



410-3453

UNITED STATES  
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

January 30, 1997

Mr. Robert D. Williams  
State Supervisor  
Fish and Wildlife Service  
U.S. Department of Interior  
145 E 1300 S #404  
Salt Lake City, Utah 84115-5400

SUBJECT: BIOLOGICAL ASSESSMENT SUPPLEMENT RELATED TO THE PROPOSED RECLAMATION  
OF THE ATLAS MILL TAILINGS SITE IN MOAB, UTAH

Dear Mr. Williams:

Enclosed is the supplement to the U.S. Nuclear Regulatory Commission's Biological Assessment (BA) related to the proposed reclamation of the Atlas Corporation's (Atlas') mill tailings site in Moab, Utah, which was transmitted to you on November 1, 1995. This supplement revises and augments the BA to address areas and concerns identified by your staff in consultation with NRC staff via correspondence, telephone conversations, and meetings since the completion of the BA. Overall, based on the information provided in the BA and the attached supplement, the NRC has concluded that, with the exception of ammonia, the proposal for on-site reclamation does not have an adverse impact on endangered species. We understand that under the formal consultation process, you will prepare a Biological Opinion (BO) within 90 days. We request that you expedite your review to the extent possible, as NRC's ability to complete its evaluation of Atlas' requested license amendment is dependent on the BO.

Your letter of January 14, 1997, discussed several issues that you identified as not having been satisfactorily addressed in our consultations. Our responses are provided below.

You expressed concern that NRC would issue a Record of Decision (ROD) prior to the issuance of the BO by the U.S. Fish and Wildlife Service (Service). We have held up completion of the Final Environmental Impact Statement (FEIS), pending the BO. It is because we are awaiting the BO prior to making a decision on Atlas' proposal, that we request you expedite the process. Note that the NRC does not usually issue a separate ROD. 10 CFR 51.103(b) allows the staff to integrate the ROD into any other record prepared by NRC in connection with the action; we will likely include the ROD in the document notifying Atlas of our decision to amend its NRC license SUA-917, or to deny the requested amendment. Our decision will be noticed in the Federal Register.

You expressed concern that environmental impacts associated with contaminated groundwater and the relocation of Moab Wash have not been included in the BA because they are considered by NRC to be separate actions. With respect to

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groundwater, Atlas is implementing a corrective action program (CAP), required by our regulations in 10 CFR Part 40, Appendix A, Criterion 5, and incorporated in the license as condition 17.C. Both NRC and Atlas recognize that the current CAP must be revisited. NRC does consider the revisiting of the CAP to be a separate action. This is because groundwater cleanup strategies and methodologies will be dependent on the decision with respect to surface reclamation of the tailings. However, the environmental impacts related to the groundwater contamination and cleanup have been thoroughly addressed: 1) In comparing the alternatives for reclamation of the tailings, the Draft Environmental Impact Statement (DEIS) conservatively addressed the potential groundwater impacts and costs associated with each alternative. This analysis is being expanded in the FEIS. 2) The DEIS and BA discuss the existing groundwater contamination and impacts to the Colorado River. The CAP currently being implemented by Atlas was based on the conclusion that existing groundwater contamination was not amenable to remediation, other than by natural flushing to the Colorado River. The CAP was focused on removing water from the tailings to reduce future seepage and thus future contamination of the groundwater. If, in NRC's revisit of the CAP, remediation of existing groundwater contamination is determined to be viable and is required of Atlas, resulting impacts in the Colorado River will be less than those already identified. Hence the environmental impact using the current groundwater situation is the worst case expected, and is therefore a bounding analysis. Any future work under a revised CAP or through natural movement and dilution of the groundwater will only reduce the level of groundwater contamination, and as such, mitigate the environmental impacts. This is an important point that Service staff need to recognize. 3) The DEIS and BA discuss future impacts to the Colorado River, based on Atlas' proposed cover design, which will reduce infiltration to the pile and thus seepage from the pile to the groundwater. The FEIS and supplement to the BA revise and enhance this discussion. The cover design proposed by Atlas, while relatively impermeable, is within the state of the art and has been implemented at other mill tailings sites. NRC's revisit of the CAP will consider designs and strategies that could further reduce seepage from the pile to the groundwater, and therefore reduce impacts to the Colorado River from those already identified.

The DEIS included discussion of the relocation of Moab Wash, which is an integral component of Atlas' proposed reclamation of the tailings and use of Colorado River water during reclamation. Additional discussion will be included in the FEIS. The supplement to the BA includes discussion, with respect to endangered species, of the proposed Moab Wash relocation and water use.

You also stated that any actions or measures required by the U.S. Army Corps of Engineers or the State of Utah be included in the supplement to the BA. NRC considers it to be the responsibility of the licensee to include requirements of other agencies in the designs and proposals presented for NRC approval. The supplement to the BA addresses impacts to the floodplain, and the FEIS discussion of floodplain impacts will be expanded in a similar manner. If Atlas needs to revise its proposal in the future because of requirements from other agencies (or for any other reason), it would have to also obtain approval from NRC. If that situation were to arise, NRC would consult with the Service with respect to effects on endangered species.

However, given the extensive amount of time it has taken to complete the current licensing action, it does not seem prudent to delay the FEIS to accommodate as of yet unidentified design changes related to the relocation of Moab Wash.

Your letter also raised concerns with respect to characterization of tailings leachate, based on a December 16, 1996, report by Atlas. Condition 17 of Atlas' NRC license requires Atlas to submit that report annually. The purpose of the report is to document the volume of water pumped out the tailings pile and the mass of constituents removed, not to characterize the tailings or leachate. Characterization of the tailings leachate is discussed in the DEIS, based on a 1987 detailed chemical analysis, the results of which are summarized in Table 2.1-3. Most of the constituents identified in your letter as below detection limits, were detected in the 1987 sampling, are reported in the DEIS table, and were considered in assessing environmental impacts. Four constituents identified in your letter were below detection limits in the 1987 leachate sampling. Two, selenium and lead, are discussed in the DEIS and the BA. The other two, boron and silver, used detection limits that NRC found acceptable. Therefore, we see no need to conduct further measurements of these in the Colorado River.

Your concerns with respect to ammonia and uranium are addressed in the BA supplement. Based on your letter, we have also included discussion of potential impacts to the southwestern willow flycatcher in the supplement to the BA.

At this point in time, the Service's BO is the critical path item that NRC needs to complete its determination. I expect that the enclosed supplement to the BA addresses all of your concerns and the Service can provide its BO well before the full 90 days provided by statute. If you have any questions, please contact the NRC project manager for this action, Dr. Myron Fliegel, at (301) 415-6629.

Sincerely,

Joseph J. Holonich, Chief  
Uranium Recovery Branch  
Division of Waste Management  
Office of Nuclear Material Safety  
and Safeguard

Docket No. 40-3453  
Source Material License No. SUA-917

Enclosure: BA supplement  
cc: See attached list

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