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

January 7, 1994

The Honorable James V. Hansen
United States House of
Representatives
Washington, D.C. 20515-4401

Dear Congressman Hansen:

I am responding to your letter of December 14, 1993, regarding the U.S. Nuclear Regulatory Commission's amendment to the license of Umetco Minerals Corporation White Mesa Mill at Blanding, Utah, allowing the disposal of in situ leach waste. In your letter, you specifically requested an explanation as to why NRC required extensive data and compliance from Envirocare of Utah, Inc. (Envirocare) for a license to commercially dispose of 11e.(2) byproduct material, but did not consider the impact of 11e.(2) byproduct material from in situ uranium production facilities disposal at Umetco significant enough to require an environmental impact statement (EIS).

As part of the original licensing process for the Umetco facility, NRC issued an EIS (NUREG-0556, "Final Environmental Statement Related to Operation of White Mesa Uranium Project, Energy Fuels Nuclear, Inc.," May 1979) that discussed the environmental impacts from mill operation and disposal of the 11e.(2) byproduct material generated as a result of that operation. Although the Umetco White Mesa mill is in standby, its license authorizes it to process uranium ore or other feed stock material. An EIS would not be required to resume operations since, as noted above, the environmental impacts were considered as a result of the original licensing process. Resumption in operation is independent of disposal of in situ waste material. These materials can be directly disposed into the existing tailings impoundments, utilizing a small fraction of the remaining available volumes already authorized.

With respect to your specific request as to why the NRC did not issue an EIS on the Umetco license amendment allowing disposal of in situ waste in the existing tailings impoundment, the NRC process followed for amending the Umetco license was appropriate, and consistent with applicable regulations. When Umetco filed an application to permit disposal of 11e.(2) byproduct material from in situ mills, NRC concluded that under the categorical exclusion contained in 10 CFR 51.22(c)(11), an environmental assessment was not required. The reasons for this decision were that the waste from the in situ facilities was similar to that already being disposed of from the Umetco mill operation, and that the amount was small relative to both the existing tailings and to the amount previously reviewed and approved for disposal. Therefore, the findings in the EIS remained valid.

In addition, there is a significant difference between the two facilities that supports the NRC's approach. The Umetco mill license restricts the disposal of 11e.(2) byproduct material to 10,000 cubic yards per year from any in situ facility. Generally, in situ facilities generate approximately 40 cubic yards

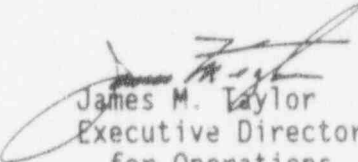
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a year, with a one time maximum of 2,000 to 3,000 cubic yards at reclamation. Envirocare, on the other hand, can dispose of 11e.(2) byproduct material from any source, and is authorized to dispose of over 3 million cubic yards, with the potential for additional capacity if Envirocare chooses to submit the necessary application. Therefore, the volume of in situ waste Umetco can dispose of under its license is extremely small, compared with the amount authorized for the Envirocare facility.

Finally, in your letter you state that Umetco can receive up to 600,000 tons of waste. To clarify, that figure is the total amount of space authorized for Cell No. 3. The EIS considered a total of over 10,000,000 tons of tailings in six cells. To date, the first two cells at the site have been filled. Cell No. 3, which is the only cell Umetco is permitted to use for disposal of in situ waste, is approximately 45 percent full, leaving about 330,000 tons available. In addition, another cell has been constructed, but not utilized. Since the volume of byproduct material from any in situ facility is limited to 10,000 cubic yards per year, its disposal is insignificant relative to the total quantity of tailings authorized for disposal at the site. If Umetco would 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 the National Environmental Policy Act, and, if appropriate, issue either an environmental assessment or an EIS. Provisions for this are contained in the existing license for the Umetco facility.

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

Sincerely,


James M. Taylor
Executive Director
for Operations

EDO Principal Correspondence Control

FROM: DUE: 01/03/94

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FINAL REPLY:

Rep. James V. Hansen

TO:

Robert Bernero

FOR SIGNATURE OF :

** PRI **

CRC NO:

Executive Director

DESC:

ROUTING:

CONCERNS RE DECISIONS BY THE NRC REGARDING THE
UMETCO MINERALS CORPORATION WHITE MESA MILL
AT BLANDING, UTAH

Taylor
Sniezek
Thompson
Blaha
Bangart, SP
OCA
SECY

DATE: 12/16/93

ASSIGNED TO:

CONTACT:

NMSS

Bernero

SPECIAL INSTRUCTIONS OR REMARKS:

cc: Tom M
Laura
Lind