



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

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JUL -9 2002

Ref 8-OC

40-8681

Mr. William E. Love
2871 E. Bench Road
Moab, Utah 84532

Dear Mr. Love:

Thank you for your letter of April 24, 2002, regarding the International Uranium Corporation (IUSA) and its White Mesa Uranium Mill located in Blanding, Utah. You have concerns regarding the application of the National Environmental Policy Act, 42 U.S.C. §4321 et. seq. (NEPA), to the facility, and the regulatory status of alternate feed material that may be sent to the facility for processing from Molycorp Inc.'s Mountain Pass facility in California. I have discussed your concerns with EPA hazardous waste and radiation and toxics program staff and gathered the following information:

The Nuclear Regulatory Commission (NRC) regulates IUSA's receipt, acquisition, possession, and transfer of uranium waste tailings and other uranium by-product wastes generated by its milling operations, as well as other source materials from other locations, by establishing operating conditions in the materials license that the NRC issues to the company. The NRC prepared an environmental impact statement (EIS) when the original application for the materials license was submitted in 1979. The NRC prepared environmental assessments in 1985 and 1997 when the license was up for renewal and again in 2000 when considering IUSA's reclamation plan. In 2001, NRC prepared an environment assessment specifically to address the potential environmental impacts of the proposed shipments of material from Molycorp, Inc. In accordance with NEPA, EPA participated in this process by providing comments to the NRC when appropriate.

EPA cannot comply with your request that the Agency require the NRC and IUSA to prepare a supplemental environmental impact statement prior to any shipment of the Molycorp material to the White Mesa mill. EPA does not have the authority to impose such requirement on other government agencies. It is our understanding that the NRC conducted hearings in connection with its proposal to amend the materials licence to allow the Molycorp shipments to White Mesa. We believe that this was the appropriate forum for you to raise your NEPA concerns.

With regard to the regulatory status of the Molycorp material, EPA previously addressed



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this issue with the NRC. Determining whether the Molycorp slurries are hazardous waste requires resolution of a number of threshold issues involving site-specific factors including whether the materials are regulated as "solid wastes." Under the Federal Resource Conservation and Recovery Act (RCRA) recycling regulations, the slurries would be classified as either by-products or sludges which exhibit one of the RCRA hazardous waste characteristics. Such by-products and sludges are not classified as solid wastes when they are legitimately reclaimed. Materials which are not solid wastes are not regulated as hazardous wastes under Subtitle C of RCRA. It is important to make clear that this determination does not apply to RCRA listed wastes.

Under the federal rules, the entities handling the recycled materials are responsible for determining whether legitimate recycling is occurring and whether the material is a solid waste, with oversight by the responsible regulatory agency. EPA has authorized the States of California and Utah to implement state RCRA programs in lieu of the federal RCRA program, making them primarily responsible for oversight within their state. It is our understanding that both California and Utah have concluded that the Molycorp material is not a solid or hazardous waste under their respective state RCRA programs.

As discussed above, the NRC is responsible for regulating the receipt of this material at the White Mesa Mill. The NRC held hearings regarding the appropriateness of allowing the Molycorp material to be processed at the White Mesa facility. We believe that this was the appropriate forum to raise your concerns regarding the composition of this material and understand that you took advantage of that opportunity.

I hope I have addressed your concerns. If you wish to discuss this matter further, please contact me at 1 (800) 227-8917, extension 6600.

Sincerely,



Sonya S. Pennock
Public Affairs & Involvement

cc: Wanda Taunton, Hazardous & Solid Waste Program
Richard Graham, Radiation & Toxics Program