



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

August 28, 2015

Mr. Mike Thomas
Vice President, Regulatory and Public Affairs
Uranerz Energy Corporation
P.O. Box 50850
1701 East E Street
Casper, WY 82605-0850

SUBJECT: URANERZ ENERGY CORPORATION, NICHOLS RANCH IN-SITU RECOVERY (ISR) PROJECT, LICENSE AMENDMENT, LICENSE CONDITION 9.7, PROPOSAL TO TRAIN PLANT OPERATORS AND OTHER SUITABLE PERSONNEL TO PERFORM DAILY INSPECTIONS, MATERIALS LICENSE SUA-1597, (TAC J00727)

Dear Mr. Thomas:

The U.S. Nuclear Regulatory Commission (NRC) is amending Materials License SUA-1597 by modifying license condition 9.7. Uranerz Energy Corporation (Uranerz or the licensee) requested amendment of this license condition to provide for qualified designees to perform daily inspections in the absence of Radiation Safety Officers and Radiation Safety Technicians. The original license issued on July 19, 2011, stated in Section 9.0, *Standard Conditions*, License Condition 9.7, with regard to daily inspections that:

The licensee shall follow the guidance set forth in Regulatory Guide 8.31, "Information Relevant to Ensuring That Occupational Radiation Exposures at Uranium Recovery Facilities Will Be as Low as Is Reasonably Achievable" (as revised), or NRC-approved equivalent.

Staff Regulatory Position C.2.3.1 of Regulatory Guide 8.31 states, among other things:

The RSO or designated health physics technician should conduct a daily walk-through (visual) inspection of all work and storage areas of the facility to ensure proper implementation of good radiation safety procedures, including good housekeeping and cleanup practices that would minimize unnecessary contamination. [emphasis added]

Uranerz submitted information in support of an amendment to license condition 9.7. The staff reviewed the submitted information and agrees to amend the license by modifying license condition 9.7 to allow qualified designees to perform daily walk-through inspections. The staff is also amending license condition 9.2 by adding references to Uranerz's recently submitted information and commitments. License condition 9.2 is commonly referred to as the tie-down condition where the NRC binds the licensee to conduct operations in accordance with the commitments, representations, and statements contained in the license application and other

submissions as noted. Please see the attached Safety Evaluation Report (SER) for the specifics of the amendment (Enclosure 1). The staff is also amending license condition 9.3 to make administrative changes to the NRC addresses for written notices and reports, to conform to a reorganization of NRC offices that was effective October 5, 2014. By e-mail dated August 26, 2015, Uranerz agreed to these changes in Material License SUA-1597 (see ADAMS Accession No. ML15239B286). Enclosure 2 contains Amendment 4 to License SUA-1597.

This licensing action meets the categorical exclusion provisions in 10 CFR Part 51.22(c)(11). Therefore, no further environmental review is required for this action. The SER for this licensing action contains further discussion of the categorical exclusion. The NRC staff has also determined that Section 7 consultation is not required because the proposed action is administrative/procedural in nature and will not affect listed species or critical habitat. The NRC staff has also determined that the proposed action is not a type of activity that has potential to cause effects on historic properties because it is administrative/procedural action. Therefore, no further consultation is required under Section 106 of the National Historic Preservation Act.

If you have any questions regarding this action, please contact Mr. Ron Linton, the Project Manager for Source Material License SUA-1597, at 301-415-7777, or via e-mail at Ron.Linton@nrc.gov.

In accordance with 10 CFR 2.390 of the NRC's "Agency 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 Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

Sincerely,

/RA/

Andrew Persinko, Deputy Director
Division of Decommissioning, Uranium Recovery,
and Waste Programs
Office of Nuclear Material Safety
and Safeguards

Docket No.: 040-09067
Closes TAC J00727

Enclosures:

1. Safety Evaluation Report
2. Amendment 4 to License SUA-1597

cc: Mr. Miles Bennett, WDEQ

submissions as noted. Please see the attached Safety Evaluation Report (SER) for the specifics of the amendment (Enclosure 1). The staff is also amending license condition 9.3 to make administrative changes to the NRC addresses for written notices and reports, to conform to a reorganization of NRC offices that was effective October 5, 2014. By e-mail dated August 26, 2015, Uranerz agreed to these changes in Material License SUA-1597 (see ADAMS Accession No. ML15239B286). Enclosure 2 contains Amendment 4 to License SUA-1597.

This licensing action meets the categorical exclusion provisions in 10 CFR Part 51.22(c)(11). Therefore, no further environmental review is required for this action. The SER for this licensing action contains further discussion of the categorical exclusion. The NRC staff has also determined that Section 7 consultation is not required because the proposed action is administrative/procedural in nature and will not affect listed species or critical habitat. The NRC staff has also determined that the proposed action is not a type of activity that has potential to cause effects on historic properties because it is administrative/procedural action. Therefore, no further consultation is required under Section 106 of the National Historic Preservation Act.

If you have any questions regarding this action, please contact Mr. Ron Linton, the Project Manager for Source Material License SUA-1597, at 301-415-7777, or via e-mail at Ron.Linton@nrc.gov.

In accordance with 10 CFR 2.390 of the NRC's "Agency 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 Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

Sincerely,

/RA/

Andrew Persinko, Deputy Director
Division of Decommissioning, Uranium Recovery,
and Waste Programs
Office of Nuclear Material Safety
and Safeguards

Docket No.: 040-09067
Closes TAC J00727

Enclosures

1. Safety Evaluation Report
2. Amendment 4 to License SUA-1597

cc: Mr. Miles Bennett WDEQ

Distribution:

DPersinko

LGersey/RIV

REvans/RIV

ML15215A412

OFFICE	DUWP	DUWP	DUWP	DUWP	OGC	DUWP
NAME	DBrown	RBurrows	AWalker-Smith	RLinton (e-mail)	SClark (e-mail)	BVonTill
DATE	08/5/15	08/5/15	08/27/15	08/ 7 /15	08/24/15	08/28/15

OFFICIAL RECORD COPY

SAFETY EVALUATION REPORT

Date: August 5, 2015
Docket No.: 040-09067
License No.: SUA-1597
Facility: Uranerz Energy Corporation, Nichols Ranch ISR Project
Project Manager: Ron C. Linton
Technical Reviewer: Dave Brown

Background

In its July 2011, "Safety Evaluation Report for the Nichols Ranch In Situ Recovery Project in Johnson and Campbell Counties, Wyoming, Materials License No. SUA-1597" (NRC 2011), the NRC staff evaluated statements and commitments by Uranerz Energy Corporation (Uranerz, or the licensee) in its Technical Report Section 5.3.2, "Inspections," (Uranerz 2009) and determined that a license condition was necessary to identify the qualification and training requirements for an environment, safety and health (ES&H) representative who will be allowed to perform daily and weekly inspections. As a result, license condition 9.7 of materials license SUA-1597 (NRC 2014c) incorporates the daily and weekly inspection guidance in Regulatory Guide 8.31, "Information Relevant to Ensuring that Occupational Radiation Exposures at Uranium Recovery Facilities will be as Low as is Reasonably Achievable," as follows:

The licensee shall follow the guidance set forth in NRC, Regulatory Guides 8.22, "Bioassay at Uranium Mills" (as revised), and 8.30, "Health Physics Surveys in Uranium Recovery Facilities" (as revised), or NRC-approved equivalent.

The licensee shall follow the guidance set forth in Regulatory Guide 8.31, "Information Relevant to Ensuring That Occupational Radiation Exposures at Uranium Recovery Facilities will be as Low as is Reasonably Achievable" (as revised), or NRC-approved equivalent.

Any proposed exceptions to the guidance are subject to review and written verification by the NRC that the proposed exception does not require a license amendment.

Staff Regulatory Position C.2.3.1 of Regulatory Guide 8.31 states, among other things:

The RSO or designated health physics technician should conduct a daily walk-through (visual) inspection of all work and storage areas of the facility to ensure proper implementation of good radiation safety procedures, including good housekeeping and cleanup practices that would minimize unnecessary contamination. [emphasis added]

By letter dated May 15, 2014, (Uranerz 2014b) Uranerz, citing license condition 12.5 of its source materials license SUA-1597, proposed to train plant operators and other suitable personnel to perform the daily inspections described in Regulatory Guide 8.31 (NRC 2002b).

By letter dated May 19, 2014 (Uranerz 2014c), Uranerz corrected its May 15, 2014, request by citing license condition 9.7, rather than license condition 12.5.

By letter dated August 21, 2014, the NRC staff informed Uranerz that the staff had completed its review of the information provided by Uranerz in its letters dated May 15 and 19, 2014, and identified ten specific deficiencies (NRC 2014b). By letter dated September 18, 2014, Uranerz responded to each deficiency (Uranerz 2014d).

By letter dated May 20, 2015 (Uranerz 2015a), Uranerz responded to the NRC staff suggestions that the NRC staff made at a public meeting in December 2014 (NRC 2014e). The NRC staff suggested that, due to a higher prioritization being placed on other licensing case work, and limited staff resources, the NRC staff could more expeditiously evaluate a proposed revised designee program which is substantially similar to other licensees' programs already reviewed and approved by the NRC staff. Specific examples cited by the NRC staff included the Lost Creek In-Situ Recovery (ISR) Project plan and the Crow Butte Resources plan (NRC 2013, 2014d).

In its May 20, 2015, letter, Uranerz responded to the NRC staff's suggestion by revising its proposal for designees by submitting proposed changes to its Technical Report, to include changes to the Table of Contents; Section 5.3.2, "Inspections"; Section 5.4, "Qualifications for Personnel Conducting the Radiation Safety Program"; and a new Section 5.4.1, "Qualifications and Requirements for Conducting Daily Inspections." However, the license amendment application was not complete because Uranerz did not provide Form 313 in accordance with 10 CFR 40.44, "Amendment of licenses at request of licensee." By letter dated July 14, 2015, NRC asked Uranerz to provide the missing Form 313 and proposed text of a revised License Condition 9.7 (NRC 2015). By letter dated July 30, 2015, Uranerz provided a proposed license condition 9.7, but not a Form 313. The staff's evaluation of the proposed license condition is addressed below in SER section, "Proposed License Condition." By e-mail dated August 3, 2015, Uranerz included the completed Form 313 and this issue was resolved (Uranerz 2015c).

The NRC staff also observed that Uranerz made the proposed changes to a version of the Nichols Ranch Technical Report marked "Rev. Nov. 2008," whereas a version of the Technical Report provided to NRC by letter dated March 11, 2009, which is included in the licensing basis for Nichols Ranch (see License Condition 9.2 of NRC 2014c), includes pages of Technical Report Section 5.3 marked "Rev. Feb. 2009." By letter dated July 14, 2015, NRC asked Uranerz to provide the proposed changes on the current revision of the Technical Report (NRC 2015). By letter dated July 30, 2015, Uranerz provided the proposed changes on the current revision of this section of the Technical Report, which was provided to NRC by letter dated September 15, 2010 (Uranerz 2010), which is also included in the licensing basis for Nichols Ranch (see License Condition 9.2 of NRC 2014c), and this issue was resolved (Uranerz 2015b).

Proposed Changes to Technical Report Section 5.3.2, "Inspections"

In its May 20, 2015 letter, Uranerz proposed to revise Technical Report Section 5.3.2, "Inspections" as follows:

1. Uranerz revised the description of daily inspections by stating that these will be performed by “radiation safety staff representatives” or designees, instead of ES&H staff representatives.
2. Uranerz revised the description of weekly inspections by stating that these will be performed by the radiation safety officer (RSO) or designee, instead of ES&H staff representatives.
3. Uranerz revised the description of monthly reports by stating that these will be completed by the ESH Manager, instead of the Vice President, ESH.

The staff determined that these changes did not clearly state the specific individuals among the Uranerz staff who will conduct inspections and prepare monthly reports. Specifically, it was not clear what group is meant by “radiation safety staff representatives” or “radiation safety staff.” By letter dated July 14, 2015, staff stated that Uranerz should either define “radiation safety staff representatives” and “radiation safety staff” to include only the radiation safety officers (RSOs) and radiation safety technicians (RSTs), and qualified designees, or revise the text throughout section 5.3 and 5.4 to specify RSOs, RSTs, and/or qualified designees, as appropriate (NRC 2015). By letter dated July 30, 2015, Uranerz revised its amendment application to clearly state RSOs, RSTs, and/or qualified designees, as appropriate, where one or more of those individuals are the subject of the activity or training being described, and this issue was resolved (Uranerz 2015b).

In its May 20, 2015, letter, Uranerz proposed to revise the description of weekly inspections in Technical Report Section 5.3.2 by stating that either the RSO or designee would perform weekly inspections of the site. The staff determined that this was inconsistent with the scope of the amendment request, which was limited to the use of a qualified designee for daily inspections only. Furthermore, the proposed change to include both the radiation safety officer (RSO) and designee in the description of the weekly inspections is inconsistent with the proposed revised text in Technical Report Section 5.4.1, which states, “Header-houses and the wellfield are inspected by the RSO weekly and are not considered process areas because processing of materials does not occur.” Therefore, the staff issued a request for additional information on July 14, 2015, requesting that Uranerz remove reference to a designee from description of weekly inspections (NRC 2015). By letter dated July 30, 2015, Uranerz revised the amendment request by removing “designee” from the description of weekly inspections, and this issue was resolved (Uranerz 2015b).

Based on the information provided in the license amendment application and the staff’s detailed review of the proposed revisions to the inspection program for the Nichols Ranch ISR Project, the staff concludes that the proposed changes to the inspection program in Technical Report Section 5.3.2 are acceptable and in compliance with 10 CFR 20.1101 which contains requirements for maintaining radiation exposure limits as low as is reasonably achievable. In addition, the requirements of 10 CFR 40.32(b), (c), and (d) are met as they relate to the acceptability of management audits to ensure protection of health and minimize danger to life and property.

Uranerz Proposed Changes to Technical Report Section 5.4

Uranerz proposed to revise Section 5.4, “Qualifications for Personnel Conducting the Radiation Safety Program,” by adding a sentence which states that information regarding the qualifications and requirements for designees is contained in a new Section 5.4.1. The new Section 5.4.1, titled “Qualifications and Requirements for Conducting Daily Inspections,” describes the

qualifications and requirements for the designee. The staff's evaluation of the proposed changes to Sections 5.4.1 is provided below.

Timeliness of reviews of designee reports by radiation safety staff

In its May 20, 2015, letter, Uranerz proposed that the designee would only perform daily inspections when radiation safety staff representatives are not present. In addition, Uranerz proposed that radiation safety staff representatives will review the designee's daily inspection report on the next "standard work day," and in any case, "within 3 days of completion of the inspection." Uranerz also proposed that if "radiation safety staff representatives" cannot review the designee's reports for more than 3 days, then the radiation safety staff representative will contact the designee by telephone to verbally review both reports and current operational conditions.

The NRC staff determined that the licensee's commitments regarding the duration that designees may make daily inspections and the timeliness of RSO or RST reviews of designee reports was not acceptable because it was not consistent with programs previously approved by the staff. Specifically, other programs approved by the staff allow a designee to perform daily inspections on weekends and holidays when the RSO and RST are absent; for no more than 2 consecutive days per week, except when a Federal holiday falls on a Monday or Friday (3 days) or Thanksgiving (4 days). These programs also provide that a designee's reports must be reviewed by the close of business on the first day the RSO or RST returns to work. By letter dated July 14, 2015, the NRC staff explained these deficiencies (NRC 2015). By letter dated July 30, 2015, Uranerz revised its amendment application by revising both the maximum period of time a designee may perform daily inspections and the period of time within which an RSO or RST will review designee report. Uranerz requested that the designee be allowed to perform daily inspections 3 days per week because a standard work week at the Nichols Ranch facility is 4 days per week, or Monday through Thursday (Uranerz 2015b). Uranerz also committed to reevaluate the period of time a designee performs daily inspections should it ever change to a 5-day work week. These changes are acceptable to the staff because they are consistent with programs previously approved by the NRC staff (NRC 2013, 2014d), and these issues are resolved.

Designee Qualifications and Training

In its May 20, 2015, letter, Uranerz proposed that candidates for qualified designee will primarily include plant operators, but may also include others that meet the education and experience requirements. The education and experience requirements include:

1. High school diploma or equivalent.
2. 3 months experience in uranium recovery as a radiation worker or qualification as a plant operator.
3. Classroom training on standard operating procedures that cover daily inspections. A written test score of 80% or better is required to demonstrate competency.
4. After passing classroom training, a designee will observe 3 daily inspections by radiation safety staff representatives.
5. Performance of 1 daily inspection under direct supervision and coaching by a radiation safety staff representatives, followed by another daily inspection observed by the RSO and graded pass or fail.

6. Re-training within 6 months and annually thereafter, involving one daily inspection observed by a radiation safety staff representative, and two additional inspections as described in item 5 above.

The NRC staff evaluated the qualification requirements and determined that, on the basis of similar programs approved by the NRC staff (NRC 2013, 2014d), the licensee should commit to have the RSO determine whether a candidate is qualified to be a designee. By letter dated July 14, 2015, NRC requested that Uranerz revise its description to clarify who determines whether a candidate is qualified to be a designee. By letter dated July 30, 2015, Uranerz revised its amendment application to state that the RSO will determine whether candidate is qualified to be a designee, and this issue was resolved (Uranerz 2015b).

The NRC staff evaluated the training requirements and determined that, on the basis of similar programs approved by the NRC staff (NRC 2013, 2014d), the licensee should require a candidate for qualified designee to complete at least 4 daily inspections before being graded pass or fail by the RSO. By letter dated July 14, 2015, NRC requested that Uranerz revise its description of the designee training program regarding the number of supervised daily inspections required before a designee is graded pass or fail by the RSO. By letter dated July 30, 2015, Uranerz revised its amendment application to state that the trainee will complete 4 daily inspections before being graded pass or fail by the RSO, and this issue was resolved.

By e-mail dated August 4, 2015, Uranerz revised its description of re-training requirements by submitting changes to page TR-214b of its Technical Report (Uranerz 2015d). In the revised page TR-214b, Uranerz stated that a Qualified Designee will undergo re-training within six months of initial training and at least annually thereafter (Uranerz 2015d). Uranerz also stated the Qualified Designee must successfully complete one inspection coached by an RSO or RST and a second inspection in which the Qualified Designee is evaluated by an RSO as either pass or fail. The Qualified Designee will also be required to pass a written test with a passing grade of 80 percent after passing the second requalification inspection. The staff finds that these changes are consistent with programs previously approved by the NRC staff (NRC 2013, 2014d) and are, therefore, acceptable.

Extent of Daily Inspections

In its May 20, 2015, letter, Uranerz stated that the physical extent of daily inspections will be limited to the central processing plant (CPP), and will not include wellfields and header houses. Uranerz did not address the licensed Hank Unit satellite facility. With regard to other “work and storage areas,” which is the physical extent of daily inspections identified in Regulatory Position C.2.3.1 of Regulatory Guide 8.31, Uranerz stated that its reason for including only the CPP within the scope of daily inspections is that: 1) the operations staff inspect wellfields and header houses daily, and 2) the RSO includes wellfields and header houses in the weekly inspection. The NRC staff finds, on the basis of similar programs approved by the NRC staff, that Uranerz should include the Hank Unit satellite facility and other work and storage areas within the scope of the daily inspections. By letter dated July 14, 2015, NRC requested that Uranerz revise its description of the physical extent of the daily inspection (NRC 2015). By letter dated July 30, 2015, Uranerz revised its amendment application to state that daily inspections will include all work and storage areas, including the Hank Unit, and this issue was resolved (Uranerz 2015b).

Uranerz stated that designees will observe proper use of personal protective equipment and condition of radiological postings. Designees will not be trained to operate radiation detecting instruments and will not move or post new radiological areas. Designees will notify a radiation

safety staff representative of problems or question. A radiation safety staff representative will be available by telephone while a designee is on duty.

Based on the information provided in the license amendment application and the staff's detailed review of the proposed revisions to the qualifications for personnel conducting the radiation safety program for the Nichols Ranch ISR Project, the staff concludes that the proposed changes are acceptable and in compliance with 10 CFR 20.1101 which contains requirements for maintaining radiation exposure limits as low as is reasonably achievable. In addition, the requirements of 10 CFR 40.32(b), (c), and (d) are met as they relate to the acceptability of management audits to ensure protection of health and minimize danger to life and property.

Conclusion

Based on the information provided in the license amendment application and the staff's detailed review of the proposed revisions to the descriptions of the Nichols Ranch ISR Project inspection program (Technical Report Section 5.3.2) and qualifications for personnel radiation safety program (Technical Report Section 5.4), the staff concludes that the proposed changes to the inspection program and radiation safety program are acceptable and in compliance with 10 CFR 20.1101 which contains requirements for maintaining radiation exposure limits as low as is reasonably achievable. In addition, the requirements of 10 CFR 40.32(b), (c), and (d) are met as they relate to the acceptability of management audits to ensure protection of health and minimize danger to life and property.

Categorical Exclusion and Consultations

In accordance with 10 CFR 51.22(b), the NRC staff has determined that an environmental assessment or an environmental impact statement is not required for this action because it is an amendment which is procedural in nature, which is included in the list of categorical exclusions in 10 CFR 51.22(c). Specifically, 10 CFR 51.22(c)(11) describes the following category of action which is categorically excluded: "Issuance of amendments to licenses for fuel cycle plants and radioactive waste disposal sites and amendments to materials licenses identified in 10 CFR 51.60(b)(1) which are administrative, organizational, or procedural in nature, or which result in a change in process operations or equipment, provided that (i) there is no significant change in the types or significant increase in the amounts of any effluents that may be released offsite, (ii) there is no significant increase in individual or cumulative occupational radiation exposure, (iii) there is no significant construction impact, and (iv) there is no significant increase in the potential for or consequences from radiological accidents."

The staff evaluated the four conditions contained in 10 CFR 51.22(c)(11)(i) through 10 CFR 51.22(c)(11)(iv). This administrative and procedural amendment allows Uranerz to train and qualify a Qualified Designee to perform daily walkthrough (visual) inspections of all work and storage areas when both the RSO and RST, who normally perform these inspections, are absent from the site. This visual inspection, whether performed by an RSO, RST or Qualified Designee, has no bearing on plant operations, air effluents, or liquid waste processing activities. Therefore, there can be no significant changes in the types or amounts of effluent released offsite. The qualifications and training required of a Qualified Designee provides reasonable assurance that there will be no significant increase in individual or cumulative occupational radiation exposure and no significant increase in the potential for, or consequences of, radiological accidents. Finally, since the daily walkthrough (visual) inspections are performed whether or not construction is occurring, there can be no significant construction impact resulting from a Qualified Designee performing daily walkthrough (visual) inspections.

The NRC staff has determined that Section 7 consultation is not required because the proposed action is administrative/procedural in nature and will not affect listed species or critical habitat. The NRC staff has also determined that the proposed action is not a type of activity that has potential to cause effects on historic properties because it is administrative/procedural action. Therefore, no further consultation is required under Section 106 of the National Historic Preservation Act.

Proposed License Condition

In its letter dated July 30, 2015, Uranerz proposed to revise license condition 9.7 to state:

The licensee shall follow the guidance set forth in NRC, Regulatory Guides 8.22, "Bioassay at Uranium Mills" (as revised), and 8.30, "Health Physics Surveys in Uranium Recovery Facilities" (as revised), or NRC-approved equivalent.

The licensee shall follow the guidance set forth in Regulatory Guide 8.31, "Information Relevant to Ensuring That Occupational Radiation Exposures at Uranium Recovery Facilities Will Be as Low as Is Reasonably Achievable" (as revised), or NRC-approved equivalent.

The licensee may identify qualified designee(s) to perform daily inspections in the absence of the RSO(s) and radiation safety technician(s) (RST). The qualified designee(s) will have health physics training as specified in the licensee's training program. The qualified designee(s) will only perform the inspections on weekends or holidays when the RSO(s) or RST(s) are not present for no more than three (3) consecutive days per week except when a holiday falls on a Monday or Thanksgiving (4 days). Reports from designees will be reviewed by the RSO(s) or RST(s) by the close of business on the first day the RSO or RST returns to work. If the RSO or RST cannot review documents and perform the walk-through for more than three (3) days (e.g. holidays or adverse weather events), the RSO or RST will call the designee and review previous un-reviewed reports and current operational conditions over the phone.

In order to maintain consistency with other similar license conditions for approved designee programs, the NRC staff proposes the following addition and minor editorial changes to license condition 9.7 to clarify certain requirements:

The licensee shall follow the guidance set forth in NRC, Regulatory Guides 8.22, "Bioassay at Uranium Mills" (as revised), and 8.30, "Health Physics Surveys in Uranium Recovery Facilities" (as revised), or NRC-approved equivalent.

The licensee shall follow the guidance set forth in Regulatory Guide 8.31, "Information Relevant to Ensuring That Occupational Radiation Exposures at Uranium Recovery Facilities Will Be as Low as Is Reasonably Achievable" (as revised), or NRC-approved equivalent, with the following exception:

The licensee may identify qualified designee(s) to perform daily inspections in the absence of the RSO(s) and radiation safety technician(s) (RSTs). The qualified designee(s) shall have health physics training as specified in the licensee's training program. The qualified designee(s) shall only perform the inspections on

weekends or holidays when the RSO(s) and RST(s) are not present, and in any case no more than three (3) consecutive days per week, except when a holiday falls on a Monday or Thanksgiving (4 days). Reports from qualified designees shall be reviewed by the RSO(s) or RST(s) by the close of business on the first day an RSO or RST returns to work. The RSO or RST review shall be annotated with date and time on the report or other document that can be inspected upon request. If neither an RSO nor an RST can review documents and perform the walk-through for more than three (3) days (e.g., holidays or adverse weather events), an RSO or RST shall call the qualified designee and review previous un-reviewed reports and current operational conditions over the phone.

Any proposed exceptions to the guidance are subject to review and written verification by the NRC that the proposed exception does not require a license amendment.

References

NRC (U.S. Nuclear Regulatory Commission). 2002a. *Health Physics Surveys in Uranium Recovery Facilities*. Regulatory Guide 8.30, Revision 1, Washington, D.C. Accession No. ML021260524.

NRC (U.S. Nuclear Regulatory Commission). 2002b. *Information Relevant to Ensuring that Occupational Radiation Exposures at Uranium Recovery Facilities will be as Low as is Reasonably Achievable*. Regulatory Guide 8.31, Revision 1, Washington, D.C. Accession No. ML021260630.

NRC (U.S. Nuclear Regulatory Commission). 2011. *Safety Evaluation Report for the Nichols Ranch In Situ Recovery Project in Johnson and Campbell Counties, Wyoming, Materials License No. SUA-1597*. Washington, D.C. Accession No. ML102240206.

NRC (U.S. Nuclear Regulatory Commission). 2013. Letter from A. Persinko to S. Hatten, dated April 22, 2013, regarding "Lost Creek Project, Source Materials License SUA-1598 License Amendment No. 1 – Technical Report Page Changes, 2011-2012 Financial Assurance Update, and Addition of Two Dryers (TACS J00562, J00662, J00665)." Washington, D.C. Accession No. ML13016A071.

NRC (U.S. Nuclear Regulatory Commission). 2014a. *Bioassay at Uranium Mills*. Regulatory Guide 8.22, Revision 2, Washington, D.C. Accession No. ML13350A638.

NRC (U.S. Nuclear Regulatory Commission). 2014b. Letter from R. Linton to M. Thomas, dated August 21, 2014, regarding "Acceptance Review, Proposal to Train Plant Operators and Other Suitable Personnel to Perform Daily Inspections, Uranerz Energy Corporation, Nichols Ranch Project, Materials License SUA-1597, Campbell and Johnson Counties, Wyoming, Submission Incomplete (TAC J00727)." Washington, D.C., Accession No. ML14218A207.

NRC (U.S. Nuclear Regulatory Commission). 2014c. U.S. Nuclear Regulatory Commission Materials License No. SUA-1597, Amendment No. 3. Washington, D.C. Accession No. ML14212A457.

NRC (U.S. Nuclear Regulatory Commission). 2014d. Letter from L. Camper to L. Teahon, dated November 5, 2014, regarding "Materials License SUA-1534, License Renewal, Crow

Butte Resources, Inc., Crow Butte Uranium in Situ Recovery Project, Dawes County, Nebraska (TAC J00555).” Washington, D.C. Accession No. ML13324A090.

NRC (U.S. Nuclear Regulatory Commission). 2014e. *Summary of December 9, 2014, Meeting with Uranerz Energy Corporation*. Washington, D.C. Accession No. ML14345A959.

NRC (U.S. Nuclear Regulatory Commission). 2015. Letter from R. Linton (NRC) to M. Thomas, dated July 14, 2015, regarding “Uranerz Energy Corporation, Nichols Ranch ISR Project, Request for Additional Information, May 20, 2015, Proposal to Train Plant Operators and Other Suitable Personnel to Perform Daily Inspections, License SUA-1597, TAC J00727,” Washington, D.C. Accession No. ML15174A292.

Uranerz (Uranerz Energy Corporation). 2009. Letter from M. Thomas to R. Linton, dated March 11, 2009, regarding “Responses to the Request for Additional Information for the Nichols Ranch ISR Project License Application (TAC J00553, Docket No. 040-09067).” Casper, WY. Accession No. ML090820539. Enclosure with changes to Chapter 5 is available at Accession No. ML090850284.

Uranerz (Uranerz Energy Corporation). 2010. Letter from M. Thomas to R. Linton, dated September 15, 2010, regarding “Text Revisions to the Open Issues to the Safety Evaluation Report for the Nichols Ranch ISR Project License Application (TAC J00553, Docket No 040-09067).” Casper, WY. Accession No. ML102650539.

Uranerz (Uranerz Energy Corporation). 2014a. Letter from M. Thomas to Mssrs Holian and Persinko, dated May 8, 2014, regarding “Uranerz Energy Corporation, Nichols Ranch ISR Project, NRC License SUA-1597, Docket No. 40-9067 Jane Dough Unit License Amendment Request.” Casper, WY. Accession No. ML14164A233. Enclosure with changes to Chapter 5 is available at Accession No. ML14164A235.

Uranerz (Uranerz Energy Corporation). 2014b. Letter from M. Thomas to NRC, dated May 15, 2014, regarding “Uranerz Energy Corporation, Nichols Ranch Project, Source Materials License SUA-1597, Docket No. 40-9067, License Condition 12.5” Casper, WY. Accession No. ML14140A351.

Uranerz (Uranerz Energy Corporation). 2014c. Letter from M. Thomas to NRC, dated May 19, 2014, regarding “Correction to Letter - Uranerz Energy Corporation, Nichols Ranch Project, Source Materials License SUA-1597, Docket No. 40-9067, License Condition 12.5 Dated May 15, 2014.” Casper, WY. Accession No. ML14148A134.

Uranerz (Uranerz Energy Corporation). 2014d. Letter from M. Thomas to R. Linton, dated September 18, 2014, regarding “Responses to Acceptance Review, Proposal to Train Plant Operators and Other Suitable Personnel to Perform Daily Inspections, Uranerz Energy Corporation, Nichols Ranch Project, Materials License SUA-1597, Campbell and Johnson Counties, Wyoming, Submission Incomplete (TAC J00727).” Casper, WY. Accession No. ML14273A024.

Uranerz (Uranerz Energy Corporation). 2015a. Letter from M. Thomas to A. Persinko, dated May 20, 2015, regarding “Follow-up to Uranerz Responses to Acceptance Review, Proposal to Train Plant Operators and Other Suitable Personnel to Perform Daily Inspections, Uranerz Energy Corporation, Nichols Ranch Project, Materials License SUA-1597, Campbell and

Johnson Counties, Wyoming, Submission Incomplete (TAC J00727).” Casper, WY. Accession No. ML15174331.

Uranerz (Uranerz Energy Corporation). 2015b. Letter from M. Thomas to A. Persinko, dated July 30, 2015, regarding “Uranerz Response to NRC Request for Additional Information, July 14, 2015, Proposal to Train Plant Operators and other Suitable Personnel to Perform Daily Inspections, Nichols Ranch Project, Materials License SUA-1597, Campbell and Johnson Counties, Wyoming, Submission Incomplete (TAC J00727).” Casper, WY. Accession No. ML15237A149.

Uranerz (Uranerz Energy Corporation). 2015c. E-mail from D. Kolkman, Uranerz, to D. Brown, NRC, dated August 3, 2015, regarding “Uranerz Response to RAI Proposal to Train Plant Operators.” Casper, WY. Accession No. ML15216A496.

Uranerz (Uranerz Energy Corporation). 2015d. E-mail from D. Kolkman, Uranerz, to D. Brown, NRC, dated August 4, 2015, regarding “HP Designee – page TR-214b change” Casper, WY. Accession No. ML15218A530.

Enclosure 2

Materials License SUA-1597, Amendment 4

Uranerz Energy Corporation

Nichols Ranch ISR Project