

October 2, 2008

Multicultural Alliance for a Safe
Environment (MASE)
P.O. Box 4254
Albuquerque, New Mexico 87196

SUBJECT: RESPONSE TO JULY 30, 2008, LETTER TO U.S. NUCLEAR REGULATORY
COMMISSION

Dear Members of MASE:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter to Chairman Klein dated July 30, 2008, regarding the NRC's recent licensing action authorizing Homestake Mining Company (HMC) to construct and operate a third evaporative pond (EP3) at its uranium mill site near Milan, New Mexico. Your letter expresses a concern that approval of EP3 will be detrimental to the development of a region-wide approach to groundwater restoration in the Ambrosia Lake-Milan area.

Although NRC supports a region-wide approach to groundwater restoration, NRC does not have the authority to regulate groundwater reclamation activities for the entire Ambrosia Lake-Milan area or require HMC to establish a regional groundwater monitoring program. The U.S. Environmental Protection Agency (EPA) has authority under the Comprehensive Environmental Response Compensation, and Liability Act to implement appropriate corrective actions, region-wide, as appropriate.

In the NRC's view, a two-year delay in the approval of EP3 would have impeded timely groundwater cleanup at the site. Adding the third pond provides more evaporative capacity, which will allow HMC to better control the spread of contamination at its site and reduce the time needed to complete remedial actions at the site. Accordingly, NRC approved construction and operation of EP3 on August 7, 2008. Concerning the optimization study that is mentioned in the attachment to your letter, as indicated by NRC at the July 15, 2008, public meeting in Grants, New Mexico, NRC will consider the results of the study in future HMC licensing actions, such as revisions to the HMC Groundwater Corrective Action Program (CAP), which the NRC staff is currently reviewing.

Throughout the reclamation process, NRC has consulted with EPA, New Mexico Environment Department (NMED), and the public on each licensing action. NRC will continue to work with stakeholders including MASE to ensure that all viewpoints are considered in future licensing actions, including revisions to the CAP.

The complete basis for the NRC's recent licensing action is set forth in ADAMS ML080920548. Other background documents ML073371165, ML081650109, and ML082130533 which are also publically available. If you have questions regarding this response, please contact John Buckley at 301-415-6607 or john.buckley@nrc.gov.

Sincerely,

/RA/

Keith I. 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

Docket No.: 040-08903
License No.: SUA-1471

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