



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

September 28, 2020

Mr. Brad R. Bingham  
Closure Manager  
Grants Reclamation Project  
Homestake Mining Co. of CA  
P.O. Box 98/Highway 605  
Grants, NM 87020

SUBJECT: U.S. NUCLEAR REGULATORY COMMISSION, RESPONSE TO  
HOMESTAKE MINING COMPANY OF CALIFORNIA 2020 SURETY  
LETTER DATED JULY 31, 2020, MATERIALS LICENSE SUA-1471,  
DOCKET NUMBER 040-08903

Dear Mr. Bingham:

On March 31, 2020, the Homestake Mining Company of California (HMC) requested a 30-day extension for the 2020 financial assurance (surety) due date of March 31, 2020, to April 30, 2020.<sup>1</sup> The U.S. Nuclear Regulatory Commission (NRC) staff responded on April 3, 2020,<sup>2</sup> and did not approve the extension but did request that HMC provide the 2020 surety as soon as possible with an explanation of why the surety is late. This request still stands.

HMC indicted, in a letter dated July 31, 2020,<sup>3</sup> that NRC management and HMC agreed, during a virtual drop-in meeting on April 2, 2020, to a proposal to leave the surety of \$83,455,824 in place for 2020 for the Grants Reclamation Project (GRP). Consistent with NRC Management Directive 3.5, Attendance at NRC Staff-Sponsored Meetings,<sup>4</sup> licensee drop-ins with NRC staff or management are "limited to a general exchange of information not directly related to any regulatory action or decision," and no regulatory decisions are made during these interactions. While the GRP surety may have been discussed as a topic, the NRC did not agree to a specific course of action on the 2020 annual surety update.

Accordingly, the NRC staff requests that HMC submit its 2020 annual surety update to the NRC for review as required by Materials License SUA-1471, Condition 28, which states, in part, "the licensee shall maintain an NRC-approved financial surety arrangement consistent with Title 10 of the *Code of Federal Regulations* (10 CFR) Section 40, Appendix A, Criteria 9 and 10, adequate to cover the estimated costs, if accomplished by a third party, for decommissioning and decontamination of the mill and mill site, reclamation of tailings or waste disposal areas, ground-water restoration, and the long-term surveillance fee." The surety update should be

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<sup>1</sup> Agencywide Documents Access and Management System (ADAMS) Accession No. ML20099E365

<sup>2</sup> *ibid*

<sup>3</sup> ADAMS Accession No. ML20225A258

<sup>4</sup> <https://www.nrc.gov/reading-rm/doc-collections/management-directives/volumes/vol-3.html>

based on the criteria listed in Condition 28, which would include the proposed Groundwater Corrective Action Program (GCAP) submitted to the NRC in submissions dated December 19, 2019,<sup>5</sup> and February 28, 2020,<sup>6</sup> even though the proposed GCAP was not accepted by the NRC staff for technical review in a letter dated June 18, 2020.<sup>7</sup>

The NRC staff reminds HMC that, in the 2018 Annual Surety Update cover letter,<sup>8</sup> the NRC staff alerted HMC to the need for incorporating a revised corrective action plan (CAP) into the future surety by stating in part, “the NRC staff anticipates the revised CAP may extend the date for final decommissioning and include different remedial technologies or approaches for reclamation of the site. Therefore, future financial surety amendment requests should incorporate the proposed changes in the CAP.”

In accordance with 10 CFR 2.390 of the NRC’s “Rules of Practice and Procedure,” a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records component of NRC’s document system ADAMS. The ADAMS database is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

If you have any questions regarding this letter or the enclosures, please contact me at 301-415-7777 or by e-mail to [Ron.Linton@nrc.gov](mailto:Ron.Linton@nrc.gov).

Sincerely,

Ron C. Linton, Project Manager  
Uranium Recovery and Materials  
Decommissioning Branch  
Division of Decommissioning, Uranium Recovery  
and Waste Programs  
Office of Nuclear Materials Safety  
and Safeguards

Docket No.: 04008903  
License No.: SUA-1471

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<sup>5</sup> ADAMS Accession Package No. ML19354B960

<sup>6</sup> ADAMS Accession No. ML20080M078

<sup>7</sup> ADAMS Accession No. ML20142A195

<sup>8</sup> ADAMS Accession Package No. ML18323A179

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