

April 5, 2000

MEMORANDUM TO: Chairman Meserve
Commissioner Dicus
Commissioner Diaz
Commissioner McGaffigan
Commissioner Merrifield

FROM: Dennis K. Rathbun, Director
Office of Congressional Affairs

SUBJECT: HOUSE COMMERCE HEARING ON H.R. 2641, TO AMEND TITLE X,
OF THE ENERGY POLICY ACT OF 1992, FOR REMEDIATION OF
URANIUM AND THORIUM SITES

On April 5, 2000, the House Commerce Committee's Subcommittee on Energy and Power held a hearing on H. R. 2641, a bill to amend Title X of the Energy Policy Act of 1992, as amended, for remediation of uranium and thorium sites. The Subcommittee was chaired by Representative Joe Barton (R-TX). A copy of the witness list is attached.

The Department of Energy's (DOE) James Fiore, Deputy Assistant Secretary for Site Closure, Office of Environmental Management, provided an overview of DOE's progress in cleaning up uranium mill tailings under its jurisdiction. Under the Uranium Mill Tailings Radiation Control Act (UMTRCA), which expired in 1998, DOE completed cleanup of surface mill tailings at its 22 sites under Title I of the act. Groundwater cleanup continues at three sites. In his testimony, Mr. Fiore pointed out that among the 14 sites being cleaned up under Title II, one is the Atlas site in Moab, Utah. He reiterated Secretary Richardson's offer to allow DOE to move the tailings away from the river. In response to a question from Chairman Barton, Mr. Fiore said that DOE was not second guessing the NRC's decision to cap the tailings in place but made its decision based on stakeholder concerns about the proximity of the tailings to the National Parks (Arches and Canyonlands). He also allowed that although DOE has no authority to move the tailings, they are preparing authorizing legislation to accomplish this. [We understand that Representative Chris Cannon (R-UT) introduced the Administration's bill on April 4, 2000, but copies are not yet available.]

The second witness was Mr. Tom McDaniel, Vice Chairman of Kerr-McGee Chemical LLC. He described their experience in the cleanup of the thorium mill tailings site and vicinity properties in West Chicago, Illinois. He testified that, to date, they have spent \$345 million and will spend an additional \$100 in the cleanup. DOE has reimbursed them \$69 million of the \$149 million due to them under Title X payments. Under H.R. 2641, they would be able to collect up to \$245 million. These funds are needed to offset the regulatory burden placed on the company when they were required by State and local requirements to move the tailings to a Utah site and cleanup the contamination that extends below the water table.

UMETCO's Patrick Morgan also argued for increasing the reimbursement for cleanup because costs at their two sites (Uravan, CO, and Gas Hills, WY) are higher due to environmental factors driven by more rigorous State and federal cleanup standards and by EPA's groundwater standards and long term surveillance costs.

Chairman Barton indicated that this bill could be marked up as early as next week.

Copies of the witnesses testimonies are available in OCA.

Attachment:

As stated

cc: OEDO
OGC
OGC (Cyr)
OPA
SECY
IG
ACNW
OCIO
OCFO
OCAA

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