



October 18, 2002

Mr. Michael Layton
U.S. Nuclear Regulatory Commission
11555 Rockville Pike
Rockville, MD 20852

RE: Memoranda of Understanding on In Situ Leach Facilities

Dear Mike:

This purpose of this letter is to express the National Mining Association's (NMA) support for the development of memoranda of understanding (MOU) between the Nuclear Regulatory Commission (NRC) and individual states to reduce dual jurisdiction over in situ leach (ISL) facilities. NMA reviewed the meeting summary of discussions held between NRC, several non-Agreement States and the Environmental Protection Agency (EPA) in June and agrees that the MOU approach with individual states such as Wyoming and Nebraska is appropriate. This dual jurisdiction over wellfields significantly increases the costs for uranium producers and is truly a waste of licensee, NRC and state resources.

Of course, the issue of dual jurisdiction would be moot if NRC would accept NMA's position that NRC should have no jurisdiction over ISL mining until the ore reaches the ion exchange column or perhaps later. Given NRC's continued reluctance to accept that position, other ways to minimize overlapping jurisdiction should be to be examined. The concept of a MOU to achieve the goal of minimizing overlapping jurisdiction was first raised at a NRC staff/industry meeting held in Riverton, Wyoming in 1997. At that time, NRC staff were looking at developing a chapter in NRC inspection manual and attempting to determine whether the states were already addressing the necessary components; staff indicated that if the state covered all the issues NRC had to cover, then NRC could rely on the state. In the intervening years, both industry and the Commission itself have asked staff to determine a way to proceed with the MOU concept. NMA is pleased the idea is finally coming to fruition.

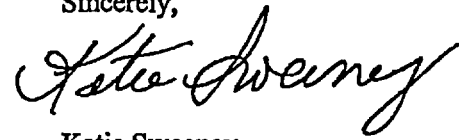
It is a logical step for NRC to develop MOUs that would allow NRC to defer active regulation of groundwater protection to the states. ISL wellfields are already adequately regulated; regulation of ISL wellfields extends far beyond the requirements of the EPA's UIC program - there are separate state regulations specific to ISL mining, control of wellfield operations and groundwater restoration. NMA urges NRC to develop the MOUs with Wyoming and Nebraska in an expedient manner to prevent further squandering of licensee, NRC, and state resources.

National Mining Association | 401 Constitution Avenue, NW | Suite 500 East | Washington, DC 20001 | ph 202.463.2625 | fx 202.463.2614

NMSS 22
Add: Judy Muszkewicz

If you have any questions, please contact me at 202/463-2627.

Sincerely,

A handwritten signature in cursive script that reads "Katie Sweeney". The signature is written in black ink and is positioned to the right of the word "Sincerely,".

Katie Sweeney
Associate General Counsel