



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

SEP 28 1993

LETTER FOR: State Officials and Uranium Recovery
Field Office Licensees on Attached List

Dear Ladies and Gentlemen:

Attached is a summary of the meeting held in the Uranium Recovery Field Office (URFO) on September 9, 1993, in which many of you participated. This summary reflects our understanding of the concerns and issues you presented to the NRC Transition Oversight Team (TOT), and responses we may have made to your points. We have attempted to capture the future actions to which we committed, and have established milestones for resolution of those items suitable for specific actions. Please advise me if any of the concerns or issues are inaccurately presented, or if your understanding differed from ours.

We have scheduled another similar meeting for 10:00 am, November 18, 1993, in the URFO office, to continue our interactions on the issues related to closure of URFO, and to continue to explore means to reduce regulatory impact during and following the transition. Please advise URFO, (303) 231-5800, of your intent to participate in this meeting prior to November 15, 1993, such that adequate conference space may be scheduled.

Should you wish to suggest agenda topics, please address your suggestions to Ramon E. Hall, Director, URFO, at the above telephone number.

MR Knapp
Malcolm R. Knapp, Chairman
Transition Oversight Team

Attachment: As stated

cc:
Affected States (Attached Distribution List)
Uranium Recovery Licensees (Attached Distribution List)

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9312200087 930928
PDR ADOCK 04000299
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Attachment

NUCLEAR REGULATORY COMMISSION MEETING SUMMARY

September 9, 1993

Golden, Colorado

PARTICIPANTS: NRC TRANSITION OVERSIGHT TEAM
URANIUM RECOVERY INDUSTRY REPRESENTATIVES
STATE REPRESENTATIVES

PURPOSE: 1) REPORT ON STATUS AND PROGRESS OF NRC'S CLOSURE OF THE
URANIUM RECOVERY FIELD OFFICE (URFO)
2) OBTAIN INDUSTRY AND STATE VIEWS ON HOW TO BEST IMPLEMENT THE
CLOSURE AND MINIMIZE ANY ADVERSE IMPACTS

ATTENDANCE: See Enclosure 1

SUMMARY:

On September 9, 1993, the NRC Transition Oversight Team (TOT) met with representatives of states affected by the closure of the URFO, and with uranium recovery program licensees. The meeting followed the Agenda which constitutes Enclosure 2. The NRC discussed transition planning and expressed the intent to work interactively with the states and licensees affected by the closure of the URFO. State and licensee representatives expressed their concerns over effects of the closure and agreed to work with the TOT to minimize the impacts.

NRC PRESENTATIONS:

The Chairman of the TOT reviewed the changes in the team which had been necessitated by recent NRC management changes. He emphasized that this meeting should concentrate on transition issues, and policy issues would be considered at a later time. He and other TOT members briefly summarized the transition plan.

The NRC reported on its consideration of the proposal to consolidate URFO in NRC's Region IV in Arlington, Texas. After considering the advantages and disadvantages, NRC has decided to retain its original plan to relocate licensing activities to NRC headquarters in Washington DC and inspection to Region IV. The Commission Paper documenting the decision (SECY-93-207) was distributed.

NRC said that it has strongly encouraged the URFO staff to remain with the agency, and discussed its efforts to retain and relocate them. NRC also described its contingency planning to continue its regulatory program in the event URFO staff does not accept transfer offers. Contingency planning includes the possibility of reassigning other staff who have previous uranium recovery experience, recruiting new staff and obtaining technical support from outside the NRC.

NRC said that a principal goal of the TOT is to ensure that licensing and inspection efforts do not suffer during the transition. Licensees were asked

to be sensitive to any perception of delay or inattention and to bring concerns to the Director, URFO, as early as possible.

NRC described its efforts at regulatory impact reduction or streamlining of the regulatory process. The NRC's goal is to implement changes by midsummer of 1994 so that regulatory impacts will be reduced by the time URFO is closed. To meet that timetable, NRC will focus on changes that can be made through license conditions, and perhaps modified regulatory guidance, rather than changes that would require revised regulations or changes in agreements with States. Using this perspective, NRC is summarizing the suggestions it has received (Enclosure 3) and will decide which are most likely to be achieved in the near term. As a part of this process, NRC will compare recent license amendments to the summary of suggestions and seek criteria-based (also called performance-based) license conditions that respond to the suggestions and would have eliminated the need for the license amendments. NRC will report its progress to those attending this meeting in mid to late October, with the request that the attendees review it and be prepared to comment at the next meeting.

ATTENDEE COMMENTS:

Several attendees expressed disappointment that NRC finalized its decision to relocate URFO and to separate licensing and inspection locations without providing them more of an opportunity to be involved. They expressed concern over accessibility to NRC staff involved in their projects for meetings, etc. They asked for backup information on economics and other issues that the NRC had considered in making its decision. NRC agreed to provide any additional available information.

Attendees are concerned about the number of NRC staff budgeted for Title II licensing and inspection in fiscal years 1994 and 1995. They expressed concern that inadequate staff would create a regulatory "bottleneck." They also asked for the basis for NRC license fees under 10 CFR parts 170 and 171. NRC committed to present the basis for its budget and for its fees at the next meeting. They also voiced concern over the use of outside consultants who would not be cognizant of their needs, and were concerned that differences between regulatory interpretations by the license reviewers and inspectors would "whipsaw" the licensees. They voiced strong support for a single Project Manager concept for each site.

State representatives expressed their concern in maintaining state/NRC interactions on ongoing license issues. The NRC committed to maintaining direct contact through scheduling of meetings in states, or perhaps funding state travel to NRC headquarters. They also expressed concern that NRC headquarters staff would not possess "field experience." NRC indicated that cross-training was already being initiated. One state representative questioned the efforts for streamlining regulatory actions in the context of recent hearings before Congressman Synar's Committee. Another state representative questioned if the efforts to streamline, and the elimination of URFO would lead to pressure to encourage non-agreement states to request agreement state status. The NRC indicated that neither of these two questions would be involved in the TOT action plan at this time; however streamlining efforts might affect the interface between the NRC and the states in the future.

Several licensees consider that the DOE remediation of Title I sites goes beyond what is needed and is very expensive. They were therefore concerned that having the same staff or consultants review both Title I and Title II sites would lead to over-regulation of Title II sites. NRC agreed to be sensitive to this concern.

Licensees are concerned that URFO staff may not accept their offers, that replacement staff will not have their corporate knowledge. They fear that new staff will not understand individual licensee issues, that they may revise agreements now in place, and, particularly, that they will cause unacceptable delays in NRC's license reviews. NRC discussed its contingency planning, and noted that several staff members in headquarters and in Region IV have previous uranium recovery experience. NRC committed to be particularly sensitive to these concerns and asked the licensees to be equally sensitive and to give NRC management early warning of any perception of negative impacts during the transition period.

Licensees representing the in situ mining industry questioned why their licenses required so many amendments. The NRC indicated that this would be one focus of the regulatory impact review.

One licensee questioned how the special interface at his superfund site between the EPA, the State, and the NRC would be coordinated following loss of the URFO staff member currently coordinating this effort. The NRC indicated that this would be addressed during the cross-training of staff, and that NRC headquarters would assure that the coordinating function would continue.

Several licensees requested that they be kept aware of impending loss of URFO staff and transfer of work activities to NRC headquarters. The NRC committed to keeping the involved licensees and affected states aware of plans for transfer of work activities, and would explore the legal aspects of informing them of staff plans.

Licensees involved in site reclamation reminded the NRC that they have license conditions controlling the schedule for their site reclamation. They will need responsive license reviews to assure that delays in regulatory review do not impact their schedules. The NRC indicated that the licensees should provide information to assure that proper priorities are established for these reviews.

Licensees involved in programs which could result in federal reimbursement for reclamation activities under Title X of the 1992 Energy Act expressed concern that inadequate inspection resources would be available to certify their work completion claims. The NRC expressed the opinion that the DOE implementing regulations would not require physical inspection to approve payment. The NRC agreed to respond directly to the AMC representative on the NRC's understanding of the proposed regulations before the September 14 public meeting on the DOE implementing regulations so they could reflect this understanding in their comments to DOE.

The representative from the Wyoming Mining Association expressed concern that the NRC budget projections for uranium program licensing do not reflect the industry projections for industry recovery. He indicated that the impact of

regulatory delays could have significant impacts on the competitive position of the licensees in the world market.

COMMITMENTS:

- 1 NRC will report on its review of recent license amendments and how they might have been eliminated by using performance-based license conditions.

DUE: Mid to late October

- 2 NRC will present the bases for its budgeted staff and for its license fees for uranium recovery. It will also discuss to the extent practical the economic savings resulting from closure of the URFO.

DUE: Next TOT-public meeting

3. NRC will respond to the American Mining Congress representative on the NRC interpretation of the DOE regulations for implementing Title X.

DUE: September 13, 1993.

COMMENT: Completed on September 14, 1993. After discussions with the program officer, Bill Ferdinand of the AMC was advised by phone of the NRC interpretation of the Title X implementing regulations, and the NRC involvement in approving payment for completed work.

SCHEDULE FOR NEXT MEETING:

It was agreed that the next meeting between the TOT and the state and licensee representatives would be in mid-November, 1993. The date of November 18, 1993 was suggested as a planning date.



Dr. Malcolm R. Knapp, Chairman
NRC Transition Oversight Team

MEETING ATTENDANCE

TOT MEETING WITH LICENSEES/STATES
September 9, 1993
Uranium Recovery Field Office

TOTAL ATTENDANCE: 35

REPRESENTATIVE ORGANIZATIONS

American Mining Congress	Jim Gilchrist Tony Thompson Bill Ferdinand* ¹
Wyoming Mining Association	Dale Alberts*

STATES

Colorado	Don Simpson Tom Pentecost
Utah	Bill Sinclair
Wyoming	Roger Shaffer Mark Moxley

LICENSEES

American Nuclear	Bill Salisbury
ARCO	Nat Patel
Atlas Corp.	Richard Blubaugh
COGEMA	Robert Poyser
Ferrett	Steve Collings
Homestake	Fred Craft
Kennecott	Oscar Paulson C. D. Schurtz Thomas Osborn (Intera)
Pathfinder	Lee Nugent

¹Individuals indicated by an asterisk (*) are indicated in two or more locations.

Attendance List (Continued)

Petrotomics (Texaco)	Ron Juday Steve Pfaff Frank Charron
Power Resources	Steve Morzenti Paul Hildebrand
Rio Algom	Bill Ferdinand* Dale Alberts*
United Nuclear	Juan R. Velasquez
Umetco	John Hamrick Pat Lyons
Union Pacific	Ernie Scott
URI/HRI	Mark S. Polizza
Western Nuclear	Mike Schern
OTHERS	
Morrison-Knudson	John Bors Don Sanders Ted Seep
Shepherd, Miller, Inc.	Ken Bruxvoort Bob Medlock

AGENDA

NUCLEAR REGULATORY COMMISSION MEETING
TRANSITION OVERSIGHT TEAM
MEETING WITH
INDUSTRY, STATES, AND THE PUBLIC

September 9, 1993

1:30 pm

Denver, Colorado

1:30 - NRC PRESENTATIONS

PURPOSE OF MEETING	M. R. Knapp
AGENCY POSITION ON CLOSURE AND TRANSFER OF FUNCTIONS	M. R. Knapp
PERSONNEL ISSUES	M. J. Fox
HEADQUARTERS CONTINUITY PLANNING	J. J. Surmeier
REGION IV CONTINUITY PLANNING	L. J. Callan
LICENSING/INSPECTION DURING TRANSITION	R. E. Hall
REGULATORY IMPACT REDUCTION EFFORTS	M. R. Knapp

2:30 - STATE, INDUSTRY AND PUBLIC COMMENTS

5:00 - AGREEMENT ON NEXT MEETING

All

REGULATORY IMPACT REDUCTION ISSUES

- SURETY AND BONDING
- ISL WELLFIELD REGULATION
- CORRECTIVE ACTION PROGRAMS
- PROCESS AND PLANT DESIGN CHANGES
- ORGANIZATIONAL CHANGES
- RESTRICTED AREA BOUNDARY CHANGES
- TAILINGS DISPOSAL
- WATER DISPOSAL FACILITIES
- RECLAMATION PLANS
- ARCHEOLOGICAL AND OTHER SURVEYS
- MINOR MODIFICATIONS TO MONITORING AND SAMPLING PROCEDURES
- SILENT APPROVAL
- DOGMATIC APPROACH
- OTHERS

st 12, 1993

NEW MEXICO FACILITIES	CC:
<p>AMBROSIA LAKE MILL 40-8905 SUA-1473</p> <p>Quivira Mining Company ATTN: Bill Ferdinand, Manager Rad. Safety, Licensing & Reg. Affairs 6305 Waterford Blvd., Suite 325 Oklahoma City, Oklahoma 73118</p>	
<p>BLUEWATER MILL 40-8902 SUA-1470</p> <p>Atlantic Richfield Company ATTN: Ron S. Ziegler P.O. Box 638 Grants, New Mexico 87020</p>	
<p>BIRCH ROCK MILL 40-8907 SUA-1475</p> <p>UNC Mining and Milling ATTN: Juan R. Velasquez 1700 Louisiana Blvd., NE, Suite 230 Albuquerque, New Mexico 87110</p>	
<p>CROWNPOINT CISL 40-8968</p> <p>Hydro Resources, Inc. ATTN: Mark Pelizza Uranium Resources Inc. 12750 Merit Drive, Suite 1210, LB 12 Dallas, Texas 75251</p>	
<p>GRACE HEAP LEACH 40-8912 SUA-1480</p> <p>Grace Energy Company ATTN: Michael P. Grace P.O. Box 1033 Venice, California 90291</p>	

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L-BAR MILL

40-8904 SUA-1472

Sohio Western Mining Company
10 East South Temple
P.O. Box 11248
Salt Lake City, Utah 84147

GRANTS MILL

40-8903 SUA-1471

Homestake Mining Company
ATTN: Fred Craft
P.O. Box 98
Grants, New Mexico 87020

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NEBRASKA FACILITIES	cc:
CROW BUTTE CISL 40-8943 SUA-1534 Ferret Exploration Company of Nebraska, Inc. ATTN: Steve Collings 216 Sixteenth St. Mall, Suite 810 Denver, Colorado 80202	

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SOUTH DAKOTA FACILITIES	cc:
EDGEMONT MILL 40-1341 SUA-816 Tennessee Valley Authority ATTN: Manager, Nuclear Licensing and Regulatory Affairs 5N 157B Lookout Place 1101 Market Street Chattanooga, Tennessee 37402	

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UTAH FACILITIES	cc:
<p>LISBON MILL 40-8084 SUA-1119</p> <p>Rio Algom Mining Corp. ATTN: Bill Ferdinand, Manager Rad. Safety, Licensing & Reg. Affairs 6305 Waterford Blvd., Suite 325 Oklahoma City, Oklahoma 73118</p>	
<p>MOAB MILL 40-3453 SUA-917</p> <p>Atlas Corporation ATTN: R. E. Blubaugh, Vice President of Environmental and Governmental Affairs Republic Plaza 270 Seventeenth St., Suite 3150 Denver, Colorado 80202-5631</p>	
<p>SHOOTARING CANYON MILL 40-8698 SUA-1371</p> <p>Plateau Resources Limited P.O. Box 2111 Ticaboo Lake Powell, Utah 84533-2111</p>	
<p>WHITE MESA MILL 40-8681 SUA-1358</p> <p>Umetco Minerals Corporation ATTN: R. A. Van Horn Manager of Operations P.O. Box 1029 Grand Junction, Colorado 81502 Phone: (303) 248-4120</p>	

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WYOMING STATE FACILITIES	cc:
<p>BEAR CREEK MILL 40-8452 SUA-1310</p> <p>Bear Creek Uranium ATTN: Gary Chase Radiation Safety Officer P.O. Box 366 Casper, Wyoming 82602</p>	
<p>GAS HILLS MILL 40-0299 SUA-648</p> <p>Umetco Minerals Corporation ATTN: Pat J. L. Lyons General Superintendent P.O. Box 151 Riverton, Wyoming 82501</p>	
<p>GAS HILLS PROJECT 4492 SUA-667</p> <p>American Nuclear Corporation ATTN: Stephen A. Carpenter 550 North Poplar Street, Suite No. 6 Casper, Wyoming 82602</p>	
<p>GREEN MOUNTAIN IX 40-8971 SUA-1524</p> <p>U.S. Energy Corporation ATTN: Kenneth Webber 877 North 8th West Riverton, Wyoming 82501</p>	
<p>HIGHLAND URANIUM PROJECT CISL 40-8857 SUA-1511</p> <p>Power Resources, Inc. ATTN: S. Morzenti, Vice President 1560 Broadway, Suite 1470 Denver, Colorado 80202</p>	

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<p>HIGHLANDS MILL 40-8102 SUA-1139</p> <p>Exxon Corporation c/o Exxon Coal and Minerals Company ATTN: Dave Range Staff Environmental Engineer P.O. Box 1314 Houston, Texas 77251-1314</p>	
<p>IRIGARAY RANCH CISL 40-8502 SUA-1341</p> <p>Total Minerals Corporation ATTN: Chuck Foldenauer 913 Foster Road Casper, Wyoming 82604</p>	<p>Pathfinder Mines Corporation ATTN: Robert Poyser 7401 Wisconsin Avenue Bethesda, Maryland 20814-3416 Phone: (301) 986-85852</p>
<p>LUCKY MC URANIUM MILL 40-2259 SUA-672</p> <p>Pathfinder Mines Corporation ATTN: Lee Nugent, Mine Manager P.O. Box 831 Riverton, Wyoming 82501</p>	
<p>NORTH BUTTE CISL 40-8981 SUA-1540</p> <p>Pathfinder Mines Corporation North Butte ISL Operations ATTN: Donna L. Wichers 935 Pendell Boulevard Mills, Wyoming 82644</p>	
<p>SHIRLEY BASIN MILL 40-6622 SUA-442</p> <p>Pathfinder Mines Corporation ATTN: Robert Hopkins, Mine Manager Shirley Basin Mine Shirley Basin, Wyoming 82615</p>	

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<p>SHIRLEY BASIN MILL 40-6659 SUA-551</p> <p>Petrotomics Company ATTN: Ron Juday, Supervisor P.O. Box 2509 Shirley Basin, Wyoming 82615</p>	
<p>SPLIT ROCK MILL 40-1162 SUA-56</p> <p>Western Nuclear, Inc. ATTN: Stephanie Baker 200 Union Blvd., Suite 300 Lakewood, Colorado 80228</p>	
<p>SWEETWATER URANIUM MILL 40-8584 SUA-1350</p> <p>Kennecott Uranium Company ATTN: Oscar Paulson P.O. Box 1500 Gardiner, Wyoming 82301</p>	

at 12, 1993

STATES

NON-AGREEMENT STATES

STATE OF NEW MEXICO

Attn: Benito Garcia, Chief
Hazardous and Radioactive
Materials Bureau

Camino De Los Marquez, Suite 4
P.O. Box 26110
Santa Fe, NM 87502

STATE OF NEBRASKA

Department of Environmental Quality
Attn: Tom Lamberson, Deputy Director
P.O. Box 98922
Lincoln, Nebraska 68509-8922

STATE OF SOUTH DAKOTA

Department of Environment and Natural Resources
Attn: Mike Pochop, Scientist
Division of Environmental Regulation
Capitol, Joe Foss Bldg.
Sioux Falls, SD 57501

STATE OF UTAH

Department of Environmental Quality
Attn: William J. Sinclair, Director
Division of Radiation Control
168 North 1950 West
P.O. Box 144850
Salt Lake City, UT 84114-4850

STATE OF WYOMING

State Planning Coordinator's Office
Attn: Roger Fransen, Legal and
Natural Resources Specialist
Herschler Building, 4th Floor East
Cheyenne, WY 82002

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AGREEMENT STATES

STATE OF COLORADO
Department of Health
Attn: Robert M. Quillin, Director
Radiation Control Division
4300 Cherry Creek Dr., So.
Denver, CO 80222-1530

STATE OF TEXAS
Texas Water Commission
Attn: Susan S. Ferguson, Director
Hazardous Waste Division
P.O. Box 13087
Austin, TX 78711-3087

STATE OF WASHINGTON
Department of Health
Attn: Terry R. Strong, Director
Division of Radiation Protection
P.O. Box 47827
Olympia, WA 98504-7827

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MINING ASSOCIATIONS

American Mining Congress
ATTN: James E. Gilchrist, Vice President
1920 N Street N.W., suite 300
Washington, D. C. 20036-1662

Uranium Producers of America
ATTN: Joseph H. Card, President
1050 Thomas Jefferson St., N.W.—7th Floor
Washington, D.C. 20007

New Mexico Mining Association
ATTN: Charles E. Roybal, Executive Director
6020 Academy N.E., Suite 201
Albuquerque, New Mexico 87109-3315

Wyoming Mining Association
ATTN: Marion Loomis, Executive Director
P.O. Box 866
Cheyenne, Wyoming 82003

Colorado Mining Association
ATTN: David R. Cole, President
1340 Colorado State Bank Building
1600 Broadway
Denver, Colorado 80202-4913

Utah Mining Association
Attn: Jack E. Christensen, President
825 Kearns Building
Salt Lake City, UT 84101

bcc:

Docket File (NRC Licensees Only)

PDR/DCS

URFO r/f

LLUR Branch, LLWM, (5 E2)

J. T. Greeves, LLWMD (5 E2)

P. H. Lohaus, LLWMD (5 E2)

L. J. Callan, DRSS, RIV

D. D. Chamberlain, DRSS, RIV

G. G. Benoit, DRMA, RIV

M. J. Fox, OP (W-512)

R. E. Hall, URFO

J. J. Surmeier, OSP, 3 D23

R. J. Doda, RIV

C. A. Hackney, RIV

D. M. Kunihiro, RV

J. Hornor, RV