

**ENCLOSURE 2**

**NUCLEAR REGULATORY COMMISSION**

**DOCKET NO. 40-648**

**UMETCO MINERALS CORPORATION**

**AGENCY:** Nuclear Regulatory Commission

**ACTION:** Final Finding of No Significant Impact  
Notice of Opportunity for Hearing

**SUMMARY:** The U.S. Nuclear Regulatory Commission (NRC) proposes to amend NRC Source Material License SUA-648 to authorize the licensee, Umetco Minerals Corporation (Umetco), to reclaim the Above-Grade Impoundment (Impoundment), located in Natrona County, Wyoming, according to the 1997 Enhanced Reclamation Plan, as amended. The Umetco East Gas Hills site is located approximately 50 miles (80 kilometers) southeast of the town of Riverton, Wyoming. The Impoundment was constructed to a previously approved reclamation design, except for the top cover layer, and several changes have been proposed in the enhanced plan. An Environmental Assessment (EA) was performed by the NRC staff in support of its review of Umetco's license amendment request, in accordance with the requirements of 10 CFR Part 51. The conclusion of the Environmental Assessment is a Finding of No Significant Impact (FONSI) for the proposed licensing action.

**FOR FURTHER INFORMATION CONTACT:** Ms. Elaine Brummett, Uranium Recovery and Low-Level Waste Branch, Division of Waste Management, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Mail Stop T7-J9, Washington, D.C. 20555. Telephone 301/415-6606.

**SUPPLEMENTARY INFORMATION:****Background**

The Umetco Mineral Corporation (Umetco) site is licensed by the NRC, under Materials License SUA-648, to possess byproduct material in the form of uranium waste tailings, as well as other radioactive wastes generated by past milling operations. The mill has been dismantled and current site activities include completion of reclamation of three disposal areas and continuation of the ground water corrective action program.

The mill operated from 1960 to 1979 and tailings slurry was placed in the Impoundment during this period. The earth dams of the Impoundment are of silty clayey sands. Beside the original dam on the north, additional dams were built to expand the capacity (on the east in 1969, north in 1972, and east of the main dam in 1974). The material in the Impoundment had completed 90 percent settlement before the cover soil was placed.

In 1980, Umetco submitted a reclamation plan for the Above-Grade Impoundment (Impoundment), incorporating the adjacent experimental heap leach area. The plan was approved with modifications as documented in License Condition (LC) 54. Umetco completed tailings re-grading and construction of the cover, except for six inches of topsoil and seed, in 1992. As per the approved design, the cover consists of 1-foot of clay, 1-foot of filter soil, and 7.5-feet of overburden soil. Several years after construction, erosion of the cover was noted, and concerns were expressed for erosion along the east toe of the Impoundment, the closure of the north toe drain, and additional contamination found near the north edge of the Impoundment.

The major proposed modifications in the enhanced design to the approved Reclamation Plan for stabilization and containment of the waste material include:

1. Extend the radon barrier/cover on the north and east sides about 200 feet in order to close the drain system and cover contamination found along the downstream toe.
2. Add erosion protection (rip rap) along a portion of East Canyon Creek to protect the toe of the Impoundment.
3. Replace the previously proposed topsoil/vegetative cover with rip rap (rock) erosion protection on both the top and side slopes of the Impoundment.

In addition, Umetco would verify the stability, settlement, radon attenuation, and other aspects of the existing Impoundment.

#### Summary of the Environmental Assessment

The NRC staff performed an appraisal of the environmental impacts associated with the enhanced reclamation plan for the Impoundment, in accordance with 10 CFR Part 51, Licensing and Regulatory Policy Procedures for Environmental Protection. The license amendment would authorize Umetco to complete reclamation of the Impoundment as proposed. In conducting its appraisal, the NRC staff considered the following information: (1) Umetco's 1997 license amendment request and proposed design, as amended; (2) previous environmental evaluations of the facility; (3) data contained in required semiannual environmental monitoring reports; (4) existing license conditions; (5) results of NRC staff site visits and inspections of the Umetco facility; and (6) consultations with the U.S. Fish and Wildlife Service, the U.S. Bureau of Land Management, and the Wyoming State Historic Preservation Office. The technical aspects of the enhanced reclamation plan are discussed

separately in a Technical Evaluation Report (TER) that will accompany the final agency licensing action.

The results of the staff's appraisal are documented in an EA placed in the docket file. Based on its review, the NRC staff has concluded that there are no significant environmental impacts associated with the proposed action.

### Conclusions

The NRC staff has examined actual and potential impacts associated with the enhanced reclamation of the Impoundment, and has determined that the requested amendment of Source Material License SUA-648, authorizing implementation of the reclamation plan, will:

(1) be consistent with requirements of 10 CFR Part 40, Appendix A; (2) not be inimical to public health and safety; and (3) not have long-term detrimental impacts on the environment.

The following statements summarize the conclusions resulting from the staff's environmental assessment, and support the FONSI:

1. An acceptable environmental and effluent monitoring program is in place to monitor effluent releases and to detect if applicable regulatory limits are exceeded. Radiological effluents from facility operations have been, and are expected to remain, below the regulatory limits;
2. Present and potential health risks to the public and risks of environmental damage from the proposed reclamation were assessed. Given the remote location, limited activities requested, small area of impact, and past activities on the site, the staff determined that the risk factors for health and environmental hazards are insignificant.

Because the staff has determined that there will be no significant impacts associated with approval of the license amendment, there can be no disproportionately high and adverse effects or impacts on minority and low-income populations. Consequently, further evaluation of Environmental Justice concerns, as outlined in Executive Order 12898 and NRC's Office of Nuclear Material Safety and Safeguards Policy and Procedures Letter 1-50, Revision 1, is not warranted.

#### Alternatives to the Proposed Action

The proposed action is to amend NRC Source Material License SUA-648, for reclamation of the Impoundment, as requested by Umetco. Therefore, the principal alternatives available to NRC are to:

1. Approve the license amendment request as submitted; or
2. Amend the license with such additional conditions as are considered necessary or appropriate to protect public health and safety and the environment; or
3. Deny the amendment request.

Based on its review, the NRC staff has concluded that the environmental impacts associated with the proposed action do not warrant either the limiting of Umetco's future operations or the denial of the license amendment. Additionally, in the TER prepared for this action, the staff has reviewed the licensee's proposed action with respect to the criteria for reclamation, specified in 10 CFR Part 40, Appendix A, and has no basis for denial of the proposed action. Therefore, the staff considers that Alternative 1 is the appropriate alternative for selection.

**FINDING OF NO SIGNIFICANT IMPACT**

The NRC staff has prepared an EA for the proposed renewal of NRC Source Material License SUA-648. On the basis of this assessment, the NRC staff has concluded that the environmental impacts that may result from the proposed action would not be significant and, therefore, preparation of an Environmental Impact Statement is not warranted.

The EA and other documents related to this proposed action are available for public inspection and copying at the NRC Public Document Room, in the Gelman Building, 2120 L Street N.W., Washington, DC 20555.

**Notice of Opportunity for Hearing**

The Commission hereby provides notice that this is a proceeding on an application for a licensing action falling within the scope of Subpart L, "Informal Hearing Procedures for Adjudications in Materials and Operators Licensing Proceedings," of the Commission's Rules of Practice for Domestic Licensing Proceedings and Issuance of Orders in 10 CFR Part 2 (54 FR 8269). Pursuant to § 2.1205(a), any person whose interest may be affected by this proceeding may file a request for a hearing. In accordance with § 2.1205(c), a request for a hearing must be filed within thirty (30) days from the date of publication of this Federal Register notice. The request for a hearing must be filed with the Office of the Secretary either:

(1) By delivery to the Rulemakings and Adjudications Staff of the Office of the Secretary at One White Flint North, 11555 Rockville Pike, Rockville, MD 20852; or

(2) By mail or telegram addressed to the Secretary, U.S. Nuclear Regulatory Commission, Washington, DC 20555, Attention: Rulemakings and Adjudications Staff.

Each request for a hearing must also be served, by delivering it personally or by mail to:

(1) The applicant, Umetco Minerals Corporation, P.O. Box 1029, Grand Junction, CO 81502;

(2) The NRC staff, by delivery to the Executive Director of Operations, One White Flint North, 11555 Rockville Pike, Rockville, MD 20852, or

(3) By mail addressed to the Executive Director for Operations, U.S. Nuclear Regulatory Commission, Washington, DC 20555.

In addition to meeting other applicable requirements of 10 CFR Part 2 of the Commission's regulations, a request for a hearing filed by a person other than an applicant must describe in detail:

(1) The interest of the requestor in the proceeding;

(2) How that interest may be affected by the results of the proceeding, including the reasons why the requestor should be permitted a hearing, with particular reference to the factors set out in § 2.1205(g);

(3) The requestor's areas of concern about the licensing activity that is the subject matter of the proceeding; and

(4) The circumstances establishing that the request for a hearing is timely in accordance with § 2.1205(c).

Any hearing that is requested and granted will be held in accordance with the Commission's "Informal Hearing Procedures for Adjudications in Materials and Operator Licensing Proceedings" in 10 CFR Part 2, Subpart L.

Dated at Rockville, Maryland, this <sup>14</sup>8<sup>th</sup> day of May 1999.

FOR THE NUCLEAR REGULATORY COMMISSION



N. King Stablein, Acting Chief  
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Low-Level Waste Branch  
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