



June 19, 2008

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Mr. Keith McConnell, Deputy Director
Decommissioning and Uranium Recovery Licensing Directorate
Division of Waste Management and Environmental Protection
Office of Federal and State Materials and Environmental Management Programs
Mail Stop T7 E-18
U.S. Nuclear Regulatory Commission
11545 Rockville Pike, Two White Flint North
Rockville, MD 20852-2738

RE: Smith Ranch-Highland Uranium Project
License No. SUA-1548, Docket No. 40-8964
License Amendment Request for Processing of Third-Party Resin

Dear Mr. McConnell,

Power Resources, Inc. d/b/a Cameco Resources (CR), Smith Ranch – Highland Uranium Project (SR-HUP), advises that they desire concurrence from the U.S. Nuclear Regulatory Commission (NRC) for the toll milling (i.e., processing) of ion exchange (IX) resin from third parties at their facilities in Wyoming. CR is in receipt of an e-mail from Mr. Paul Michalak of the NRC dated October 9, 2007 (attached), in which Mr. Michalak outlined several items for consideration. CR is following the format and content of that e-mail in this request for NRC concurrence.

The proposed activity would include the receipt, transfer and processing of loads of IX resin in a manner that would be identical to the process presently used to process resin from CR's satellite plants at SR-HUP. For the record, an overview of this process is as follows:

Dedicated purpose, bulk transport trailers, filled with loaded (uranium) resin arrive at the Central Processing Plant (CPP), where they are backed into the resin handling bay(s) of the CPP. The trailer(s) are surveyed for external contamination prior to the off-loading of resin to the elution circuit(s). After the elution is complete, the resin is returned to the trailer. The trailer is then washed down and re-surveyed prior to departing to the point of origin for that particular load of resin.

Provided below are elements of fact regarding the proposed activity:

1. Third party resins will only be accepted from NRC-licensed uranium recovery facilities.

2. Radiological dose assessment – Processing of resin from third parties will not exceed currently approved levels of activity in terms of pounds processed annually or flow rates for production solutions from wellfields. There will be no increase in the radiological dose previously assessed through MILDOS modeling and the estimated maximum annual dose will continue to meet NRC requirements.
3. Available resin processing capacity – As stated above, we will not exceed presently approved maximum levels of activity.
4. Available wastewater disposal capacity - The present disposal capacity is adequate for the approved maximum level of activity.
5. Available 11e.(2) byproduct disposal capacity – The present disposal capacity is adequate for the approved maximum level of activity.
6. Available U₃O₈ licensed production capacity – SUA-1548 allows for the “production” of 5.5 million pounds of uranium yellowcake annually from SR-HUP and the proposed activity will not exceed those levels of processing at SR-HUP.
7. No changes in equipment or processing will be needed for the proposed activity.
8. CR will conduct inspections and surveys on all equipment used for third party resin transfers consistent with current, approved practices. The condition of the tractor used to transport the trailers will be the responsibility of the third party.
9. The third party will be responsible for all activities to and from the SR-HUP facilities. CR will be responsible for all activities inside the “fenced” area of the CPP.

It is CR's understanding that this request for processing of third-party resins meets the categorical exclusion criteria of 10 CFR 51.22(c)(11) and can be processed as a minor amendment to SUA-1548.

Please let us know if you have any questions or require additional information.

Sincerely,



John P. McCarthy
Manager – Environmental, Health and Safety, RSO

Att: E-mail from Mr. Paul Michalak dated October 9, 2007

cc: Pam Rothwell, WDEQ-LQD
Steve Magnuson, CR
Scott Bakken, CR
File SRH

John McCarthy

From: Paul Michalak [PXM2@nrc.gov]
Sent: Tuesday, October 09, 2007 8:35 AM
To: John McCarthy
Subject: FYI: tolling issues

Attachments: tolling_issues.doc



tolling_issues.doc
(18 KB)

Paul Michalak
FSME - Uranium Recovery and Licensing Branch
301-415-7612

Proposed Action

Smith Ranch - Highland Uranium Project (SR-HUP) license amendment for PRI to process third-party resin (tolling agreement with third-party resin producer)

General Issues

- \$ Resin must be from licensed uranium recovery mill (accepting resin from water treatment facility would be considered alternate feed)
- \$ Impact of third-party resin processing on SR-HUP's
 - radiological dose assessment
 - available resin processing capacity
 - available wastewater disposal capacity
 - available 11e.(2) byproduct disposal capacity
 - available U_3O_8 licensed production capacity
- \$ Any equipment change related to accepting third-party resin for processing?
- \$ Who would be responsible for condition of truck (radiological and nonradiological) on return trip to third-party facility?
- \$ Who would be responsible party for eluted resin on return trip to third-party facility?

Assumptions

- \$ Third-party facility is responsible party during impregnated resin transport to SR-HUP
- \$

PRI is responsible party if third-party resin is released within SR-HUP facility

Categorical Exclusion for NEPA analysis - 10 CFR 51.22(c)(11)

Issuance of amendments to licenses for fuel cycle plants and radioactive waste disposal sites and amendments to materials licenses identified in Sec. 51.60(b)(1) which are administrative, organizational, or procedural in nature, or which result in a change in process operations or equipment, provided that:

- (i) there is no significant change in the types or significant increase in the amounts of any effluents that may be released offsite,
- (ii) there is no significant increase in individual or cumulative occupational radiation exposure,
- (iii) there is no significant construction impact,
- (iv) there is no significant increase in the potential for or consequences from radiological accidents.