) raised these issues in its White Paper of April 1998 and has discussed uranium recovery issues with the staff and the Commission on several occasions. Last summer, the Commission issued direction to the staff on the NMA issues in Staff Requirements Memoranda (SRMs) for SECYs 99-012, 99-013, and 99-277. In addition, in the SRM for SECY-99-011, the Commission approved the staff's proposal to initiate a rulemaking to develop a Part 41 of 10 CFR to address uranium recovery. However, as a result of concerns expressed by the NMA and other stakeholders on the cost of rulemaking and alternatives that could achieve similar results at lower cost, the staff prepared SECY-01-0026, which presented these alternatives.

On May 29, 2001, the Commission issued the enclosed SRM for SECY-01-0026. The SRM directs the staff to implement Alternative 3 of SECY-01-0026, i.e., to discontinue efforts to develop Part 41 and to focus staff resources on updating guidance documents implementing previous Commission direction. Staff plans to update the uranium recovery Standard Review Plans (SRPs), including the incorporation of revised guidance on the issues addressed in SECYs 99-012, 99-013, and 99-277. We intend to publish draft versions of the SRPs for public comment this autumn, post the information on the NRC web site, and invite the NMA and others to provide comments at that time. We are not planning to hold workshops or public meetings on the SRPs to help contain the cost of development. However, we welcome any written suggestions for consideration in our update.

Your letter also discusses the poor financial condition of the uranium recovery industry and the hardship that NRC fees impose. As discussed at the Commission meeting on April 10, 2001, the Commission would support an industry legislative request for relief from NRC fees for some duration.

NRC appreciates the active involvement of NMA in our continuing efforts to improve our regulatory framework for uranium recovery. If you have any suggestions or questions, please call me at (301) 415-7212.

Mr. Gerard

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Sincerely,

***/RA/***

Michael F. Weber, Director  
Division of Fuel Cycle Safety  
and Safeguards  
Office of Nuclear Material Safety  
and Safeguards

Enclosure: SRM for SECY-01-0026

Mr. Gerard

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Sincerely,

**/RA/**

Michael F. Weber, Director  
Division of Fuel Cycle Safety  
and Safeguards  
Office of Nuclear Material Safety  
and Safeguards

Enclosure: SRM for SECY-01-0026

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