

UNITED STATES NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

FEB 2 5 1994

Mr. Jess McKenzie, Chairman Utah Radiation Control Board Department of Environmental Quality State of Utah 168 North 1950 West P.O. Box 144850 Salt Lake City, Utah 84114-4850

Dear Mr. McKenzie:

I am responding to your letter of January 14, 1994, regarding the U.S. Nuclear Regulatory Commission's amendments to the license of Umetco Minerals Corporation White Mesa Mill at Blanding, Utah, allowing the disposal of in situ leach waste (Amendment 33), and the receipt and processing of source material from Allied Signal Corporation (Amendment 34). Specifically, your letter requested, as a result of a vote of the Utah Radiation Control Board, that the NRC perform an Environmental Assessment (EA) for both of these license amendments.

Under NRC regulations codified in 10 CFR 51.20, the NRC is required to issue an Environmental Impact Statement (EIS) for any major action significantly affecting the quality of the human environment. As part of the original licensing process for the Umetco facility, NRC issued NUREG-0556, "Final Environmental Statement Related to Operation of White Mesa Uranium Project, Energy Fuels Nuclear, Inc." in May 1979. This EIS used conservative data and assumptions to bound the environmental impacts from mill operation and disposal of all resulting 1le.(2) byproduct material. The NRC, in accordance with the National Environmental Policy Act (NEPA) of 1969, as amended, provided opportunity for public comment as a part of the EIS process and subsequently responded to those comments in the Final EIS. In accordance with 10 CFR Part 51, the NRC also prepares EAs for significant licensing actions, and at a minimum, prepares an EA as a part of each license renewal review. All NRC licensing actions which are based on conclusions in an EA, or a supplement to a prior EA, are noticed in the Federal Register.

With regard to the receipt and processing of the source material, although the Umetco White Mesa mill is in standby, its license authorizes it to process uranium ore or other feed stock material. Neither an EA, nor an EIS is required to resume operations since, as noted above, the environmental impacts were considered as a result of the original licensing process; however, should the licensee request significant changes to his license to support resumption of operations, it is possible that an EA may be required. For the disposal of in situ material in the existing tailings impoundment, the NRC followed the appropriate process for amending the Umetco license consistent with applicable regulations. When Umetco filed the application, NRC concluded that under the categorical exclusion contained in 10 CFR 51.22(c)(11), an EA was not required. The reasons for this decision were that the waste from the in situ mills was similar to that already being disposed of from the Umetco mill operation, and the amount was small relative to both the existing tailings, and that amount previously reviewed and approved for disposal. Therefore, the

NRC FILE CENTER COPY

findings in the original EIS remained valid. This is consistent with the intent of the Uranium Mill Tailings Radiation Control Act of 1978, as amended, and NEPA.

Based on the above information, we believe that the environmental impacts associated with the subject amendments are within those originally evaluated in the EIS. Therefore, we see no basis to issue an EA for either. Should Umetco, however, decide that it wanted to dispose of 11e.(2) byproduct material other than that from in situ facilities, it would need to file an application to amend its license. As part of its review of the application, NRC would determine what actions would be required under NRC regulations, as well as NEPA, and, if appropriate, prepare an EA, which could result in either a Finding of No Significant Impact or an EIS.

Considering the above discussion and concerns raised during a meeting with Mr. William J. Sinclair, of the Utah Division of Radiation Control, in Salt Lake City on January 14, 1994, the staff has reviewed the NRC's current public participation process. In reviewing federal requirements regarding public notification of licensing actions, we find that our past actions are consistent with our regulations and requirements under the National Environmental Policy Act. However, in order to foster better communication with the State, we will notify Mr. Sinclair directly and NRC will issue Federal Register Notices (FRNs) for mills in Utah upon both the receipt and the final resolution of a license amendment for a significant action, such as disposal of in situ waste material or significant changes to an approved reclamation plan. The FRN issued upon receipt of a significant license amendment will serve notice, under 10 CFR 2.1205(c)(1), that interested parties have 30 days to file a petition for hearing. The FRN issued at the final resolution of the license amendment will be for information purposes. In addition, where the license amendment raises significant or controversial issues, NRC would be willing to attend public meetings, as appropriate.

I trust that this reply clarifies NRC's position in this matter and responds to your concern.

Sincerely,

Original signed by Flobert M. Bernero

Robert M. Bernero, Director Office of Nuclear Material Safety and Safeguards

cc. W. Sinclair, Utah

Distribution: See attached list

SUBJECT ABSTRACT: RESPONSE TO UTAH RADIATION CONTROL BOARD ON UMETCO WHITE

MESA *See Previous Concurrence

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NAME	Swape and and	MFliegel	JHolonich	RHa11	RBangart
DATE	02/07/94	02/07/94	02/07/94	02/08/94	02/09/94

OFC	OGC*	LLWM*	LLWM*	NMSS	NMSS AC
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DATE	02/07/94	02/08/94	02/08/94	02/ /94	02/25/94

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I trust that this reply/clarifies NRC's position in this matter and responds to your concern. Sincerely.

> Robert M. Bernero, Director Office of Nuclear Material Safety and Safeguards

Enclosure: As stated cc. W. Sinclair, Utah

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NO IG: YES X Mr. Jess McKenzie

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From: Ramon E. Hall (REH)

1 Tuesday, February 8, 1994, 10:39 am

Subject: Resp to Ulah Letter of 1/14 -Reply -Form

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reduced Robert L. ronner (RLF)

TO: WNIAWNZ:SUW1

Mate: Tuesday, February B, 1994 11:33 am

Subject: Resp to Utah Letter of 1/14 -Reply -Reply

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Prom: Robert L. Fonner (RLF)

To: Whi:Wh7:SLW:

Date: Monday, February 7, 1994 3:53 pm Subject: Resp to Utah Letter of 1/14 -Reply

I have no legal objection to the proposed reply to Mr. McKentie of the Utah Radiation Control Board, in response to his letter of 1/14/94.

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