

July 23, 2012

The Honorable Darrell Issa
Chairman, Committee on Oversight
and Government Reform
United States House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

I am writing to inform you of the actions being taken by the U.S. Nuclear Regulatory Commission (NRC) in response to the one recommendation that applies to the NRC contained in the U.S. Government Accountability Office (GAO) report, GAO-12-544, "Uranium Mining: Opportunities Exist to Improve Oversight of Financial Assurances." This specific recommendation states that, "[t]he Secretary of the Interior and the Chairman of the Nuclear Regulatory Commission should enhance their coordination on the financial assurances for ISR [In-Situ Leach Uranium Recovery] operations through the development of a memorandum of understanding that defines roles and promotes information sharing." The NRC has reviewed existing and pending agreements with the U.S. Department of Interior and its Bureau of Land Management (BLM) and has concluded that an existing NRC-BLM Memorandum of Understanding (MOU) could be amended to include language that would address GAO's recommendation. The NRC will develop the language with the assistance of an internal steering committee and then propose the amendment formally to BLM.

The existing MOU¹ provides for a cooperative working relationship between the NRC and BLM, and forms a cooperative framework that supports common goals in furthering each agency's mission with respect to the development of uranium or thorium resources on public lands, including Federal mineral estates, under the administration of the BLM. The MOU also lays out the responsibilities of each agency, including NRC's responsibilities for ISR processes. Thus, the basic framework for the kinds of coordination identified in the GAO report is already in existence between the two agencies, and can be expanded upon. However, the 2009 MOU was meant primarily for cooperation on environmental review activities. Therefore, the existing purposes and identified roles and responsibilities of each agency will need to be modified to specifically reference financial assurance related to ISR operations. The NRC will keep GAO informed of our progress in regard to modifying the existing MOU to address the financial assurance concern identified in the audit report.

¹ Memorandum of Understanding between the Bureau of Land Management, Department of the Interior and the Nuclear Regulatory Commission, an Independent Agency, executed in 2009. NRC Agencywide Documents Access and Management System (ADAMS) Accession No. ML093430195.

The NRC appreciates the opportunity to share its planned actions to implement the recommendation discussed in the GAO report. Should you have any questions, please contact Ms. Rebecca L. Schmidt, Director of the Office of Congressional Affairs, at (301) 415-1776.

Sincerely,

/RA/

Allison M. Macfarlane

cc: Representative Elijah Cummings

Identical letter sent to:

The Honorable Darrell Issa
Chairman, Committee on Oversight
and Government Reform
United States House of Representatives
Washington, D.C. 20515
cc: Representative Elijah Cummings

The Honorable Joseph I. Lieberman
Chairman, Committee on Homeland Security
and Governmental Affairs
United States Senate
Washington, D.C. 20510
cc: Senator Susan M. Collins

The Honorable Rodney Frelinghuysen
Chairman, Subcommittee on Energy
and Water Development
Committee on Appropriations
United States House of Representatives
Washington, D.C. 20515
cc: Representative Peter J. Visclosky

The Honorable Dianne Feinstein
Chairman, Subcommittee on Energy
and Water Development
Committee on Appropriations
United States Senate
Washington, D.C. 20510
cc: Senator Lamar Alexander

The Honorable Gene L. Dodaro
Comptroller General of the United States
U.S. Government Accountability Office
441 G Street, NW
Washington, D.C. 20548
cc: Elizabeth Erdmann, GAO
Anu K. Mittal, GAO