

July 14, 2010

Director, Office of Environmental Policy and Compliance
U.S. Department of the Interior
Main Interior Building (MS 2462)
1849 C Street, NW
Washington, DC 20240

SUBJECT: NOTIFICATION OF THE ISSUANCE OF AND REQUEST FOR COMMENTS FROM THE NATIONAL PARK SERVICE ON THE DRAFT ENVIRONMENTAL IMPACT STATEMENT FOR THE PROPOSED AREVA ENRICHMENT SERVICES LLC EAGLE ROCK ENRICHMENT FACILITY IN BONNEVILLE COUNTY, IDAHO

Dear Director:

The U.S. Nuclear Regulatory Commission (NRC) staff is reviewing an application submitted by AREVA Enrichment Services LLC (AES) for a license to construct, operate, and decommission a uranium enrichment facility near Idaho Falls in Bonneville County, Idaho. The proposed Eagle Rock Enrichment Facility (EREF), if licensed, would use a gas centrifuge process to enrich uranium-235 isotope found in natural uranium to concentrations up to 5 percent by weight. The enriched uranium would be used to manufacture nuclear fuel for commercial nuclear power reactors.

As part of the review of the application, the NRC has prepared a Draft Environmental Impact Statement (EIS) (NUREG-1945). The Draft EIS includes an analysis of relevant environmental issues, including potential impacts on visual and scenic resources (e.g., parks), and documents the NRC staff's preliminary determination regarding the environmental impacts from the preconstruction (e.g., site preparation), construction, operation, and decommissioning of the proposed uranium enrichment facility. Many of the activities required to build a uranium enrichment facility do not fall within NRC's regulatory authority and, therefore, are not "construction" as defined by the NRC. Such activities are referred to as "preconstruction" activities in Title 10 of the *U.S. Code of Federal Regulations* (10CFR) 51.45(c). The proposed 161-kilovolt (kV) electrical transmission line required to provide power to the proposed EREF also falls under this category.

By letter dated October 2, 2010, to the National Park Service in Seattle Washington (NPS), the NRC requested comments on any impacts to the nearby Hell's Half Acre National Natural Landmark (NNL) that may be caused by the preconstruction, construction, operation and decommissioning of the proposed EREF. By letter dated December 28, 2009, the NPS responded, providing information on the subject NNL and on the impacts on the environment of the nearby Idaho National Laboratory (INL), identifying INL as a source of information for the EREF EIS, and recommending areas of analysis for the EREF EIS.

The Draft EIS describes the NRC staff's evaluation of the potential impact of the proposed EREF project on the Hell's Half Acre NNL and on the more distant Craters of the Moon National Monument & Preserve. Based on this evaluation and consideration of the information provided by the NPS, the NRC staff's preliminary conclusion is that the preconstruction, construction, operation, and decommissioning of the proposed facility is expected to have impacts on the Hell's Half Acre NNL and Craters of the Moon National Monument & Preserve primarily associated with visual and scenic effects. In the context of the National Environmental Policy Act of 1969, as amended (NEPA), under which the Draft EIS was prepared, the NRC staff's preliminary determination is that the impact on visual and scenic resources from the preconstruction, construction, operation, and decommissioning of the proposed facility would be small to moderate for the Hell's Half Acre NNL and the general vicinity of the proposed project and small for the Craters of the Moon National Monument & Preserve.

At the request of the NPS, the NRC staff is forwarding the Draft EIS to you for the NPS' review and comment. We are requesting the NPS' comments on the Draft EIS and on our preliminary conclusions regarding the Hell's Half Acre NNL and Craters of the Moon National Monument & Preserve, and will address those comments in the Final EIS. We request that the NPS provide any information or comments on the enclosed Draft EIS that are considered appropriate under the provisions of NEPA and other applicable statutes during the comment period, which ends on Monday, September 13, 2010. Comments should be submitted either by mail to the Chief, Rules and Directives Branch, Division of Administrative Services, Office of Administration, Mailstop TWB-05-B01M, Washington, DC 20555-0001, or by e-mail to EagleRock.EIS@nrc.gov.

The NRC staff plans to hold a public meeting to discuss the contents of the Draft EIS on Thursday, August 12, 2010, at the Red Lion Hotel on the Falls Convention Center, 475 River Parkway, Idaho Falls, Idaho 83402. The meeting will convene at 7:30 p.m. and will continue until 10:00 p.m. The meeting will be transcribed and will include the following agenda items: (1) a brief presentation of NRC's roles and responsibilities and the licensing process, (2) a presentation summarizing the contents of the Draft EIS, and (3) an opportunity for interested government agencies, tribal governments, organizations, and individuals to provide comments on the Draft EIS. Additionally, the NRC staff will host informal discussions in an open house forum one hour before the start of the meeting, during which members of the public may meet and talk with NRC staff members. NPS staff are invited to attend.

If you have any questions or require additional information, please contact Mr. Stephen Lemont, Senior Project Manager, by phone at 301-415-5163, or by e-mail at Stephen.Lemont@nrc.gov.

Sincerely,

/RA/

Diana Diaz-Toro, Chief
Environmental Review Branch A
Environmental Protection
and Performance Assessment Directorate
Division of Waste Management
and Environmental Protection
Office of Federal and State Materials
and Environmental Management Programs

Docket No.: 70-7015

Enclosure:
Draft EIS

cc without enclosure: See next page

If you have any questions or require additional information, please contact Mr. Stephen Lemont, Senior Project Manager, by phone at 301-415-5163, or by e-mail at Stephen.Lemont@nrc.gov.

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