

CRAIG THOMAS
WYOMING, AT LARGE

COMMITTEES:
INTERIOR AND INSULAR AFFAIRS
NATIONAL PARKS AND PUBLIC LANDS
WATER, POWER AND OFFSHORE ENERGY RESOURCES

GOVERNMENT OPERATIONS
ENVIRONMENT, ENERGY, AND NATIONAL RESOURCES
GOVERNMENT INFORMATION, JUSTICE, AND AGRICULTURE

Congress of the United States
House of Representatives
Washington, DC 20515

WASHINGTON OFFICE:
1721 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-2311
DISTRICT OFFICE:
ROOM 4003 FEDERAL BUILDING
CASPER, WY 82601-1909
(307) 261-5413
ROOM 2018 FEDERAL BUILDING
CHEYENNE, WY 82001-3651
(307) 772-2451
2892 FOOTHILL BLVD., SUITE 101
ROCK SPRING, WY 82901
(307) 362-6012

October 17, 1990

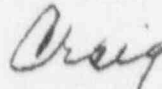
Mr. Tom Combs
Nuclear Regulatory Commission
OWFN 17A3
Washington D.C., D.C. 20555

Good morning Mr. Combs...

Enclosed is a letter from the Chairman, Uranium Operators
Committee Wyoming Mining Association and a letter from Power
Resources, Inc. concerning nonproliferation of small waste
disposal sites.

Please let me know the Commissioner's views on in situ uranium
mining operations, specifically, on-site waste disposal
facilities. A reply to my Casper office would be appreciated.

Best regards,



Craig Thomas
Member of Congress

CT:h

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PDR COMMS NRCC
CORRESPONDENCE PDR

September 12, 1990

United States Congressman Craig Thomas
1721 Longworth Building
Washington, D.C. 20515

SEP 24 1990

SEP 19 1990

Dear Congressman Thomas:

The Uranium Operators Committee of the Wyoming Mining Association is writing to you concerning the NRC's policy relating to the nonproliferation of small waste disposal sites, currently under review by the NRC Board of Commissioners. As written, Criterion 2 of Appendix A of 10 C.F.R. Part 40 addresses the issue of nonproliferation of small waste disposal sites, and although not expressly forbidden, it has in effect prevented such disposal of by product material from in situ mining operations. The Uranium Operators Committee supports and echoes the comments submitted to Commissioner James Curtiss by the American Mining Congress, which are attached to this document for your review. In addition to the American Mining Congress, the Uranium Operators Committee believes that this policy should be revised to allow in situ uranium mining operations the option of licensing on-site waste disposal facilities for the following reasons:

o The language used in Criterion 2 of Appendix A, 10 C.F.R. part 40 was based on the conclusions presented in the GEIS (Generic Environmental Impact Statement) published by the NRC in September of 1980. The revised regulations concerning the control and disposal of by product material at uranium mill tailings facilities were based upon forecasts contained in the GEIS which forecast nuclear power generation and uranium mill tailings sites to be proliferated in amounts that simply have not materialized. Therefore the exposure risk to the public stated in the GEIS must be re-evaluated in light of current uranium market and operating conditions.

o In Situ mining operations are expected to contribute up to 50+ percent of the domestic uranium production for the foreseeable future primarily because the in situ mining technology is more cost effective and better able to compete with foreign competition than are conventional mining operations. Additionally, in situ operations present the environmentally preferred method of uranium production simply because of the minimal impact on the environment, and the relatively small amount of by product material generated. Therefore, given the continuing demand for uranium by the nuclear power industry, in situ operations will provide the best available source for this material and should not be burdened with unreasonable disposal costs.

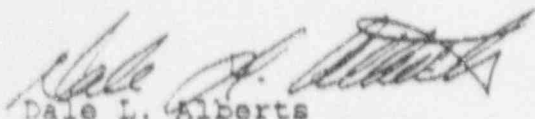
Waste disposal
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o Considering the dwindling number of mill tailings impoundments within the region, most of which are either closed or working towards closure the in situ operators in Wyoming will have fewer viable disposal options. If on site disposal is not permitted, and in fact if all by product material is required to be shipped to the "Envirocare" facility in Utah, then the NRC has in essence created a government mandated monopoly. Having only one licensed disposal facility in the region would create a situation wherein outrageous prices for disposal could be charged. Transportation and disposal costs at a commercial facility such as Envirocare typically run about \$50/ft³ or \$1,350/yd³. Whereas estimates for an on site disposal facility including administration of same are typically in the range of \$20 - \$40/yd³. The difference in disposal cost between on site versus Envirocare represents 1.5 to 2.5 million dollars per year, depending on the volume of material generated. The nonproliferation policy of Appendix A of 10 C.F.R. Part 40 states that the economic impact of off site disposal should be considered when considering the licensing of small waste disposal sites.

o Off site disposal at a facility such as Envirocare in Utah presents its own set of exposure risks. The exposure to the general public is probably considerably higher when the transportation of this material several hundred miles is considered, than when it is properly disposed of on site.

In summary, the Uranium Operators Committee of the Wyoming Mining Association feels that the regulated community and society as a whole would better be served by a policy statement from NRC that will be more flexible in allowing the on site disposal of by product material.

Sincerely,



Dale L. Alberts
Chairman, Uranium Operators Committee
Wyoming Mining Association

POWER
RESOURCES

September 12, 1990

SEP 19 1990

The Honorable Craig Thomas
1721 Longworth Building
Washington, D.C. 20515

Dear Congressman Thomas:

The uranium producers of Wyoming again need your help. In 1980, the Nuclear Regulatory Commission ("NRC") issued a generic environmental impact statement on uranium mining and milling. In that document, they predicted a flourishing uranium mining industry with 55 new mills being built in the western U.S. To help control the growth of waste sites and NRC's necessary regulatory oversight, they wrote in 10 CFR 40, Appendix A, Criterion 2, a policy of not allowing on-site disposal of the by-product waste generated at in situ uranium production facilities. Why not? There would be plenty of conventional tailings sites available (55 new one), and after all, they estimated that only 10 percent of the production would be from in situ uranium mines.

Well, none of this happened. The conventional mills shut down one after another, and the in situ producers became the only economically viable producers. Today, Power Resources, Inc.'s Highland Uranium Project, operating at 1 million pounds U308 per year, is the largest uranium producer in Wyoming. Although we have requested NRC's authorization to dispose of our small volumes of by-product waste on-site, they have not acted on our application because of Criterion 2.

Criterion 2 is currently being reviewed by NRC at the commissioner's level. Our industry has provided comments to NRC on our position through the American Mining Congress and the Wyoming Mining Association; their comments are attached for your review. The Wyoming uranium industry is viable with in situ technology. But we need waste disposal available to us at reasonable costs. Therefore, I am asking that you urge the NRC Commissioners to strongly reconsider Criterion 2 and allow for the safe and manageable on-site disposal of by-product wastes at in situ uranium facilities.

Thank you for your help with this issue.

Sincerely,

Stephen P. Morzenti
Vice President - Operations and Development

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Enclosure

Power Resources, Inc.
Suite 1470
1560 Broadway
Denver, Colorado 80202

Fax: 303-830-2120
Tel: 303-830-2125