

HYDRO RESOURCES, INC.
CROWNPOINT URANIUM
PROJECT
NRC LICENSE RENEWAL

Presented by:

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INTRODUCTION

- ▣ Nuclear Regulatory Commission (NRC) Project Timeline for Crownpoint Uranium Project (CUP):
- ▣ License Application Initially Submitted 1988:
 - Four Technical Reports (Containing All Environmental Information Submitted);
 - Evolved into the Consolidated Operations Plan Revs. 1.0 & 2.0 (August 15, 1997 for Rev. 2.0)
- ▣ Final Environmental Impact Statement (FEIS) Issued December, 1997;
- ▣ CUP Materials License Issued January, 1998;
- ▣ License Renewal Request Submitted August, 2002;
- ▣ Federal Register Notice Indicating Timely Renewal Issued December 16, 2002 (No Hearings Requested);
- ▣ License Re-Activated & Timely Renewal Re-Confirmed October 14, 2011

NEXT STEPS: LICENSE RENEWAL

- ▣ Per NRC Regulations, Timely License Renewal Requires a Complete NRC Review:
 - License Renewal Application;
 - Environmental Report (ER);
 - Updates on Financial Assurance (Restoration Action Plans (RAPs))

 - Critical Component: License No. SUA-1580 is Effective as it Exists Until License Renewal Review is Complete

LICENSE RENEWAL CHALLENGES

- ▣ The Most Important Aspects of This License Renewal Application is Preparation of ER and That the Affected Environment Remains Essentially Unchanged:
 - Multiple Project Sites;
 - Description of the Affected Environment:
 - ▣ ER Chapter 3 Description Directly Impacts ER Chapter 4 Impact Analysis
 - Sequential Production:
 - ▣ License Condition on Church Rock Section 8 Groundwater Restoration
 - Status of Licensed Activities:
 - ▣ None Conducted to Date

PROPOSED LICENSE RENEWAL APPROACH

- ▣ How Do HRI and NRC Staff Address Challenges for License Renewal?:
 - Project Team;
 - Devise a Strategic Approach to the ER;
 - Reflect the “Entire” License No. SUA-1580 Docket:
 - ▣ Technical Reports & RAI Responses;
 - ▣ COP Rev. 2.0;
 - ▣ FEIS
 - ▣ Administrative Litigation Decisions;
 - ▣ Recently Approved RAPs
 - Agency/Applicant Communication

PROPOSED LICENSE RENEWAL APPROACH

- ▣ Step 1: Project Team is Best Suited for Timely and Effective Review of a License Renewal Application:
 - HRI Team (Technical and Environmental);
 - Thompson & Pugsley, PLLC (Legal & Regulatory);
 - WWC Engineering (Technical and Environmental Preparation)

PROPOSED LICENSE RENEWAL APPROACH

- ▣ Step 2: Develop a Strategic Approach to the ER (Conceptual):
 - NRC Guidance:
 - ▣ NUREG-1748;
 - ▣ NUREG-1569 to the Extent Relevant
 - Lessons Learned from Previous License Renewals;
 - Regimented Site Analysis:
 - ▣ Break the Analysis Down Site-by-Site;
 - ▣ Keep Analysis Simple and Organized;
 - ▣ Keep Analysis Focused on Current Site-Specific Conditions

PROPOSED LICENSE RENEWAL APPROACH

- ▣ Step 2: Develop a Strategic Approach to the ER (Formatting):
 - ▣ ER Needs to Have a Site-by-Site Format Starting with Chapter 3 (Affected Environment) and Chapter 4 (Impact Analysis):
 - ▣ Section 8;
 - ▣ Section 17;
 - ▣ Unit One;
 - ▣ Crownpoint
 - ▣ Complex License, Complex Site Format, Simple & Organized Analysis

PROPOSED LICENSE RENEWAL APPROACH

- ▣ Step 3: Reflect the Entire NRC Docket:
 - ▣ CUP Docket is Very Complex and Must Be Reflected in the ER:
 - ▣ FEIS;
 - ▣ Administrative Litigation;
 - ▣ COP Rev. 2.0;
 - ▣ Revised RAPs
 - ▣ Cross Referencing Much More Complicated But Will Make ER & License Renewal More Efficient:
 - ▣ FEIS and COP Are Primary Points-of-Reference

PROPOSED LICENSE RENEWAL APPROACH

- ▣ Step 4: Agency/Applicant Communication:
 - Need to Coordinate Appropriately on the Docket;
 - Need to Understand Site-Specific Conditions;
 - Need to Understand Lack of Licensed Activities Since 1998;
 - Need to Understand All Aspects of the Process;
 - Need to Identify Concerns & Questions Prior to Filing ER to Minimize Agency Resource Expenditures

ADDITIONAL ITEMS

▣ Timing of ER Submission:

- October 14, 2011 NRC Letter Requests Within Six (6) Months;
- Large Docket & Potentially May Require Some Additional Time to Pull Everything Together in a Complete & Comprehensive Submission

▣ Pre-Submission Audit Meeting & Site Tour:

- Been Productive for Two (2) Companies, Including One (1) Renewal;
- Need at Least Two (2) Months After Audit to Complete Revisions