

August 24, 2005

Ms. Carol Kelly
6420 Telegraph Avenue
Oakland, CA 94609

SUBJECT: CONCERNS ABOUT THE LOCATIONS OF URANIUM MINING FACILITIES,
NUCLEAR REACTOR POWER PLANTS, AND NUCLEAR WASTE DISPOSAL
FACILITIES

Dear Ms. Kelly:

I am responding to your letter, dated May 10, 2005, to Michael T. Ryan, Chairman of the U.S. Nuclear Regulatory Commission's (NRC's) Advisory Committee on Nuclear Waste, in which you expressed some general concerns about the locations of uranium mining facilities, nuclear reactor power plants, and nuclear waste disposal facilities near Native American reservations or communities. You expressed specific concerns about the independent spent fuel storage facility at the Prairie Island Nuclear Generating Plant in Welch, Minnesota, and the operation of the planned Hydro Resources, Inc. (HRI) *in situ* leach (ISL) uranium mining facility in Crownpoint, New Mexico.

NRC's mission is to license and regulate the Nation's civilian use of radioactive materials, to ensure adequate protection of public health and safety, promote the common defense and security, and protect the environment. It administers its program through a combination of licensing and inspection activities. An applicant for a major facility (e.g., a uranium mining facility, a nuclear reactor power plant, or a nuclear waste disposal facility) submits a license application to NRC for the proposed activities and specifies the location of the facility. NRC performs a technical review of all the safety, security, and environmental aspects of the proposed facility. An opportunity for public involvement is provided through a hearing process administered by the independent NRC Atomic Safety and Licensing Board. If the application is approved, NRC issues a license. A license contains technical requirements and operating conditions that the licensees must operate within for protection of public health and safety and the environment.

As part of the process to license a major facility, NRC is required, by the National Environmental Policy Act of 1969, to consider the environmental impacts of actions under its jurisdiction. It performs an Environmental Assessment (EA) to determine what related impacts would occur within a number of areas (e.g., public health, socioeconomics of the region, cultural resources, endangered species, etc.). If the EA determines that there are

significant impacts on any area, NRC would then conduct an even more comprehensive analysis, culminating with the preparation of a detailed Environmental Impact Statement (EIS). As part of the EIS process, NRC performs an “environmental justice” analysis, which determines whether there are any disproportionately high adverse impacts on low-income or minority populations in the surrounding area. This sort of analysis would include the nearby Native American Reservations or populations mentioned in your letter.

The license authorizing Prairie Island to store spent nuclear fuel in an independent spent fuel storage facility was issued in 1993, after a detailed technical and environmental review, including locations for the storage facility. This analysis determined that the facility could be built and operated in compliance with NRC regulations and the conditions of the license. The license is issued for a 20-year period, with an option for renewal. The spent nuclear fuel at Prairie Island is stored in a dry cask storage system. Dry cask storage allows spent fuel that has already been cooled in the spent fuel pool for at least 1 year to be surrounded by inert gas inside a container called a cask. The casks at Prairie Island are steel cylinders that are bolted closed. The steel cylinder provides a leak-tight containment of the spent fuel. Each cylinder provides radiation shielding to workers and members of the public. Specific information about spent fuel storage requirements can be found at NRC’s website <http://www.nrc.gov/waste/spent-fuel-storage.html>. Regarding your question about the status of the Minnesota legislature’s mandate for storage facility shutdown if a permanent storage site were not found by 2004, the Minnesota legislature passed a new law, in 2003, authorizing the use of additional dry cask storage on the Prairie Island site. Prairie Island is currently storing spent fuel in this on-site facility licensed and inspected by NRC.

In your letter, you specifically requested that NRC not grant a license to HRI for its planned ISL uranium mining facility in Crownpoint, New Mexico. In this regard, HRI was issued a Source Materials License for the Crownpoint ISL facility in January 1998. However, the Crownpoint facility has not been constructed and ISL operations have not yet started. Regarding your concerns about the proximity of the drinking water wells for the Crownpoint residents to the planned ISL mining operations in Crownpoint, HRI’s license is conditioned upon the replacement of the existing Crownpoint wells with a source of water that meets Federal standards (i.e., U.S. Environmental Protection Agency standards) for drinking-water quality. The placement of these new wells must be coordinated with the appropriate local agencies and regulatory authorities, including the Navajo Tribal Utility Authority, Navajo Nation Department of Water Development and Water Resources, Navajo Nation Environmental Protection Agency,

C. Kelly

3

and Bureau of Indian Affairs. Additionally, the new wells must be established before the initiation of ISL operations at the Crownpoint site. Thus, the conditions imposed in HRI's license for the Crownpoint ISL facility ensure that the residents of Crownpoint will be provided with an adequate and safe supply of water for domestic purposes.

I appreciate your interest in the nuclear facilities NRC regulates and trust this letter responds to your concerns.

Sincerely,

/RA/

Jack R. Strosnider, Director
Office of Nuclear Material Safety
and Safeguards

DISTRIBUTION: G20050555

FCSS r/f FCFB r/f NMSS r/f

C. Kelly

and Bureau of Indian Affairs. Additionally, the new wells must be established before the initiation of ISL operations at the Crownpoint site. Thus, the conditions imposed in HRI's license for the Crownpoint ISL facility ensure that the residents of Crownpoint will be provided with an adequate and safe supply of water for domestic purposes.

I appreciate your interest in the nuclear facilities NRC regulates and trust this letter responds to your concerns.

Sincerely,

/RA/

Jack R. Strosnider, Director
Office of Nuclear Material Safety
and Safeguards

DISTRIBUTION: G20050555

FCSS r/f FCFB r/f NMSS r/f

ML052270228

OFC	FCFB	TechEd	FCFB	FCFB	FCFB
NAME	RWeller	EKraus	BGarrett	RNelson	GJanosko
DATE	08/15/05	08/16/05	08/15/05	08/15/05	08/16/05
OFC	SFPO	OGC	NMSS/FCSS	NMSS	
NAME	SBaggett	STreby	RPierson	JRStrosnider	
DATE	08/16/05	08/17/05	08/18/05	08/24/05	

OFFICIAL RECORD COPY