

January 3, 1997

40-8968

Mr. Richard F. Clement, Jr., President
H o Resources, Inc.
Coors Road, NW - Suite 101
Albuquerque, New Mexico 87120-2929

SUBJECT: ISSUANCE OF SUPPLEMENTAL DRAFT ENVIRONMENTAL IMPACT STATEMENT

Dear Mr. Clement:

I am responding to your December 12, 1996, letter to Chairman Jackson and Joseph J. Holonich, Chief of the Uranium Recovery Branch. Your letter was sent in response to a December 6, 1996, letter received by the U.S. Nuclear Regulatory Commission from Ms. Susan Jordan of the New Mexico Environmental Law Center. In her letter, Ms. Jordan requested that the NRC issue a Supplemental Draft Environmental Impact Statement (SDEIS) for the Hydro Resources, Inc. (HRI) proposed uranium solution mining project at Crownpoint, NM, and establish a Local Public Document Room (LPDR) at the Crownpoint site. The position taken in your letter is that the NRC should not agree to either of the requests from Ms. Jordan.

Enclosed for your information is a copy of the December 24, 1996, NRC response to Ms. Jordan providing the NRC decision that there was no need to issue a SDEIS. In addition, the NRC response also provides the criteria that must be met to establish a LPDR for a uranium recovery facility. I trust this information responds to your letter.

If you have any questions concerning this subject, please feel free to contact either me or Mr. Holonich. I can be reached at (301) 415-7800, and Mr. Holonich can be reached at (301) 415-7238.

Sincerely,

ORIGINAL SIGNED BY
Malcolm R. Knapp for
Carl J. Paperiello, Director
Office of Nuclear Material Safety
and Safeguards

NLOS
1/1

Enclosure: As stated

TICKET: 6960965

leg 12/21/96

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*SEE PREVIOUS CONCURRENCE * concurred via E-mail

JL PROOFED 1/2 FOR CJP

OFC	URB	OGC*	URB	DWM	NMSS
NAME	RCarlson	RFonner	JHolonich	JGreeves	CPaperiello
DATE	12/30/96	12/30/96	12/31/96	12/31/96	01/3/97

OFFICIAL RECORD COPY

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1/10/97

NRC FILE CENTER COPY

Mr. Richard F. Clement, Jr., President
Hydro Resources, Inc.
2929 Coors Road, NW - Suite 101
Albuquerque, New Mexico 87120-2929

SUBJECT: ISSUANCE OF SUPPLEMENTAL DRAFT ENVIRONMENTAL IMPACT STATEMENT

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Sincerely,

Carl J. Paperiello, Director
Office of Nuclear Material Safety
and Safeguards

Enclosure: As stated

TICKET: G960965

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AGarcia JSurmeier MFederline CNWRA ACNW
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DOCUMENT MAKE: S:\DWM\URB\RDC\HRI\SDEISRES.LTR

* concurred via E-mail

OFC	URB	H	OGC*	H	URB	C	DWM		NMSS	
NAME	RCarlson		FOR RForner		JHolonich		for JGreeves		CPaperiello	
DATE	12/30/96	E	12/30/96	E	12/31/96		12/31/96		/ /	

OFFICIAL RECORD COPY

From: Robert Fonner
To: TWD2.TWP7(JJH1)
Date: 12/30/96 2:14pm
Subject: Concurrence on Letter -Reply

I concur on letter to HRI re supplemental DEIS, etc.

~~9-101070112~~ 10



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

December 24, 1996

Susan G. Jordan, Esq.
New Mexico Environmental Law Center
1405 Luisa Street, Suite 5
Santa Fe, NM 87505

SUBJECT: CROWNPOINT, NEW MEXICO PROJECT

Dear Ms. Jordan:

I am responding to your letter, dated December 6, 1996, addressed to Chairman Shirley Jackson of the U.S. Nuclear Regulatory Commission, and Mr. Joseph J. Holonich, Chief of the Uranium Recovery Branch, Office of Nuclear Material Safety and Safeguards. In your letter, you request that the NRC issue a Supplemental Draft Environmental Impact Statement (SDEIS) for the Hydro Resources, Inc. (HRI) Crownpoint, NM proposed uranium solution mining project. As justification for this request, you cite what you believed to be significant new information that was not available at the time the Draft Environmental Impact Statement (DEIS) was published in November 1994. Therefore, you conclude that without a SDEIS, the public would not be given the ability to participate in the environmental review process as required by the National Environmental Policy Act and NRC regulations.

We appreciate your interest in this matter and have carefully considered the views expressed in your letter. However, based upon our review of the information provided in your letter, the NRC staff has determined that there is not a sufficient basis for issuing a SDEIS at this time.

The information discussed in your letter appears to be information which was provided to the NRC by HRI in response to the NRC staff's requests for additional information (RAIs), which were developed in large part based upon the many public comments we received concerning the DEIS. We do not believe that this information constitutes such "new" and "significant" information as to require the publication of a SDEIS prior to publication of a Final Environmental Impact Statement (FEIS). It is well established that a federal agency need not prepare a SDEIS to consider each new piece of information that it obtains following the publication of a DEIS. Under appropriate circumstances, a federal agency may issue an FEIS without prior publication of a SDEIS, notwithstanding the fact that additional information is placed in the FEIS to respond to public comments on the DEIS. Because the information contained in HRI's responses to the NRC RAIs was provided in order to address public comments on the DEIS, and because that information does not alter the proposed action or present significant new circumstances or information concerning that action or its impacts, the NRC staff does not believe that a SDEIS must be published prior to publication of the FEIS. Therefore, the NRC plans to publish the FEIS in January 1997.

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To the extent that you or other persons believe that the FEIS does not adequately consider the environmental impacts of the proposed action and/or requires supplementation pursuant to 10 C.F.R. § 51.92, we would encourage you to submit your views to the NRC following publication of the FEIS. Any such information will be considered by the NRC staff and, if necessary, a supplemental FEIS could then be prepared. Additionally, in the event an adjudicatory hearing is held in which your clients are afforded intervenor status, they may raise any concerns regarding the FEIS in that proceeding.

Your letter notes that all of the information submitted by the applicant is available in the NRC's Public Document Room (PDR) in Washington, DC, but because of the inability of local residents to gain access to the PDR, you request that the NRC establish a Local Public Document Room (LPDR) near the Crownpoint site. Current NRC policy is to establish LPDRs for uranium recovery sites if: (1) intervention is granted under the informal hearing procedures for materials licensing proceedings contained in 10 CFR Part 2, Subpart L; (2) the site is not near an existing LPDR; and (3) the staff determines that an LPDR is necessary. As you undoubtedly know, eight petitions for leave to intervene in the HRI licensing proceeding have been filed by various individuals and organizations that are interested in the proposed action. We expect that a decision with respect to their intervention will be made by the Presiding Officer shortly, following publication of the FEIS. In anticipation of that action, the NRC staff is preparing a hearing file that is to contain all reports and NRC-HRI correspondence relevant to this matter, so that a functional LPDR may be established in a prompt and timely manner upon the commencement of the adjudicatory proceeding. In the interim, the PDR staff in Washington, DC is prepared to assist interested individuals in any way. If you or any members of the local community would like to obtain copies of information submitted by HRI, in lieu of contacting HRI, the PDR may be contacted at (202) 634-3273/3333.

I hope this information clarifies the NRC staff's position on this matter, and responds to your concerns. If you have any questions regarding this subject, please contact Mr. Holonich of my staff at (301) 415-6643.

Sincerely,

[original signed by Malcolm Knapp for:]

Carl J. Paperiello, Director
Office of Nuclear Material Safety
and Safeguards

cc: See attached list

ACTION

EDO Principal Correspondence Control

FROM:

DUE: 01/08/97

EDO CONTROL: G960965

DOC DT: 12/13/96

FINAL REPLY:

Richard F. Clement, Jr.
HRI, Inc.

TO:

Chairman Jackson & Joseph Holonich, NMSS

FOR SIGNATURE OF :

** GRN **

CRC NO: 96-1264

Paperiello

DESC:

ROUTING:

REQUEST FOR ISSUANCE OF A SUPPLEMENTAL DRAFT
ENVIRONMENTAL IMPACT STATEMENT AND ESTABLISHMENT
OF A LPDR IN THE MATTER OF APPLICATION OF
HYDRO RESOURCES, INC. DOCKET NO. 40-8968-ML

Taylor
Milhoan
Thompson
Blaha
Bangart, SP
Cyr, OGC
Norry, ADM

DATE: 12/24/96

ASSIGNED TO:

CONTACT:

NMSS

Paperiello

SPECIAL INSTRUCTIONS OR REMARKS:

<u>DWM Action</u>	
Due to NMSS Director's Office	
By	<u>1/3/97</u>
	<u>cc'd 12/26/96</u>

ACTION: Holonich

Due to DWM

Director's Office

1/2/97

OFFICE OF THE SECRETARY
CORRESPONDENCE CONTROL TICKET

PAPER NUMBER: CRC-96-1264 LOGGING DATE: Dec 19 96

ACTION OFFICE: EDO

AUTHOR: RICHARD CLEMENT
AFFILIATION: NEW HAMPSHIRE

ADDRESSEE: CHAIRMAN JACKSON & JOSEPH HOLONICH

LETTER DATE: Dec 13 96 FILE CODE:

SUBJECT: REQUEST FOR ISSUANCE OF A SUPPL DRAFT ENVIRON
IMPACT STATEMENT AND ESTABLISHMENT OF A LOCAL
PUBLIC DOCUMENTS RESPOSITORY IN THE MATTER OF THE
APPL OF HYDRO RESOURCES INC.,

ACTION: Direct Reply

DISTRIBUTION: CHAIRMAN, HOLONICH, DSB

SPECIAL HANDLING: SECY TO ACK

CONSTITUENT:

NOTES:

DATE DUE: Jan 8 97

SIGNATURE: . DATE SIGNED:

AFFILIATION: