



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

March 28, 2017

Mr. Scott Schierman, Manager
Health, Safety, and Environment
Uranium One USA, Inc.
907 N. Poplar Street, Suite 260
Casper, WY 82601-1310

SUBJECT: STATUS OF LICENSE AMENDMENT REQUEST FOR LUDEMAN PROJECT
TO WILLOW CREEK PROJECT, LICENSE SUA-1341 (DOCKET NO.: 40-8502)

Dear Mr. Schierman:

The purpose of this letter is to inform you of impacts to the U.S. Nuclear Regulatory Commission (NRC) staff's review schedule of Uranium One USA, Inc.'s (Uranium One) request to amend its Willow Creek Project source and byproduct materials license SUA-1341 to include its proposed Ludeman Project in Converse County, Wyoming. At this time the NRC staff does not have adequate information to complete a safety evaluation report (SER) or an environmental assessment (EA). See the history of this review in the enclosure for more detail.

In order for the NRC staff to proceed with its safety and environmental reviews and establish a revised schedule for completion of the Ludeman license amendment request, Uranium One should provide an updated schedule for submitting the additional information required for the Willow Creek license HP program. Since you plan to use the same approach in several aspects of the Willow Creek and Ludeman Project Health Physics (HP) program, this information is necessary to proceed with your application request. The schedule should also address when you intend to submit the amended Ludeman Project application, including the "change of design" request described in the enclosure, and revised request for additional information (RAI) responses. The NRC staff recognizes that additional discussions or submittals may be necessary. The NRC staff is asking that Uranium One provide a schedule within 30 days of receipt of this letter.

The NRC staff met with you recently to address the remaining Willow Creek HP RAIs and Ludeman application open issues in a public meeting on February 22, 2017. Once Uranium One has provided the information and the RAI responses are determined to be sufficient, the NRC staff will be able to refine the schedule for the remainder of the review.

In accordance with 10 CFR 2.390 of the NRC's "Agency Rules of Practice and Procedure," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records component of NRC's ADAMS. ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> .

If you have any questions concerning the above, please contact Ms. Elise Striz at (301) 415-0708 or via email at elise.striz@nrc.gov.

Sincerely,

/RA/

John R. Tappert, Director
Division of Decommissioning, Uranium Recovery
and Waste Programs
Office of Nuclear Material Safety
and Safeguards

Docket No.: 40-8502
License No.: SUA-1341

Enclosure: Review History

cc: Julie Powell, WDEQ

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DATED XX

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Review History:

Uranium One submitted the Ludeman Project amendment request for the Willow Creek Project license SUA-1341 on December 3, 2011 (NRC's Agencywide Documents Access and Management System (ADAMS) Accession number ML12010A178). After submission of required information, the NRC staff found the application acceptable for review on May 16, 2012 (ML12131A322). The NRC staff issued a request for additional information (RAI) for the safety review on January 15, 2013 (ML12352A028). On April 10, 2013, Uranium One submitted a "change of design" request for the Ludeman Project Expansion (ML13106A238). In the April 10, 2013, submission, Uranium One committed to amend the application to address the proposed "change of design" modifications at a later date. NRC agreed to Uranium One's request to defer submission of the "change of design" amended application to enable Uranium One to include application revisions based on acceptable responses to RAIs. Uranium One submitted nearly all of the responses to RAIs on March 13, 2014 (ML14079A127). On April 8, 2014, the NRC staff informed Uranium One that the health physics (HP) review of the RAIs would be delayed for an unknown period because the NRC HP staff were occupied with other high-priority projects (ML14091A109).

After the delay of a few months, the NRC staff was able to review the HP RAI responses and issued a second round of HP RAIs on December 18, 2014 (ML14350A186). Uranium One responded to the second round of HP RAIs and previously unanswered RAIs on June 8, 2015 (ML15170A372). At this time, the NRC staff informed Uranium One that the review of the HP RAI responses would be delayed again due to the NRC HP staff working on other high-priority projects.

The NRC staff restarted the safety review of the Ludeman Project Application in spring 2016 and is actively reviewing the Ludeman Project Expansion application with the available information provided on expected revisions for the "change of design" request. The NRC staff is also reviewing the majority of the safety RAI responses, some of which address the "change of design."

The review of some of the Ludeman HP RAI responses, however, are awaiting more information from Uranium One. Specifically, the Ludeman Project amendment application does not include a description of several elements of the HP program to be employed at the Ludeman facility. Instead, Uranium One stated these elements of the Ludeman HP program will be the same as the Willow Creek Project license HP program. During the Willow Creek license renewal, that was approved on March 7, 2013, NRC staff required these elements of the Willow Creek HP program be updated. By license condition, these HP program element updates were to be reviewed and verified by the NRC staff after the Willow Creek license renewal. The NRC staff has reviewed several Uranium One Willow Creek HP verification submissions since the license renewal was approved, however, at this time, these updated elements of the Willow Creek HP program have not received final verification by the NRC staff.

In addition, the NRC staff is also unable to complete its environmental assessment due to unresolved open issues from the February 8, 2016, public meeting (ML16061A330). The NRC staff has also informed Uranium One of deficiencies in its Class III Cultural Resource Inventory report that must be addressed prior to the Wyoming State Historic Preservation Officer review. Revisions to the report are critical for the NRC staff to complete its National Historic Preservation Act Section 106 review.