



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

July 5, 2018

Mr. Oscar Paulson
Facility Supervisor
Kennecott Uranium Company
Rawlins, WY 82301

SUBJECT: MATERIALS LICENSE SUA-1350, LICENSE RENEWAL, KENNECOTT
URANIUM COMPANY, SWEETWATER URANIUM PROJECT, SWEETWATER
COUNTY, WYOMING

Dear Mr. Paulson:

By letter dated July 24, 2014, Kennecott Uranium Company (KUC) submitted a license renewal application (LRA) to the U.S. Nuclear Regulatory Commission (NRC) for the renewal of Materials License SUA-1350 for the Kennecott facility located in Sweetwater County, Wyoming. The LRA was accepted for NRC staff review on November 25, 2014. A notice of license renewal request and opportunity to request a hearing was published in the *Federal Register* on February 10, 2015.

KUC supplemented the LRA with submittals dated October 31, 2015, June 2, 2016, October 18, 2016, November 14, 2016, September 28, 2017, and January 12, 2018.

The staff completed its environmental review of the KUC environmental report and documented its findings in an Environmental Assessment (Agencywide Documents Access Management System (ADAMS) Accession No. ML18135A206). The change to License Condition 9.8 is included in the Environmental Assessment. The staff's finding of no significant impact was published in the *Federal Register* on June 8, 2018.

During the safety review, the staff developed proposed license conditions for KUC and issued a draft license on August 25, 2016. The staff subsequently issued revised proposed license conditions on March 5, 2018, and June 13, 2018. The renewed Materials License for KUC is provided as Enclosure 1.

The staff found that the LRA, as supplemented, for KUC complies with the Atomic Energy Act of 1954, as amended (the Act), and the Commission's regulations. Based on its review, the staff concludes that the LRA meets the applicable requirements in Title 10 of the *Code of Federal Regulations* (10 CFR) Parts 20 and 40. More specifically, in accordance with 10 CFR 40.32(b) and(c), the staff finds that KUC is qualified by reason of training and experience to use source material for the purpose that it requested, and that KUC proposed equipment and procedures for use at the KUC facility are adequate to protect public health and minimize danger to life or property.

Concurrent with its license renewal review, the NRC also reviewed KUC's revised request to construct an additional tailings impoundment and evaporation ponds for future operations. As

described in the Safety Evaluation Report and in the revised license, the NRC approves this revision. The staff's review supporting these findings is documented in its Safety Evaluation Report (ADAMS Accessions No. ML18052B381), which is provided as Enclosure 2 to this letter.

Therefore, in accordance with 10 CFR 40.32(d), the staff finds that issuance of a renewed license to KUC will not be inimical to the common defense and security or to the health and safety of the public. The staff also finds in accordance with 10 CFR 40.32(e), after weighing the environmental, economic, technical, and other benefits against environmental costs and considering available alternatives, that the appropriate action is to issue renewed Materials License SUA-1350 (Enclosure 1).

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 of the NRC's document system 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 James Webb at (301) 415-6252, or via e-mail at James.Webb@nrc.gov.

Sincerely,

/RA/

Michele Sampson, Acting Deputy Director
Division of Decommissioning, Uranium Recovery
and Waste Programs
Office of Nuclear Material Safety and Safeguards

Docket No. 040-08584
License No. SUA-1350

Enclosures:

1. Source Material License No. SUA-1350
2. Safety Evaluation Report

cc: R. Schierman, WDEQ

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