Attachment

NUCLEAR REGULATORY COMMISSION MEETING SUMMARY

November 17, 1993

Golden, Colorado

PARTICIPANTS:

NRC TRANSITION OVERSIGHT TEAM

URANIUM RECOVERY INDUSTRY REPRESENTATIVES

STATE REPRESENTATIVES

PURPOSE:

 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

3) DISCUSS ISSUES FOR REDUCTION OF REGULATORY IMPACT

4) RESPOND TO QUESTIONS REGARDING FEE MANAGEMENT AND ECONOMICS OF CLOSURE OF URFO

ATTENDANCE: See Enclosure 1

SUMMARY:

On November 18, 1993, the NRC Transition Oversight Team (TOT) met with representatives of a state 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 continue to work interactively with the states and licensees affected by the closure of the URFO. The NRC discussed open issues from the previous meeting and focused on issues which offered the potential for reduction of regulatory impact. Enclosure 3 includes handouts distributed at the meeting.

NRC PRESENTATIONS:

The Chairman of the TOT reviewed the changes in the team which had been necessitated by recent NRC management changes. He and other TOT members briefly summarized the progress of actions underway to implement the transition plan. The NRC consideration for bi-monthly meetings between licensees, affected states, Region IV Inspectors, and the NMSS staff was proposed as a topic for further discussion during this meeting.

NRC reported on pending URFO staff losses and said that it is has strongly encouraged the URFO staff to remain with the agency. 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. A draft planning chart for transitioning casework to NMSS from URFO was presented (Enclosure 4). Several licensees questioned the basis for the order of transition. The NRC solicited their input on changes to the proposed transition plan.

The TOT announced that documents will be transferred from URFO to HQ starting in about February. Therefore the availability of documents at URFO will be restricted after that date.

The NRC proposed that the next public meeting be held in the Region IV offices in Arlington, TX., the week of February 7, 1994. The proposed agenda would include interfacing between licensees, new license reviewers, and new inspectors. The representatives from the American Mining Congress (AMC) and Wyoming Mining Association (WMA) were encouraged to have their member licensees prepare briefings on their respective sites for discussion with the newly involved NRC staff members. The representatives from the AMC and WMA agreed to propose an agenda, format, and timing for the proposed February meeting. Non-member licensees are encouraged by this meeting summary to do likewise.

The Chairman of the TOT presented the basis for development of the uranium recovery budget and for calculation of both annual and hourly rate fees for NRC licensees. Several licensee staff questioned the rationale behind the calculations. It was suggested that these questions be raised during the next annual comment period on Parts 170 and 171, so that they could be considered in development of the methodology for future budget cycles. The anticipated cost savings from closure of URFO were also summarized; however it was emphasized that economics was not the only factor in the decision to close the office. A licensee representative indicated that his concern was that the hidden costs of closing URFO would exceed the savings. He indicated that there did not appear to be provisions to control contractor costs, and that contractor personnel would be hidden staff, further offsetting any potential savings. A representative from the AMC supported the observation on the need for control of contractors to avoid perceived problems with philosophies and costs of Title I programs being imposed arbitrarily on Title II licensees.

NRC described its efforts at regulatory impact reduction or streamlining of the regulatory process. The NRC's goal is to implement changes no later than midsummer of 1994 so that regulatory impacts will be reduced by the time URFO is closed. A potential generic license condition, modelled after 10 CFR 50.59, was presented and discussed with the licensees. This proposed license condition would allow licensees to exercise regulatory judgement in limited areas without applying for specific license condition changes. It was generally agreed that the methodology would benefit some of the larger licensees; however smaller licensees may not have the capability to utilize the flexibility. The NRC indicated that licensee contractor resources might be utilized to perform the necessary reviews. Specific examples of potential license conditions which could be structured to be more criteria-based were discussed. In many cases, it was agreed that if the licensees were to propose such conditions as alternatives to those in their current license, the NRC could make such changes within current authority. Several cases were presented which were either in conflict with law or regulation which could not be incorporated if proposed. The NRC agreed to continue efforts to develop the generic license condition, and encouraged licensees to propose changes to their specific licenses to simplify them and to incorporate criteria-based conditions.

ATTENDEE COMMENTS:

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.

One licensee representative asked about the projected life of the TOT, and whether it would continue after URFO closure. The NRC responded that the Charter currently provides for the TOT until URFO closure but not beyond August 1, 1994. The licensee expressed concern that may be too soon to resolve difficulties which would be anticipated after the closure of URFO. He recommended a continuing management forum.

The AMC representative stressed the importance of pressing forward on the development of Alternative Concentration Limit methodology. Many licensees are pumping ground water needlessly. He also indicated that the AMC counsel would probably request a meeting with NRC legal staff to develop a legal basis for returning in-situ well field regulation to the states, leaving regulation of the uranium recovery process to the NRC.

The AMC representative indicated that licensees frequently do not request simplifications for their licenses because it is more expensive to amend the license than to continue to satisfy a meaningless condition. Another licensee indicated that he had good experience with simplification of his license.

The AMC and WMA representatives indicated the necessity of obtaining policy guidance on deep disposal of in-situ wastes, including 11.e.(2) byproduct material.

The AMC representative requested an NRC seminar on the new 10 CFR 20 requirements. The NRC does not currently have plans in this regard; however the possibility would be explored.

One licensee representative requested that URFO staff expedite review of in-house casework before URFO transition. The NRC indicated that was the intent of URFO management.

COMMITMENTS:

 During the discussion of fees, one licensee requested a breakdown of the \$229,900 per production staff year figure. The NRC agreed to provide appropriate information from the NRC budget.

DUE: NRC agreed to provide appropriate information from the NRC budget directly to the requester before the next meeting.

 NRC committed to continue to inform licensees as soon as practical if the project manager for their license resigns, and who the replacement will be.

DUE: As appropriate.

 AMC committed to craft a rewording of the generic license condition and to furnish it to the NRC for consideration. They will coordinate it with their members and with the WMA.

DUE: January, 1994

4. The AMC requested seminar training on the new 10 CFR 20. The NRC agreed to explore with Research the possibility of providing such training.

DUE: NRC to report at next public meeting, or arrange for a seminar in the meantime.

5. The AMC and WMA agreed to name a small working group of licensee representatives to continue work on performance based and criteria based license conditions in the interval before the next meeting.

DUE: The first meeting of the NRC/licensee group is planned before the end of December, 1993.

 The AMC agreed to work with WMA and other licensees to propose an agenda, format, and schedule for the meeting scheduled in Region IV during the week of February 7, 1994.

DUE: The proposal from AMC is necessary for consideration during the next meeting of the TOT, currently planned for early January 1994.

SCHEDULE FOR NEXT MEETING:

It was agreed that the next meeting between the TOT and the state and licensee representatives would be in the Region IV office in Arlington, TX., during the week of February 7, 1994. The address is 611 Ryan Plaza Drive, Suite 400, Arlington, TX., 76011, and the contact for the meeting will be Ramon Hall in URFO, or Dwight Chamberlain in Region IV.

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Malcolm R. Knapp, Chairman NRC Transition Oversight Team

Enclosures: As stated

MEETING ATTENDANCE

TOT MEETING WITH LICENSEES/STATES November 18, 1993 Uranium Recovery Field Office

TOTAL ATTENDANCE: 21

REPRESENTATIVE ORGANIZATIONS

American Mining Cor s Jim Gilchrist

Tony Thompson Bill Ferdinand*1

Wyoming Mining Association Dale Alberts*

STATES

Colorado Art Burnham

LICENSEES

American Nuclear Dennis Eckerdt

ARCO Ron Ziegler

Ferrett Steve Collings

Homestake Fred Craft

Kennecott Oscar Paulson

Mike Gibson

Pathfinder Donna Wichers

Petrotomics (Texaco) Frank Charron

Power Resources Paul Hildebrand

Rio Algom Bill Ferdinand*

Dale Alberts*

United Nuclear Juan R. Velasquez

Union Pacific Ernie Scott

^{&#}x27;Individuals indicated by an asterisk (*) are indicated in two or more locations.

U.S. Energy/Plateau

Ken Webber Mike Svilar

Western Nuclear

Mike Schern

OTHERS

Shepherd, Miller, Inc.

Ken Bruxvoort Bob Medlock

Uranerz

Glenn Catchpole

NRC STAFF

URFO

Ray Hall Ed Hawkins

Region IV

Dwight Chamberlain

Headquarters

Mike Fox John Greeves Joe Holonich Mal Knapp

AGENDA

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

November 18, 1993 10:00 am

Denver, Colorado

OPENING REMARKS Introductions Presentation of Agenda

REVIEW OF TRANSITION ACTIONS

URFO Staff URFO Workload Impacts Transition Plan/Casework Shift NRC-HQ Planning/Preparations Region IV Planning/Preparations Bi-Monthly Program Meetings

FINANCIAL CONSIDERATIONS Budgets/Fees Economics of URFO Closure

REDUCTION OF REGULATORY IMPACT Review Process/Progress Generic License Condition Specific License Conditions

PRESENTATIONS BY LICENSEES

PRESENTATIONS BY STATE REPRESENTATIVES

COMMENTS BY MEMBERS OF THE PUBLIC

SUMMARY OF ACTIONS/COMMITMENTS Schedule for Next Meeting

CLOSING REMARKS

Knapp

Hall Hall Hall

Holonich Chamberlain Greeves

Knapp.

Holonich

Knapp

Knapp

HANDOUTS

URANIUM RECOVERY BUDGET AND LICENSE FEES

NRC IS A FULL FEE RECOVERY AGENCY, SO

LICENSE FEES

EQUAL

BUDGET

OR

BILLABLE FEES

FEE RECOVERABLE WORK

PLUS

EQUAL

PLUS

ANNUAL FEES

NON-FEE RECOVERABLE WORK

URANIUM RECOVERY TITLE II BUDGET FOR FY93

ITEM	NUMBER	X LABOR RATE =	STAFF YEARS
REVIEWS			
New applications	1	.3	.3
Amendments	60	.03	1.8
Renewals	0	.03	0
Monitoring Reports	0	.006	0
Reclamation Plans	4	.4	1.6
INSPECTIONS	35	.05	1.8
SPECIAL LICENSE REV	VIEW ¹		0.7
LICENSEE ASSISTANC	E ¹		0.3
REGULATIONS & GUII	3.2		
SUPERVISION ¹			0.4
TOTAL URANIUM REC	COVERY TITLE I	II STAFF YEARS	10.1

¹ These are level-of-effort. Labor rates are not calculated.

URANIUM RECOVERY TITLE II BUDGET FOR FY93

COST IN DOLLARS

TOTAL URANIUM RECOVERY TITLE II STAFF YEARS	10.1
PLUS OTHER SOURCE MATERIAL LICENSE STAFF YEARS	1.9
TOTAL TITLE II URANIUM RECOVERY PROGRAM STAFF YEARS	12.0

TO CONVERT STAFF YEARS TO DOLLARS DIVIDE NRC SALARIES & BENEFITS AND ADMIN.
SUPPORT BY TOTAL NUMBER OF "PRODUCTION" STAFF

\$372.3M / 1619 STAFF = \$229,900 PER PRODUCTION STAFF YEAR

SO 12.0 PRODUCTION STAFF YEARS COST	\$2,759K
PLUS CONTRACTOR SUPPORT	306K
TOTAL COST OF NRC'S TITLE II URANIUM RECOVERY PROGRAM FOR 1993	\$3,065K

URANIUM RECOVERY TITLE II FEES FOR FY93

LICENSING AND INSPECTION FEES (PART 170 FEES)

BILLED FEES ARE NUMBER OF HOURS WORKED TIMES HOURLY FEE.

HOURLY FEE IS COST PER STAFF YEAR DIVIDED BY WORKING HOURS PER STAFF YEAR OR

\$229,900 / 1744 HOURS = \$132/HOUR

ANNUAL FEES (PART 171 FEES)

ANNUAL FEES = TOTAL BUDGET - ESTIMATED LICENSING AND INSPECTION FEES

ESTIMATED LICENSING AND INSPECTION FEES = FEES ALREADY COLLECTED + FEES PROJECTED TO BE COLLECTED

ESTIMATED 1993 LICENSING AND INSPECTION FEES = \$2,600K

SO 1993 TOTAL ANNUAL FEES = \$3,065K - \$2,600K = \$465K

ALLOCATION OF ANNUAL FEE

BASED ON AN ESTIMATE OF HOW NON-FEE RECOVERABLE STAFF TIME IS SPENT.

DISTRIBUTION BETWEEN CLASS I AND CLASS II URANIUM RECOVERY LICENSEES AND "OTHER " LICENSEES IS DRIVEN BY COMPLEXITY OF REGULATIONS AND NUMBER OF LICENSEES. COMPLEXITY OF REGULATIONS IS MODELED BY NEW LICENSE REVIEW TIME. MULTIPLYING REVIEW TIME BY THE NUMBER OF LICENSEES IN A CATEGORY YIELDS:

CLASS I = 0.6 STAFF YEARS/LICENSEE X 4 LICENSEES = 2.4 STAFF YEARS

CLASS II = 0.2 STAFF YEARS/LICENSEE X 5 LICENSEES = 1.0 STAFF YEARS

OTHER = 0.2 STAFF YEARS/LICENSEE X 5 LICENSEES = 1.0 STAFF YEARS

TOTAL = 4.4 STAFF YEARS

SO THE ALLOCATION TO OTHER LICENSEES = \$465K X 1.0 / 4.4 = \$106K

AND THE AMOUNT TO BE PAID BY CLASS I AND CLASS II LICENSEES = \$359K

ALLOCATION OF ANNUAL FEE (CONTINUED)

THE AMOUNT TO BE PAID BY CLASS I AND CLASS II LICENSEES = \$359K

ALLOCATION OF FEES BETWEEN CLASS I AND CLASS LICENSEES IS DETERMINED BY THE TIME NEEDED TO REVIEW A NEW LICENSE APPLICATION PLUS THE TIME NEEDED TO PERFORM AN INSPECTION, MULTIPLIED BY THE NUMBER OF LICENSEES.

	SER OF STAFF NSEES YEARS
I (0.6 STAFF YEARS + 0.05 STAFF YEARS) X	1 = 2.6
II (0.2 STAFF YEARS + 0.085 STAFF YEARS) X	5 = 1.42
TOTAL	4.02
SO THE ALLOCATION TO CLASS I LICENSEES = \$359K X 0.65	/ 4.03 = \$58.1K
AND THE ALLOCATION TO CLASS II LICENSEES = \$359K X 0.285	/4.03 = \$25.4K

ECONOMIC SAVINGS ASSOCIATED WITH URANIUM RECOVERY FIELD OFFICE CLOSURE (FY94 DOLLARS)

REDUCTION OF FOUR POSITIONS:

SALARIES AND BENEFITS OF AN AVERAGE NRC MATERIALS STAFF MEMBER =

NRC	MATERIA	LS SAL	ARIES	AND	BENEFITS
	NRC	MATER	IALS :	STAFF	

OR

\$37,640K = \$80.3K

STAFF SAVINGS = \$80.3 PER POSITION X 4 POSITIONS = \$321K

SAVINGS FROM CLOSING URFO BUILDING:

BUILDING RENTAL, MAINTENANCE, POWER AND WATER 67K

EQUIPMENT RENTAL AND MAINTENANCE, LOCAL SUPPLIES 54K

TRAVEL (22K)

TOTAL SAVINGS \$420K

REGULATORY IMPACT REDUCTION EFFORTS

Joseph J. Holonich, Acting Chief
Uranium Recovery Branch
Division of Low-Level Waste
Management and Decommissioning
U.S. Nuclear Regulatory Commission

AGENDA

- o Background on Generic Conditions
- o Performance-Based Generic Condition
- o Other Generic Conditions Considered
- o Power Resources, Inc. (PRI) proposal
- o Conclusions

BACKGROUND ON GENERIC CONDITIONS

- o Commitment by Nuclear Regulatory Commission (NRC) to reduce regulatory impact
- o September 9, 1993 meeting with licensees to discuss streamlining
- o November 2, 1993 letter from NRC transmitting performance-based condition
- o October 25, 1993 letter from Power Resources, Inc. identifying four potential modifications

PERFORMANCE-BASED GENERIC CONDITION

- o Would allow certain changes to be made without requesting amendment
- o Specifies under what conditions licensees are not required to file an amendment
- o Establishes Safety and Environmental Review Panel (SERP)
 - Expertise in management
 - Expertise in operations/construction
 - Corporate Safety Radiation Office
 - Other members as needed for technical expertise
 - Use of contractors for other members acceptable
- Maintain records of SERP approved changes and report summary in an annual report
- o Improper implementation would be a violation of the condition, and could result in enforcement action
- Requested input from licensees

OTHER GENERIC CONDITIONS CONSIDERED

- Radiation Safety Office must be qualified to Regulatory Guide 8.31
 - Reviewed sample of existing licenses to determine benefit
 - No benefit established
 - Additional input from licensees
- Yearly Surety Amendments
 - Regulations require a yearly review
 - Only savings would be eliminating need for amendment
- Review of historic artifacts
 - NRC review required by law
 - Need to maintain requirement in license

POWER RESOURCES, INC. (PRI) PROPOSAL

- o PRI letter identified four potential modifications
 - Allow changes to disposal agreement
 - Allow changes to corporate organization affecting assignment of radiation safety staff
 - Allow modifications to production circuit
 - Not require review by NRC of disturbance of cultural resources
- o Also raises generic policy issue concerning regulation of wellfields
- o Changes to disposal agreement
 - Basis for condition was a limited number of disposal sites
 - Additional sites have become available
 - NRC would support proposed change
- Changes to corporate organization affecting assignment of radiation safety staff
 - NRC agrees with proposed modification
 - NRC change would be to include notification to NRC within 30 days
- o Modification to production circuit
 - Modifications to processing plant
 - The requirement for NRC approval could be removed from the condition
 - Changes to the processing plant could then be completed in conformance with the performance-based condition
 - Changes to injection/production balance
 - 1. Tied to policy question raised in the letter
 - Would not remove this portion of condition until policy issue addressed.
- o Cultural resources condition can not be removed

Conclusions

- o NRC has evaluated potential areas for reducing regulatory burden
- o Performance-based condition would increase licensee flexibility
- o Licensees must be aware of need to ensure correct implementation
- o Other generic conditions considered did not have much benefit
- o PRI recommendations reviewed by NRC with some being acceptable
- o Additional input on generic conditions from licensees welcome
- o Licensees can file individual amendments to reduce overly specific license conditions



UNITED STATES NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

NOV 02 1993

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

Dear Ladies and Gentlemen:

The U.S. Nuclear Regulatory Commission (NRC) has committed to reduce the regulatory impact on uranium recovery licensees. NRC is meeting that commitment, in part, by seeking ways to allow licensees more flexibility and to reduce the number of license amendments that licensees must request.

In the public meeting with licensees and States on September 9, 1993, NRC discussed licensee suggestions for streamlining and agreed to report on its review of recent license amendments and how they might have been eliminated by using performance-based license conditions. As a result of that review, we are developing language that might be used in a performance-based license condition and have enclosed it for your comments (Enclosure). We are interested in your views on whether this condition would be useful and whether the language is appropriate.

In particular, we would like your views on parts (b)(1) through (b)(3) which refer to the license application (including the site reclamation plan). In those parts, we are trying to reach a balance between permitting licensees flexibility to change commitments made in the license application and maintaining the essential safety requirements contained in that application. We would appreciate your opinion on how to best strike that balance, any supporting examples you wish to provide, and any specific text you would recommend.

In addition to the performance-based condition, we have investigated other possible conditions including: 1) a condition to streamline surety reviews and revisions and 2) a condition to reduce NRC's involvement in archeological surveys. At this time we find that existing law and regulation do not permit significant increased flexibility in these areas. We will discuss the basis for our views at the next Transition Oversight Team meeting with licensees and the public. At that time we will seek your suggestions for opportunities for flexibility in these areas that we may have overlooked. Again, specific examples will be helpful.

As you know, the Transition Oversight Team will be meeting with uranium recovery licensees and the public again on November 18, 1993. If you are unable to attend the meeting, you may mail any comments to:

9312170098

Ramon Hall, Director U.S. Nuclear Regulatory Commission PO Box 25325 Denver, Colorado 80225

Sincerely,

Malcolm Knapp, Chairman Transition Oversight Team

Enclosure: As stated

CC:

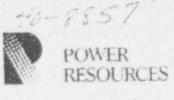
Affected States (Attached Distribution List)
Uranium Recovery Licensees (Attached Distribution List)

PERFORMANCE BASED LICENSE CONDITION [This condition would allow certain limited changes to be made in the facility, procedures, or conduct of tests or experiments without amendment to the license.]

- (a) The licensee may, without prior NRC approval and subject to the conditions specified in part B. of this condition:
 - (1) Make changes in the facility or process as presented in the application.
 - (2) Make changes in the procedures presented in the application.
 - (3) Conduct tests or experiments not presented in the application.
- (b) The licensee must file an application for an amendment to the license unless the following conditions are satisfied.
 - The change does not conflict with any other requirement of this license, with the exception of the license application, as discussed in (2) and (3) below.
 - (2) There is no change to the essential safety or environmental commitments in the license application.
 - (3) There is no change to the safety or environmental protection provided by the approved reclamation plan, or to its cost basis.
 - (4) There is no impact in the licensee's ability to meet all applicable NRC regulations.
 - (5) The change falls within the alternatives analyzed and selected in the Environmental Impact Statement (EIS) dated Xxxxxx 19XX (NUREG-XXXX).
 - (6) There is no reduction in the margin of safety or environmental protection, including design bases, operating limits, and the results of analyses, from that presented in the license application.
- (c) The licensee's determinations concerning section (b) above shall be made by a "Safety and Environmental Review Panel (SERP)." The SERP shall consist of a minimum of three individuals. One member of the SERP shall have expertise in management and shall be responsible for managerial and financial approval of changes; one member shall have expertise in operations and/or construction and shall be responsible for implementation of any changes; and, one member shall be the Corporate Radiation Safety Officer (CRSO) or equivalent. It may be necessary to have one or more temporary members of the SERF to address technical aspects of a) and b) above in several areas, such as Health Physics, Groundwater Hydrology, Surface Water Hydrology, Specific Earth Sciences and others. Temporary members, or permanent members other than the 3 identified above, may be consultants.

(d) The licensee shall maintain records of any changes made pursuant to this condition. These records shall include written safety and environmental evaluations made by the SERP which provide the basis for the determination that the change is in compliance with the requirements referred to in Condition (b) above. The licensee shall furnish in an annual report to the NRC a description of such changes, tests, or experiments, including a summary of the safety and environmental evaluation of each.

October 25, 1993



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Mr. R.E. Hall, Director Uranium Recovery Field Office U.S. Nuclear Regulatory Commission P.O. Box 25325 Denver, Colorado 80225



RECEIVED

Dear Mr. Hall,

During the September 9, 1993 URFO Transition Oversite Team (TOT) meeting in Denver, Mr. Knapp requested that Industry provide some specific examples of criteria that could be used to streamline our licenses and reduce the regulatory burden on both the Licensee and NRC staff. Power Resources, Inc. (PRI) appreciates the opportunity to work with the TOT during this transition process.

PRI fully supports a performance-based criteria approach for achieving regulatory goals. This type of approach would allow licensees the discretion to determine the most appropriate actions and the operational flexibility necessary in these types of facilities to meet the criteria.

PRI believes that many existing license conditions which currently require an amendment prior to making program changes can easily be modified to allow more operator flexibility and reduce NRC staff burden without compromising the NRC's regulatory oversight role. These areas include personnel changes, production circuit changes, byproduct material disposal authorization, etc. These modifications could be effected by requiring adherance to particular regulatory guides or referencing commitments made in the Licensee's application. Additionally, PRI believes that the license can be further streamlined by eliminating those conditions that duplicate commitments made in the application and those regulations that we must comply with. Some specific streamlined license condition examples from our Source Material License are attached for your consideration.

Finally, PRI believes it is appropriate at this time to address with you and the TOT the question concerning NRC's regulatory authority over in situ (ISL) wellfields. The ISL industry has long argued that the NRC has no regulatory basis for regulating ISL wellfields. On the average, ISL wellfield production fluids contain 0.005% to 0.01% uranium and therefore do not meet the 0.05% source material criteria of 10 CFR 40.13. It is PRI's opinion that NRC's jurisdiction over ISL operations begins in the ion exchange facilities where uranium concentrations on the IX resin first exceed the 0.05% U concentration rendering it source material. Additionally, in Wyoming and Nebraska, the State has ground water primacy and the NRC regulatory efforts in this area are duplicative of existing State requirements.

Highland Granium Pro-Post Office Box 1,10 Glenrock, Westing S.

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-931215 C25+

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Should it be determined that the Atomic Energy Act and the Commissions' regulations do not allow NRC to relinquish this aspect of the program, a determination should be made as to what portions can be deferred to the State. For the remainder, sound technical criteria should be developed, placed in the license, and the licensee allowed to operate as he sees fit within the bounds of these criteria with the results documented and reviewed by the NRC during routine facility inspections.

PRI appreciates the opportunity to work with the NRC in developing a regulatory streamlining framework and look forward to further interaction at the November 18 meeting. Please call me should you have any questions.

Sincerely,

P.R. Hildenbrand

Manager of Environmental and Regulatory Affairs

PRH/ksj

attachment

CC

S.P. Morzenti

M.R. Lueders

W.F. Kearney

ATTACHMENT

Examples of "Streamlined" License Conditions

Current License Condition:

The licensee is authorized to dispose of byproduct material from the Highland Uranium Project at a site licensed by the NRC to receive byproduct material. The licensee shall identify the disposal facility to the NRC in writing. The licensee's approved waste disposal agreement must be maintained onsite. In the event the agreement expires or is terminated, the licensee shall notify the NRC, Uranium Recovery Field Office, within 7 working days after the expiration date. A new agreement shall be submitted for NRC approval within 90 days after expiration, or the licensee will be prohibited from further lixiviant injection.

Applicable Amendments: 17, 27, 45]

Suggested Modification:

The licensee is authorized to dispose of byproduct material at a site licensed by the NRC to receive byproduct material. The licensee shall identify the disposal facility to the NRC and maintain a copy of the agreement onsite for inspection by the NRC. Should the agreement be terminated for any reason, the NRC shall be notified within 7 working days and a new agreement put in place within 180 days from the date of termination or the licensee will be prohibited from further lixiviant injection. The licensee shall identify the new disposal facility to the NRC in writing and maintain a copy of the agreement onsite for NRC inspection.

Current License Condition: (B)

Any corporate organization changes affecting the assignments or reporting responsibilities of the radiation safety staff as described in Section 9 of the Operations Plan of the approved license application and as shown in the submittal dated November 5, 1992, shall require approval by the NRC in the form of a license amendment.

[Applicable Amendments: 18, 27, 29, 36, 37, 40, 45]

Suggested Modification:

Any corporate organization changes affecting the assignments or reporting responsibilities of the radiation safety staff as described in Section 9 of Volume 6 of the approved license application shall not be made until the licensee has performed and documented a review of the proposed change to ensure that the assignments and reporting responsibilities of the radiation safety staff remain as described in Regulatory Guide 8.31. In the case of a change in the RSO or RST, the review must show that the new personnel meet the training and educational recommendations of Regulatory Guide 8.31. The licensee must make these reviews available to the NRC during their annual facility inspection.

(C) Current License Condition:

Any significant changes which alter a production zone injection/recovery balance or processing plant circuit as illustrated in figure 2 of the Operations Plan of the approved license application shall be reviewed by the CRSO and shall require prior approval from the NRC in the form of a license amendment. [Applicable Amendments: 36, 45]

Suggested Modification:

Any proposed significant change to the production circuit as illustrated in Figure 2 of Volume 6 of the approved license application shall not be implemented until the licensee has documented that the proposed change will not significantly impact the environment or public health and safety. This documentation must be made available for NRC review during the annual facility inspection.

(D) Current License Condition:

In order to ensure that no unapproved disturbance of cultural resources occurs, any work resulting in the discovery of previously unknown cultural artifacts shall cease. The artifacts shall be inventoried and evaluated in accordance with 36 CFR Part 800, and no disturbance shall occur until the licensee has received authorization from the NRC to proceed.

[Applicable Amendments: 36, 45]

Suggested Modification

To ensure that no unapproved disturbance of cultural resources occurs, any work resulting in the discovery of previously unknown cultural artifacts shall cease. The landowner (i.e. private, state or federal agency, as appropriate) will be notified and the artifacts shall be inventoried and evaluated in accordance with 36 CFR Part 800. No further disturbance shall occur until the licensee has received authorization from the appropriate landowner (private, state or federal) to proceed. [Applicable Amendments: 36, 45]

prh/criteria