



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

August 18, 2023

Daniel Elbert U.S. Fish and Wildlife Service Tennessee Ecological Services Field Office 446 Neal Street Cookeville, TN 38501

SUBJECT: NUCLEAR FUEL SERVICES LICENSE AMENDMENT REQUEST TO OPERATE URANIUM PURIFICATION AND CONVERSION SERVICES IN ERWIN, UNICOI COUNTY, TENNESSEE (DOCKET NUMBER: 70-143)

Dear Daniel Elbert:

In accordance with Section 7 of the Endangered Species Act, this letter is a request to initiate informal consultation with the U.S. Fish and Wildlife Service (FWS) regarding an amendment to the Nuclear Fuel Services (NFS) special nuclear materials license (SNM), which proposes to operate uranium purification and conversion services at its facility located in Erwin, Unicoi County, Tennessee.

NFS requests an amendment to its license SNM-124, which was issued by the U.S. Nuclear Regulatory Commission (NRC) under Title 10 *Code of Federal Regulations (10 CFR)* Part 70. If approved, the amendment would authorize NFS to operate uranium purification and conversion services (U-Metal Project) at the NFS site, pursuant to a contract with the U.S. Department of Energy's National Nuclear Security Administration, which would maintain the ability to convert oxides to metal and provide a redundancy for the purification of uranium metals.

Construction of the proposed U-Metal Project would occur in the southwest corner of the NFS site boundary. This area has been previously disturbed and contains no trees or suitable habitat for threatened or endangered species.

The NRC staff used the FWS's Environmental Conservation Online System Information for Planning and Conservation (IPAC) tool to identify species that may be present in the NFS action area. IPAC identified six threatened, endangered, or proposed species with the potential to occur within the action area (see below table). In addition, the Monarch Butterfly (*Danaus plexippus*), which is a candidate species, was also identified as potentially occurring within the action area.

After a review of the potential impacts of the proposed action, the NRC staff has determined that the proposed action "**may affect**" the four proposed or listed bat species and the mussel. The NRC staff expects these effects to be discountable, however, and has concluded that the proposed action is "**not likely to adversely affect**" any proposed or listed endangered or threatened species within the action area. Further, the NRC staff determined that the proposed

action would have **no effect** on the Virginia spiraea, since no ground disturbing or construction activities would occur within suitable habitat for the plant. The supporting basis for this conclusion is provided in section 3.7 of the enclosed Environmental Assessment.

Species	Status	Effects Determination
Indiana Bat (<i>Myotis sodalist</i>)	Endangered	may affect, but not likely to adversely affect
Northern Long-eared Bat (<i>Myotis septentrionalis</i>)	Endangered	may affect, but not likely to adversely affect
Gray Bat (<i>Myotis grisescens</i>)	Endangered	may affect, but not likely to adversely affect
Tricolored Bat (<i>Perimyotis subflavus</i>)	Proposed Endangered	may affect, but not likely to adversely affect
Appalachian Elktoe (<i>Alasmidonta raveneliana</i>)	Endangered	may affect, but not likely to adversely affect
Virginia spiraea (<i>Spiraea virginiana</i>)	Threatened	no effect

We request your concurrence with NRC's determinations that the proposed action may affect but not likely to adversely affect the four bat species and mussel and would have no effect on all other proposed, candidate or listed species or any critical habitat.

Should you have any questions or comments on the submitted information, please contact the Environmental Project Manager, Ashley Waldron at 301-415-7317 or via email at <u>Ashley.Waldron@nrc.gov</u>.

Sincerely,

Christine L. Pineda Date: 2023.08.18 16:34:48 -04'00'

Christine Pineda, Acting Chief Environmental Review Materials Branch Division of Rulemaking, Environment, and Financial Support Office of Nuclear Material Safety and Safeguards

Docket No.: 70-143

Enclosure: Environmental Assessment/Evaluation of the Threatened and Endangered Species SUBJECT: NUCLEAR FUEL SERVICES LICENSE AMENDMENT REQUEST TO OPERATE URANIUM PURIFICATION AND CONVERSION SERVICES IN ERWIN, UNICOI COUNTY, TENNESSEE (DOCKET NUMBER: 70-143)

DATED: August 18, 2023

ADAMS Package: ML23228A156; Letter ML23228A158; Encl. ML23228A160 via email

OFC	NMSS/REFS	NMSS/REFS	OGC	NMSS/REFS
NAME	AWaldron	AWalker-Smith	*KRoach	CPineda for MRome
DATE	08/16/23	08/16/23	08/17/23	08/18/23

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