

SECTION 9.0

BENEFIT - COST ANALYSIS

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9.1 Economic Impacts

Monetary benefits accrue to the community from the presence of the project, such as local expenditures of operating funds and the federal, state and local taxes paid by the project. It has been estimated that the combined total of federal, state and local taxes, and royalty payments will be approximately \$110,000,000 over a 20 year project life. Against these monetary benefits are monetary costs to the communities involved, such as those for new or expanded schools and other community services. Because of the small number of people moving into the area to support this project, the impact to the community will be minimal with little, if any, need to expand services. It is not possible to arrive at an exact numerical balance between these benefits and costs for any one community unit, or for the project, because of the ability of the community and possibly the project to alter the benefits and costs.

9.2 The Benefit Cost Summary

The benefit-cost summary for a fuel-cycle facility such as the Crow Butte project involves comparing the societal benefit of an ensured U_3O_8 supply (ultimately providing energy) against possible local environmental costs for which there is no directly related compensation. For the project, there are basically three of these potential uncompensated environmental costs: groundwater impact, radiological impact, and disturbance of the land. The radiological impacts of the project are small, and eventually radioactive wastes will be disposed of offsite (Section 7.3). The disturbance of the land is also a small environmental impact. All of the disturbed land will be reclaimed after the project is decommissioned and will become available for previous uses.

FEN has shown in the R&D restoration demonstration that the groundwater impact is minimal and that the groundwater can be restored to the quality of use consistent with the "uses for which the resource was suitable" prior to the mining activity.

The benefit of the production of up to 20,000,000 pounds of U_3O_8 is considered by FEN to offset the minimal environmental impacts of the project.