



Department of Energy

Washington, DC 20585

July 28, 2011

OLM-LEK-2011-116

To: Distribution

Subject: Participation in the Programmatic Environmental Assessment for the DOE's Uranium Leasing Program

Greetings:

On June 21, 2011, the U.S. Department of Energy (DOE) Office of Legacy Management announced its intent to prepare a Programmatic Environmental Impact Statement (PEIS), pursuant to the National Environmental Policy Act of 1969 (NEPA) (42 U.S.C. § 4321, *et seq.*), the Council on Environmental Quality's (CEQ) NEPA regulations (40 C.F.R. Parts 1500-1508), and DOE's NEPA implementing procedures (10 C.F.R. Part 1021). The PEIS will analyze the reasonably foreseeable environmental impacts, including the site-specific impacts, of alternatives for the management of DOE's Uranium Leasing Program (ULP), under which DOE administers tracts of land for the exploration, development, and extraction of uranium and vanadium ores. ULP includes tracts of land located in Mesa, Montrose, and San Miguel counties in western Colorado that cover a cumulative acreage of approximately 25,000 acres.

In July 2007, DOE issued the Final Programmatic Environmental Assessment (PEA) for the ULP (DOE/EA-1535) (http://www.lm.doe.gov/land/sites/uranium_leasing/uranium_leasing.htm), in which it examined three alternatives for the management of the ULP for the next ten years. In that same month, DOE issued a Finding of No Significant Impact (FONSI) (<http://nepa.energy.gov/documents/EA-1535FONSI.pdf>), in which DOE announced its decision to proceed with the preferred "Expanded Program Alternative" that was examined in its July 2007 PEA, and also determined that the preparation of an Environmental Impact Statement was not required.

DOE has recently determined that, in light of the site-specific information that DOE has gathered as a result of the site-specific agency actions proposed and approved pursuant to the July 2007 PEA/FONSI, it is now appropriate for DOE to prepare a PEIS in order to analyze the reasonably foreseeable environmental impacts, including the site-specific impacts, of a range of alternatives for the management of the ULP for the remainder of the ten-year period that was covered by the July 2007 PEA.

As required by the CEQ and DOE NEPA implementing procedures, at 40 C.F.R. Parts 1500-1508 and 10 C.F.R. Part 1021, respectively, DOE will analyze the range of reasonable alternatives for continuation of the ULP. In accordance with CEQ's NEPA implementing procedures at 40 C.F.R. § 1508.25(b), DOE will also analyze the "no action" alternative. DOE proposes that the alternatives to be analyzed in the PEIS include the following:

- 1) DOE would terminate the leases for the ULP; lessees would be required to reclaim their operations on their respective leases; and, once final reclamation activities were



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completed, DOE would continue its management of the withdrawn lands, without leasing, in accordance with applicable requirements.

- 2) DOE would terminate the leases for the ULP; lessees would be required to reclaim their operations on their respective leases; and, once final reclamation activities were completed, all lands would be restored to the public domain with the approval of BLM and under BLM's administrative control, and DOE's leasing program would end.
- 3) DOE would continue the ULP as it existed before the issuance of the July 2007 PEA/FONSI; the 13 then-active leases would be continued for the ten-year period covered by the July 2007 PEA/FONSI, or for another reasonable period; and DOE would terminate the leases for the remaining leases tracts. Regarding the leases that would be terminated, DOE would follow the procedures proposed either in alternative (1) above, or in alternative (2) above. Regarding the 13 leases that would be continued, the lessees would be allowed to file plans to explore for and mine uranium and vanadium ore reserves on their respective tracts, and to engage in reclamation activities on those tracts. For those 13 leases, DOE would analyze, among other things, the reasonably foreseeable environmental impacts, including the site-specific impacts, of leasing, exploration, mining activities (including any resumption of mining activities that were previously approved), transportation, and reclamation, as well as cumulative impacts resulting from the incremental impacts of those actions when added to other past, present, and reasonably foreseeable future actions. DOE would explore reasonable mitigation measures to avoid or minimize potential environmental impacts.
- 4) DOE would continue the ULP for the expanded number of leases in the July 2007 PEA/FONSI; the expanded number of leases would be continued for the ten-year period covered by the July 2007 PEA/FONSI, or for another reasonable period. For all of those ULP leases, the lessees would be allowed to file plans to explore for and mine uranium and vanadium ore reserves on their respective tracts, and to engage in reclamation activities on those tracts. DOE would analyze, among other things, the reasonably foreseeable environmental impacts, including the site-specific impacts, of leasing, exploration, mining activities (including any resumption of mining activities that were previously approved), transportation, and reclamation, as well as cumulative impacts resulting from the incremental impacts of those actions when added to other past, present, and reasonably foreseeable future actions. DOE would explore reasonable mitigation measures to avoid or minimize potential environmental impacts.
- 5) DOE would continue the ULP exactly as it was approved in the July 2007 PEA/FONSI, and would continue to approve plans by lessees as it has done since the issuance of the July 2007 PEA/FONSI. This Alternative (5) would be the "no action" alternative in the PEIS.

Your agency has been identified, on the basis of jurisdiction by law or special expertise, as a potential cooperating agency in accordance with CEQ NEPA regulations (40 CFR § 1501.6) and

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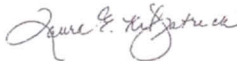
DOE NEPA regulations (10 CFR § 1021.341). Please notify this office in writing by August 19, 2011, of your agency's desire to participate as a cooperating agency under the conditions in 40 CFR § 1501.6(b). If your agency elects not to become a cooperating agency, DOE may, where appropriate, still consider involving your agency for inclusion in interdisciplinary teams engaged in the NEPA process and will include your agency on a distribution list for review and comment on the draft PEIS when it is released.

DOE has scheduled four public scoping meetings to support the preparation of the PEIS. These meetings will be held in Montrose, Telluride, and Naturita, Colorado; and in Monticello, Utah, on August 8-11, 2011, respectively. A copy of the DOE news release concerning this action is enclosed.

If you have any questions or concerns, please call me at (720) 880-4338. Please send any correspondence to:

Laura E. Kilpatrick
U.S. Department of Energy
Office of Legacy Management
2597 Legacy Way
Grand Junction, CO 81503

Sincerely,

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Laura E. Kilpatrick, Esq.
Realty Officer

Enclosure

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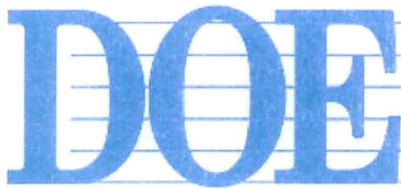
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NEWS



U.S. DEPARTMENT OF
ENERGY

Legacy
Management

For Immediate Release
July 29, 2011

DOE to Host Public Scoping Meetings on Uranium Leasing PEIS

GRAND JUNCTION, Colo. — The U.S. Department of Energy is hosting public scoping meetings to invite comments on the scope of the Draft Uranium Leasing Program Programmatic Environmental Impact Statement. The meetings will be held at the locations and dates listed below and will begin at 6:30 p.m. with an opportunity to sign-in to provide oral comments. A formal presentation by DOE officials will start at 7:00 p.m. followed by public comments starting at 7:15 p.m.

Monday, August 8, 2011
Montrose Pavilion
1800 Pavilion Dr., Montrose, CO 81401
6:30 p.m.-9:00 p.m.

Tuesday, August 9, 2011
Sheridan Opera House
110 North Oak St., Telluride, CO 81435
6:30 p.m.-9:00 p.m.

Wednesday, August 10, 2011
Naturita Community Building
411 W. 2nd St., Naturita, CO 81422
6:30 p.m.-9:00 p.m.

Thursday, August 11, 2011
San Juan County Courthouse - Commission Chambers
117 South Main St., Monticello, UT 84535
6:30 p.m.-9:00 p.m.

The Notice of Intent announcing plans to prepare the Draft Programmatic Environmental Impact Statement was issued in the Federal Register on June 21, 2011. The public scoping period began on that day, and was to close on August 22, 2011. A Supplement to the Notice of Intent was

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issued on July 21, 2011 that announces public scoping meeting dates, times, and locations and extends the scoping period to September 9, 2011.

The Programmatic Environmental Impact Statement is being prepared by the DOE Office of Legacy Management in order to analyze the reasonably foreseeable environmental impacts, including the site-specific impacts, of the range of reasonable alternatives for the management of the Uranium Leasing Program for the remainder of the ten-year period that was covered by the July 2007 Programmatic Environmental Assessment. Under the program, the DOE administers tracts of land for the exploration, development, and extraction of uranium and vanadium ores. DOE's Uranium Leasing Program includes tracts of land located in Mesa, Montrose, and San Miguel counties in western Colorado that cover a cumulative area of approximately 25,000 acres.

Written comments on the scope of the Draft Programmatic Environmental Impact Statement should be submitted by September 9, 2011 to: Laura Kilpatrick, Esq., DOE ULP Program Manager, Office of Legacy Management, U.S. Department of Energy, 11025 Dover Street, Suite 1000, Westminster, CO 80021, or electronically via the Programmatic Environmental Impact Statement website at <http://ulpeis.anl.gov>, or via email at ulpeis@anl.gov. Please mark envelopes and e-mails as "ULP PEIS Comments."

For more information on the Uranium Leasing Program, please visit the DOE Legacy Management Uranium Leasing Program website at <http://www.lm.doe.gov/default.aspx?id=119> or e-mail ULinfo@lm.doe.gov.

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News Contacts:

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