

40-8905

State of New Mexico
ENVIRONMENT DEPARTMENT
Office of the Secretary
Harold Runnels Building
1190 St. Francis Drive, P.O. Box 26110
Santa Fe, New Mexico 87502-6110
Telephone (505) 827-2855



BILL RICHARDSON
GOVERNOR



RON CURRY
SECRETARY
DERRITH WATCHMAN-MOORE
DEPUTY SECRETARY

May 20, 2003

Susan M. Frant, Chief
Fuel Cycle Facilities Branch
Division of Fuel Cycle Safety and Safeguards
Office of Nuclear Material Safety and Safeguards
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555-0001

Dear Ms. Frant:

RE: DRAFT ENVIRONMENTAL ASSESSMENT: MILL DEMOLITION PLAN BY RIO ALGOM MINING LLC FOR ITS URANIUM MILL FACILITY AT AMBROSIA LAKE, NEW MEXICO

This transmits New Mexico Environment Department (NMED) staff comments concerning the above-referenced Draft Environmental Assessment (DEA).

Surface Water Quality

Rio Algom has proposed demolition and disposal of uranium mill structures. Prior to demolition, Rio Algom states that facilities and equipment will be "washed down to minimize potential residual contamination". Also, salvageable material would be "decontaminated" and "placed in a designated salvage area".

There is no indication in the description of measures to be taken to prevent wash runoff from entering surface water courses. In addition, there is no mention of preventative measures to be taken to prevent storm water runoff during demolition. No description is provided of containment facilities at the salvage area, nor whether this area is newly constructed or is an existing facility. Any new construction would require storm water containment, and an existing facility must include containment to prevent runoff from stored materials.

The DEA proposes to leave in place all pipelines more than two feet below final grade. It does not indicate the nature of any residual material that will remain in those pipelines. We are concerned that any residual left on site may eventually leak to the surface or near-surface, and could potentially contaminate ground water or surface water.

The Surface Water Quality Bureau staff make the following recommendations for Rio Algom to modify their DEA to address the above concerns:

- 1) Include a description of construction or operations that will contain all wash water used on structures prior to demolition. Although Rio Algom did state (under 3.0 Affected Environment) that "liquids used to wash salvageable

KIMS01

Susan M. Frant
May 20, 2003
Page 2

material will be pumped to an evaporation pond for disposal", no similar proposal was included for wash water used to wash structures prior to demolition.

2) Include a description of containment facilities that will be used to prevent storm water runoff during demolition and removal of materials. Although Rio Algom acknowledged (under 4.0 Environmental Impacts) that topography will be temporarily altered, it makes no note of mitigation of runoff from this alteration. A similar plan should be implemented for any new roads that will be constructed for the heavy equipment slated to access the mill site.

3) Include a description of materials that were contained within the pipelines proposed to be left in the ground. If such materials are regulated contaminants, the pipelines must be cleaned or removed.

4) Under 4.0 Environmental Impacts, Rio Algom should acknowledge that potential impacts to surface water resources (their number 2 in this section) will also include storm water runoff during demolition and removal operations.

The DEA references a "mill demolition report submitted by Rio-Algom"; the SWQB, however, did not receive a copy of this report. Therefore, the SWQB cannot evaluate whether this report addresses any of the above concerns or recommendations. Until the SWQB can examine proposals by Rio Algom to deal with the surface water issues listed, it cannot concur with the DEA.

Air Quality

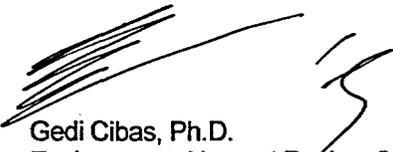
As proposed, there are no requirements or conflicts with New Mexico laws and regulations pertaining to air quality. McKinley County is currently in attainment for all National Ambient Air Quality Standards (NAAQS). Based on our experience with similar projects, we do not anticipate that there are any deficiencies or inaccuracies in the report concerning long-term impacts to air quality.

Dust control measures should be taken to minimize the release of particulates during the proposed project. Reclamation measures should be taken after completion of the project to stabilize the soil disturbed by the mill demolition to minimize long-term dust impacts. In addition, contractors supplying asphalt for the project must have current air quality permits.

National Emission Standards for Hazardous Air Pollutants (NESHAP) (40 CFR Part 61.140-156) and NESHAP regulations 20.2.78 NMAC for asbestos control in New Mexico should be included in the environmental monitoring program. Selenium, vanadium and uranium, which may be present in particulate emissions, are listed in 20.2.72 New Mexico Administrative Code (NMAC) table 502 state toxic air pollutant standards. Please be advised, that an air quality permit will be required if the listed standards are exceeded during demolition.

We appreciate the opportunity to comment on this document.

Sincerely,



Gedi Cibas, Ph.D.
Environmental Impact Review Coordinator

NMED File No. 1723ER