

**McIntyre, David**

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**From:** McIntyre, David  
**Sent:** Wednesday, March 14, 2012 11:28 AM  
**To:** 'Manuel Quinones'  
**Subject:** RE: NRC Finds Colorado State Review of Piñon Ridge Uranium Mill Flawed and Deficient  
**Attachments:** ML1133600720.pdf

Yes. We have asked Colorado to respond within 30 days on how they are going to redress this issue – they did not offer an opportunity for public involvement or an opportunity for the public to request a hearing in the licensing process for that mill. This means their regulations are not compatible with ours, as required by the Atomic Energy Act and the Agreement State system. However, I should stress that we are not intervening in the SMA lawsuit against the state – this is a separate track on the same issue. I'm attaching our letter to Colorado.

*David McIntyre*  
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U.S. Nuclear Regulatory Commission  
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**From:** Manuel Quinones [mailto:mquinones@eenews.net]  
**Sent:** Wednesday, March 14, 2012 9:53 AM  
**To:** McIntyre, David  
**Subject:** FW: NRC Finds Colorado State Review of Piñon Ridge Uranium Mill Flawed and Deficient

Hey David:

I got this from the opponents of the new mill in Colorado. Is NRC really stepping in? Any background or info would be great. Trying to get something in for our noon edition, if possible.

Thanks!  
Manuel

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**From:** Jennifer Thurston [mailto:jennifer@sheepmountainalliance.org]  
**Sent:** Tuesday, March 13, 2012 7:25 PM

**To:** Jennifer Thurston

**Subject:** NRC Finds Colorado State Review of Piñon Ridge Uranium Mill Flawed and Deficient

FOR IMMEDIATE RELEASE:

March 13, 2012

Contact: Hilary White, Sheep Mountain Alliance, 970-728-3729  
Jeff Parsons, Western Mining Action Project, 303-823-5738

**Nuclear Regulatory Commission Finds Colorado State Review of Piñon Ridge Uranium Mill Flawed and Deficient**

TELLURIDE, Colo. -- The U.S. Nuclear Regulatory Commission has substantiated concerns by Sheep Mountain Alliance that the Colorado Department of Public Health and Environment (CDPHE) review of the Piñon Ridge Uranium Mill did not meet federal standards for fair and open review and required CDPHE to reopen the application process.

In a letter to Sheep Mountain Alliance attorney Jeffrey C. Parsons on March 8, the NRC stated that "CDPHE did not provide an opportunity for a public hearing or notice for public comment on the Piñon Ridge Uranium Mill proposed license."

The CDPHE issued a final radioactive materials license for the Piñon Ridge Uranium Mill on Jan. 5, 2011, under its authority to license uranium facilities as an NRC Agreement State. Sheep Mountain Alliance filed a lawsuit against CDPHE after the license was issued, arguing that the public hearing and review process was not properly conducted.

"The statement from the NRC is an important acknowledgement that our concerns and basis for filing the lawsuit were both valid and significant," said Hilary White, executive director of Sheep Mountain Alliance. "During the review process, we were denied the right to have our technical questions addressed. After the environmental review was conducted and the preliminary license was issued members of the public were denied open and careful scrutiny of the applicant's assertions in the federally required proceeding. Since the mill was first proposed in 2007, people in our region have been requesting a full and complete review of this project. We are still waiting for it."

The Piñon Ridge Uranium Mill is the first new uranium mill proposed in the United States in three decades. "Conducting a thorough public review is a fundamental obligation that Colorado must meet when implementing federal law as an Agreement State," noted Parsons, who represents Sheep Mountain Alliance from the Western Mining Action Project in Lyons, Colo.

"The NRC has confirmed that CDPHE failed to provide the public with a meaningful opportunity to review the Energy Fuels mill permit," Parsons said. "We need new and objective eyes to look at this mill proposal."

According to the correspondence, the NRC suggested that the state could remedy the procedural shortcomings by initiating a new rulemaking to clarify the public's rights, then working with mill proponent Energy Fuels Inc. to provide a new hearing.

Intervention by the NRC is unusual, Parsons noted. "NRC rarely comes down so clearly and explicitly stating that a state's public review process was flawed," Parsons said. "The CDPHE ignored our concerns over this; they went ahead and issued the mill license. The NRC has irrefutably substantiated our concerns."

During the review process, community members across the Western Slope requested that the CDPHE take into consideration the negative environmental and socioeconomic impacts of the Piñon Ridge Uranium Mill, slated to be constructed in the agrarian Paradox Valley in western Montrose County. Sheep Mountain Alliance submitted expert technical reports addressing the impacts of radioactive tailings and waste storage, impacts to the Paradox Valley and the San Miguel and Dolores Rivers, wildlife, toxic air emissions, as well as negative socioeconomic impacts to communities across Southwest Colorado.

"If CDPHE had conducted a valid and thorough review of the Piñon Ridge Mill as proposed, the license should not have been granted," said White. "We needed a fair and complete hearing to gain a true understanding of what the Piñon Ridge Uranium Mill would mean to our region. Ultimately, if built, it will create a radioactive processing facility and a tailings pond complex that will leave a lasting legacy of toxic waste and economic liability for the public. We hope that this is an opportunity to explore clean energy solutions for Southwest Colorado."

Sheep Mountain Alliance's lawsuit against CDPHE is pending in state district court.

The NRC letters may be accessed online [here](#) and [here](#).

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