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From: Chris Pugsley [cpugsley@athompsonlaw.com]
Sent: Friday, October 24, 2008 9:53 AM
To: NRCREP Resource
Subject: Comments Submitted on NUREG-1910 from R.M.D. Operations, LLC
Attachments: rmdcommentsnureg-1910.pdf

Dear Sir or Madam:

Please find attached a PDF version of R.M.D. Operations, LLC's comments on NUREG-1910 otherwise known as the Draft Generic Environmental Impact Statement on In Situ Uranium Extraction Facilities. If you have any questions, please do not hesitate to contact me at the number below. Thank you.

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R.M.D. Operations, LLC

October 16, 2008

United States Nuclear Regulatory Commission
Officer of Administration
Attn: Rulemaking, Directives, and Editing Branch
Washington, DC 20555-0001

SUBJECT: R.M.D. Operations, LLC's Comments Regarding the Nuclear Regulatory Commission's Draft Generic Environmental Impact Statement on In Situ Uranium Recovery Facilities (NUREG-1910)

Dear Sir/Madam:

On July 28, 2008, the United States Nuclear Regulatory Commission (NRC) published for public comment a Draft Generic Environmental Impact Statement entitled *Generic Environmental Impact Statement on In Situ Uranium Recovery Facilities* (NUREG-1910 and hereinafter the "ISR GEIS"). 75 Fed. Reg. 43796. The deadline for comments on the ISR GEIS was originally October 7, 2008, but was subsequently extended to November 7, 2008.

R.M.D. Operations, LLC (RMD), is currently the holder of Nuclear Regulatory Commission (NRC) source material license No. SUC-1591, allowing for the removal of uranium from public drinking water sources at community water systems (CWSs) to facilitate compliance with the United States Environmental Protection Agency's (EPA's) new maximum contaminant level (MCL) for uranium in drinking water, as promulgated pursuant to the Safe Drinking Water Act (SDWA). RMD is a Colorado-based water treatment company that is currently licensed to provide a full "cradle-to-grave" service for the removal of uranium from drinking water sources, the transfer of the resulting uranium residuals from a self-contained water treatment system to transport conveyances, and to ship such residuals either to a licensed disposal facility or, as its preferred option for uranium, to a licensed conventional or in situ uranium recovery (ISR) facility for processing. RMD's uranium water treatment process utilizes the same ion-exchange (IX) resins as those used by ISR operators at central processing facilities or satellite well fields using remote-IX technology or by conventional uranium mill operators with IX uranium recovery circuits.

RMD's interest in the ISR GEIS and its potential applications lies with the need for expeditious disposition of uranium water treatment residuals generated as a result of *any* form of water treatment using IX recovery processes. Currently, NRC classifies uranium-loaded IX resins generated by RMD's or, for that matter, any other licensee's uranium water treatment program as an alternate feed or a "refined and processed ore" if intended for processing at a uranium recovery facility. As a result, since alternate feed materials were not contemplated in NRC's Generic Environmental Impact Statement on Uranium Milling (NUREG-0706), a license amendment, including an environmental assessment (EA), will be required in order for a uranium recovery facility to accept and process such uranium-loaded IX resins. The potential

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delays associated with licensing a uranium recovery facility to receive and process these resins represent a potentially significant roadblock for CWSs to achieve compliance with EPA's MCL for uranium in drinking water or for other water sources (e.g., mines) seeking to comply with relevant federal/State water quality standards.

RMD proposes that NRC seriously consider removing this impediment by assessing the potential impacts of the receipt and processing of drinking water or any other water treatment uranium-loaded IX resins at ISR facilities in the ISR GEIS. NRC's NUREG-0706 previously identified IX recovery circuits as a potential source of uranium generated either at a conventional mill or at another location requiring removal of uranium onto IX resins. Further, NRC previously has recognized that uranium-loaded IX resins from treatment of mine-water constitute a viable alternate feed material or "refined and processed ore" within the context of its Alternate Feed Guidance which, based on previous administrative litigation, has the force and effect of law. Given that RMD's uranium-loaded IX resins are the same as those generated at ISR central processing facilities or satellite well fields using remote-IX technology, RMD believes that NRC has sufficient industry knowledge and experience to assess the receipt and processing of these uranium-loaded IX resins as part of the scope of its ISR GEIS and to conclude that, generically, such IX resins may be accepted at ISR facilities with little or no site-specific environmental review.

Thus, RMD believes that NRC Staff was incorrect when it determined that the entire topic of "Alternative Sources of Uranium" is outside the scope of the GEIS, particularly when "recovery of uranium from drinking water treatment residuals" was noted as an "Alternative Source of Uranium" (Section 1.5.4, page 1-13, line 24, and amplified in Appendix A, page A-27, lines 24-33). The following specific statements pertain to this argument:

1. Recovery of uranium from drinking water treatment residuals is radically different from the other alternative sources of uranium included in the ISR GEIS' Appendix A list (i.e., (1) reprocessing spent fuel from nuclear power plants; (2) extraction of uranium from seawater; and (3) use of government stockpiles of uranium). This recovery from water treatment residuals is a straightforward application that is directly related to ISR. It should not have been grouped with the other three less-related and more-complicated processes for scoping purposes.

2. The ISR GEIS already has evaluated the potential impacts associated with the transportation of uranium-loaded IX resins, identical to the RMD resins, from satellite plants using remote-IX technology to an ISR central processing facility. (Section 2.4.2.2, page 2-20, lines 41-43.) NRC Staff has ignored the fact that, while it has specifically ruled the receipt and processing of uranium-loaded IX resins from water treatment operations outside the ISR GEIS' scope, effectively, it already has assessed the transportation aspect of this proposed activity. Thus, NRC Staff should note in its response to comments that the transportation of such resins generated by water treatment operations will be applied to site-specific applications by ISR operators to receive and process such resins. Additionally, NRC's EA of RMD's license application already has evaluated the potential impacts associated with transporting such resins, over potentially greater distances than those normally expected with a satellite well field, to a licensed ISR facility for processing as an alternate feed.

3. As noted above, since RMD utilizes IX resins that are the same as the IX resins utilized at ISR facilities, the ISR GEIS' analyses and conclusions associated with stripping and eluting such

resins and generating yellowcake at licensed central processing facilities are equally applicable to processing uranium-loaded IX resins generated as a result of its water treatment operations and, if the same resins are used, any other type of water treatment operations conducted by RMD or other entities. Thus, the ISR GEIS effectively has assessed the entire process cycle for such resins, whether generated as a result of ISR operations at satellite well fields or at other water sources requiring treatment. Therefore, RMD believes NRC's response to comments on the ISR GEIS should state that its analyses and conclusions can and will be applied to site-specific requests by ISR operators to receive and process the same kind of uranium-loaded IX resins generated as a result of any water treatment operations. By doing this, NRC likely will not be required to perform an EA for such request because, as stated above, NRC's sole reason for performing EAs for alternate feed processing requests is that such materials were not assessed in NUREG-0706.

Although the proposed ISR GEIS is tailored towards ISR project sites and their associated satellite well fields, a determination that ISR facilities can accept similar uranium-loaded water treatment IX resins from drinking or other water sources without a license amendment is in order. Indeed, given that ISR facilities are required by Commission policy to send their 11e.(2) byproduct material (spent resins) to licensed 11e.(2) byproduct material disposal locations (usually licensed uranium mills), as an aside, the ISR GEIS could make this conclusion also applicable to conventional uranium mills with licensed IX recovery circuits as well. A uranium mill with an IX recovery circuit would be another alternative available for processing the water treatment IX resins directly if this determination was extended to not only an ISR facility, but also a conventional uranium mill.

As shown above, in light of the fact that the ISR GEIS already has assessed the potential impacts associated with transporting and processing uranium-loaded IX resins at ISR central processing facilities, RMD respectfully requests that NRC Staff seriously consider assessing uranium-loaded IX resins generated from treatment of drinking or other water sources to be within the scope of the ISR GEIS and that such an assessment should conclude that the receipt and processing of such resins at licensed ISR facilities does not require a licensed amendment or an EA. By doing so, NRC will remove a significant impediment to the expeditious removal of uranium from all relevant water sources.

RMD appreciates the opportunity to comment on this and we look forward to your response.

Respectfully submitted,

Scott E. Heffner
President and Chief Operating Officer