

WESTERN NUCLEAR, INC.

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August 17, 2022

By Electronic Mail

The Honorable Christopher T. Hanson
Chairman
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001
Christopher.Hanson@nrc.gov

**Subject: Western Nuclear, Inc. Split Rock Site, NRC Radioactive Materials License
No. SUA-0056; Payment of Long-Term Care Fee**

Dear Mr. Chairman,

On behalf of Western Nuclear, Inc. (WNI), I am writing to inform the U.S. Nuclear Regulatory Commission (NRC) that WNI has determined to accept and pay the \$4.2 million Long-Term Care Fee (LTCF) for the Split Rock site, a Uranium Mill Tailings Radiation Control Act of 1978 (UMTRCA), Title II site near Jeffrey City, WY.¹

To be clear, WNI is paying the fee with some reservations. As set forth in the attached memorandum from WNI's legal counsel,² WNI believes that the Staff's fee determination for the Split Rock site represents a marked departure from past long-term care fee determinations and associated NRC Staff guidance and policies, for which WNI had no prior notice. Our reasons include the fact that certain long-term surveillance and care costs were included in the fee even though such costs were not included in the fee for substantially similar Title II sites that have been previously assessed a fee. In addition, in some cases the Staff's basis for including certain

¹ Letter from Bill Von Till, Branch Chief, Uranium Recovery and Materials Decommissioning Branch, Division of Decommissioning, Uranium Recovery, and Waste Program, Office of Nuclear Material Safety and Safeguards, Nuclear Regulatory Commission, to Larry Corte, President, Western Nuclear, Inc. (July 15, 2022) (the "NRC LTCF Determination").

² Memorandum from Jeffrey S. Merrifield and Timothy J. V. Walsh, Pillsbury Winthrop Shaw Pittman, Subject: Concerns Regarding NRC Split Rock Long-Term Care Fee Determination (Aug. 12, 2022).

costs in the Split Rock long-term care fee is either not clear, or lacks adequate support, or both. WNI respectfully requests that the Commission consider these concerns as a policy issue and suggests that the Commission pursue appropriate actions to address and resolve them before a fee determination is made for the next Title II site, as recommended in the attached memorandum from WNI's counsel. These recommended actions include updating NRC Staff guidance related to the fee determination process, and initiating a rulemaking to address certain concerns related to costs included in the fee.

Notwithstanding these reservations, WNI has determined to accept and pay the fee. WNI believes it is long past time to transfer the Split Rock site into the capable hands of the Department of Energy Office Legacy Management for long-term care and maintenance in accordance with UMTRCA's mandate.

I would like to thank the NRC Staff for all of its efforts during the fee determination process these past many months. Last fall, I shared my concerns about what I believed was a lack of transparency and openness in the process, and was unsure that a reasonable schedule for making a fee determination would be met. I am happy to report that your Staff continually engaged with WNI during the process. The Staff listened to WNI's concerns, and in some cases accepted WNI's input, resulting in a fee that is more just and fair to WNI than it might otherwise have been. And we appear to be wrapping up this process very close the schedule that was set out at the beginning of this year. The Staff should be commended for all of its efforts.

We all have much to be proud of Split Rock. For decades, Split Rock produced uranium for the domestic commercial nuclear power industry, helping to supply millions of homes with clean electricity. Split Rock also helped support our country's collective defense and security needs. After many years of operation, WNI and its owners spent tens-of-millions of dollars on decommissioning and remediation to ensure protection of the public health and safety and the environment, and the beneficial future use of the site by the people of Wyoming. Split Rock is truly a success story for everyone.

Sincerely,

A handwritten signature in blue ink, appearing to read 'L. Corte', is placed over a light blue rectangular background.

Lawrence J. Corte

Cc:

The Honorable Jeff Baran, Commissioner
The Honorable David A. Wright, Commissioner
The Honorable Annie Caputo, Commissioner
Daniel Dorman, Executive Director for Operations
Catherine Haney, Deputy Executive Director for Materials,
Waste, Research, State, Tribal, Compliance, Administration and

Human Capital Programs

John Lubinski, Director, Office of Nuclear Materials, Safety and Safeguards

Jane Marshall, Director, Division of Decommissioning, Uranium Recovery, and
Waste Programs

Ashley Roberts, Deputy Director, Division of Decommissioning, Uranium
Recovery, and Waste Programs