

DUPLICATE

URANIUM RESOURCES, INC.

October 16, 1990

Mr. Richard L. Bangart, Director
Nuclear Regulatory Commission
Division of Low Level Waste Management
and Decommissioning
Office of Nuclear Material Safety and Safeguards
M/S 5E4
Washington, D.C. 20555

Dear Mr. Bangart:

The following are Uranium Resources, Inc.'s comments on the Nuclear Regulatory Commission's interim position regarding disposal of by-product material wastes generated by *in situ* uranium producers as provided to us by the NRC Uranium Recovery Field Office.

For background purposes, Uranium Resources, Inc. (URI) is a publicly held U.S. company, whose primary business is uranium production using *in situ* methods. URI has one inactive property in Wyoming, is actively producing uranium at two Texas properties, and is permitting one Texas property for early 1990 production, all through the wholly-owned subsidiary; URI, Inc., and are permitting two New Mexico properties for production in the first half of 1990, through the wholly-owned subsidiary; HRI, Inc.

Being a low cost producer, URI is presently the largest domestically owned *in situ* uranium producer in the United States. Projections predict that our uranium production will triple over the next five years as the New Mexico properties are brought on line.

In general, we are in full agreement with the comments pertaining to this matter, which were mailed to Commissioner James Curtiss on September 6, 1990, by James E. Gilchrist of the American Mining Congress (AMC). Based on the content of the NRC Interim Position, we feel that the AMC comments were largely overlooked, possibly because they were not submitted in time to be incorporated in the draft position. We trust the AMC comments will be fully considered when developing future drafts of the position.

URI comments will be limited to three considerations including availability and costs for permanent sites, the scope of site characterization for temporary sites and the compliance with Appendix A, 10CFR4 for permanent off-site disposal. Each topic will be discussed individually below.

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Utilize Permanent Sites

URI recognizes that using permanent sites for permanent disposal is the most desirable option if, and only if the disposal fees charged by permanent disposal operators is cost-effective, and transportation costs, primarily related to distance from the site is reasonable.

Presently, existing uranium mill tailings facilities are the most practical permanent disposal source for *in situ* wastes because the wastes to be disposed of usually contain similar radionuclides in much smaller concentrations and the tailings are in the general proximity of the *in situ* facility. Unfortunately, most of these tailings are presently in the process of closing, because of either market conditions, EPA requirements, or both, or are not willing to accept *in situ* wastes because of perceived potential liabilities, such as mixing wastes. Presently, this leaves only a very few facilities which could serve the *in situ* mining industry, such as the Environcare facility, who have, as a result, raised their prices to levels which are not cost effective due to their monopoly status.

The distance of a facility such as Environcare, which is not located in the proximity of uranium mining, exacerbates the cost of disposal due to the transportation costs of trucking the material from the *in situ* site. Also, related to trucking the material, it is possible that NRC has not considered all aspects of ALARA in that it may be of greater risk to the public and environment to truck by-product material 1,700+ miles for permanent disposal due to accidents for permanent disposal than to dispose of the material on site.

In summary, URI feels that NRC should consider economics of disposal in conjunction with the protection of the public health and environment when developing the final position on disposal of by-product wastes from *in situ* uranium producers. Given the benign nature of *in situ* wastes and the small volumes in most cases, on site disposal are both technically feasible and most cost effectively than using relatively remote, commercial sites.

Site Characteristics for Temporary Sites

URI feels the degree of site characterization required at temporary sites should be clarified in light of the fact that wastes generated at *in situ* uranium facilities are usually of very small volume when compared to conventional facilities, and of low specific activity, which can

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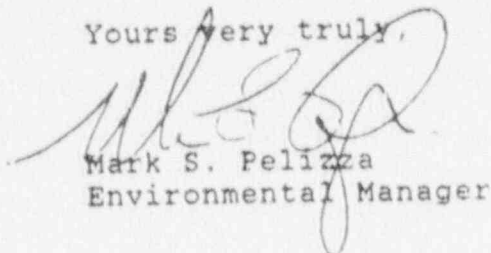
be stored safely with minimal characterization. The degree of characterization of a temporary site should be similar to that which is required for a *in situ* facility per se. This is because the large majority of wastes at ISL sites will be contained in the temporary holding ponds which are licensed for temporary storage before mining can ever begin for a minimum five-year term. Additional characterization and potential denial for temporary storage is inconsistent with the authority already given by the operator to possess the by-product material on site for an identical term.

Application of Appendix A, 10CFR40 Criteria

We endorse the fact that all permanent disposal sites must comply with the requirements of Appendix A, 10CFR40. However, it should be recognized that the volume of materials produced by an *in situ* uranium mine and for that matter multiple mines is miniscule and radionuclide and chemical toxicity low, as compared to the conventional tailings for which Appendix A was contemplated. Under certain unique conditions, such as in the Anaconda Copper Company Rhode Ranch Project, determination by USNRC dated March 25, 1981, certain permanent disposal sites may be exempted from Federal land ownership requirements including the funding of long-term surveillance. Therefore, while Appendix A, 10CFR40 is applicable in this case, the exemption provisions contained therein may be readily applied due to the small volume and benign nature of *in situ* wastes along with the relatively simple applied, long-term engineering design options available to the disposal facility, such as at grade installation.

Please feel free to contact the undersigned with any questions pertaining to this matter.

Yours very truly,



Mark S. Pelizza
Environmental Manager

MSP/dlg

cc: Mr. Tony Thompson
Perkins Coie