

Colorado Environmental Coalition • Information Network for Responsible Mining •
Rocky Mountain Wild • Center for Biological Diversity • Sheep Mountain Alliance

Mr. Rusty Lundberg
Director
Utah Division of Radiation Control
195 N. 1950 West
Salt Lake City, Utah 84116
Via email to rlundberg@utah.gov

Re: Comments on License Renewal for White Mesa Uranium Mill

Dec. 21, 2011

Dear Mr. Lundberg,

These comments are submitted by five conservation organizations that collectively work to protect the Colorado River watershed, including the prevention of harmful environmental impacts from the development of uranium and vanadium resources in the Uravan Mineral Belt: Colorado Environmental Coalition, Information Network for Responsible Mining, Rocky Mountain Wild (formerly the Center for Native Ecosystems), Center for Biological Diversity and Sheep Mountain Alliance.

On Oct. 18, 2011, the federal court in Colorado issued an injunction that has suspended implementation of the Department of Energy's Uranium Leasing Program and prohibits all activities, including prospecting, exploration, mining and reclamation on these federal lease tracts. The Court ordered the Department of Energy to conduct a Programmatic Environmental Impact Statement (PEIS) to fully analyze the cumulative impacts of the leasing program throughout the Uravan Mineral Belt area. The Environmental Analysis conducted by the Department of Energy in 2007 and the Finding of No Significant Impact decision of 2007 were invalidated by the court and should no longer be relied upon in regulatory or informational reviews of uranium mining and processing facilities. The injunction and order are attached.

Denison Mines (USA) Corp. does not have holdings that are directly affected by the court injunction, but does have several mines within the boundaries of the PEIS study area, including the Sunday Mine Complex. These Denison mines are also subject to ongoing analysis by the Bureau of Land Management and the Colorado Division of Reclamation and Mine Safety due to groundwater concerns. The Sunday Mines and the White Mesa Mill in Blanding, Utah, are key uranium and vanadium processing facilities in the district that are being analyzed in the PEIS and during consultation with the U.S. Fish and Wildlife Service, as required by the Endangered Species Act and the Court's recent injunction. The Department of Energy conducted a scoping hearing in Monticello, Utah,

on Aug. 11, 2011, purposefully to take input and comments from the people and organizations of Southeastern Utah into consideration when preparing the PEIS.

The Department of Energy opened the PEIS scoping process in June 2011 and is expected to conduct a lengthy and thorough environmental and socioeconomic analysis, with a Draft PEIS publication currently expected in 2013. The impacts to be studied by the Department of Energy involve the operations of the White Mesa Mill in numerous and complex ways and potentially include a variety of action alternatives that could affect the future operations of the mill. The DOE is directed by the court order to include analysis of the cumulative impacts of uranium mining and milling in the Uravan Mineral Belt. The PEIS is likely to include analysis of the regional impacts to air quality, transportation and hauling, public health concerns, water quality and groundwater impacts, biological resources and wildlife, habitat, wetlands, floodplains, economic development, housing, public services, emergency preparedness and accidents, and impacts to existing agricultural and recreational uses, among others.

While considering the license renewal application from Denison Mines, we urge you to consider the analysis in the Department of Energy's PEIS and to embrace its scope and scale in terms of understanding the cumulative and regional impacts of the White Mesa Mill. We encourage you to conduct a full environmental analysis during the license review that meets all requirements of the National Environmental Policy Act. Joining the PEIS as a cooperating agency would help ensure preparation of a comprehensive analysis of the Uravan Mineral Belt.

Since the last environmental analysis of the White Mesa Mill in 1997, numerous changes have occurred in operations and processing at the mill which have not been fully analyzed. Since 1997, an alternate feed circuit has been added to the mill and multiple waste streams have been reprocessed there, potentially affecting the type and character of wastes that are treated and disposed at the mill, as well as the regional transportation patterns of importing outside waste materials.

Equally as important, significant changes throughout the Uravan Mineral Belt have occurred since 1997 as other uranium producers have explored and developed sites and experienced the typical business patterns of the mining industry from active ore production to temporary cessations to permanent closure and reclamation, with individual site-specific changes impacting the broader scale of regional activity. Denison itself has varied the origination of ore processed at the White Mesa Mill as supplied from its own mines, as the company has alternately started and ceased operations over the years in both Utah and Colorado. The industry also anticipates and plans greater production throughout the Uravan Mineral Belt in the near future, including the pending construction of the Piñon Ridge Mill near Bedrock, Colo., by a potential competitor. This facility will have its own significant regional impacts to be studied in the Department of Energy's PEIS. How the two mills in close proximity to each other will serve the anticipated demands and needs of uranium producers throughout the Uravan district will have significant influence in determining the future socioeconomic development pattern of the region as well as collectively contributing to the cumulative environmental impacts

of mining and milling. These impacts and implications should be carefully studied and updated during your review of Denison's license renewal application.

The Safety Evaluation Report for the 2007 license renewal application appears limited in purview over the cumulative environmental and socioeconomic impacts of the White Mesa Mill's operations within the Uravan Mineral District and an Environmental Assessment of the mill was last issued in 1997. It appears that many aspects of these analyses have not been updated despite the numerous changing conditions at the mill and in the district, including the introduction of alternate feed streams, origination of ore, transportation and haulage, reclamation plans, and the location and activity of ore-producing mines, each contributing to the cumulative regional impacts on air quality, water quality, land use and development, wildlife habitat, occupational safety and health, impacts to communities and residents, and competing uses of public lands. We urge you to complete an updated analysis of these cumulative impacts and issues to provide an accurate understanding of how the mill's relicensing will affect the broader region. The Department of Energy's PEIS is likely to provide significant information on many of these issues and should be taken into consideration.

Although there has been a flurry of speculative activity around uranium milling and radioactive waste disposal, both of these activities threaten the investments that have been made in the future economy of this region. When issuing a license and directing future operations at the White Mesa Mill, we urge you to place conditions on the license that are protective of the environment, human health, workers, communities, ecosystems and wildlife.

Thank you for your consideration of these comments.

Sincerely,

Elise Jones
Colorado Environmental Coalition

Jennifer Thurston
Information Network for Responsible Mining

Taylor McKinnon
Center for Biological Diversity

Matthew Sandler
Rocky Mountain Wild

Hilary White
Sheep Mountain Alliance