

NUCLEAR REGULATORY COMMISSION

[Docket No. 70-1113; License No. SNM-1097]

Global Nuclear Fuel—Americas, LLC, Wilmington, NC; Order Modifying License (Effective Immediately)

I

Global Nuclear Fuel—Americas, LLC (Global Nuclear) is the holder of Special Nuclear Material License No. SNM 1097 issued by the U.S. Nuclear Regulatory Commission (NRC or Commission) pursuant to 10 CFR Part 70. Global Nuclear is authorized by their license to receive, possess, and transfer special nuclear material in accordance with the Atomic Energy Act of 1954, as amended, and 10 CFR Part 70. The Global Nuclear license, originally issued in January 1969, was last renewed in June 1997, and due to expire in June 2007.

II

On September 11, 2001, terrorists simultaneously attacked targets in New York, NY, and Washington, DC, utilizing large commercial aircraft as weapons. In response to the attacks and intelligence information subsequently obtained, the Commission issued a number of Safeguards and Threat Advisories to its licensees in order to strengthen licensees' capabilities and readiness to respond to a potential attack on a nuclear facility. The Commission has also communicated with other Federal, State and local government agencies and industry representatives to discuss and evaluate the current threat environment in order to assess the adequacy of security measures at licensed facilities. In addition, the Commission has been conducting a comprehensive review of its safeguards and security programs and requirements.

As a result of its consideration of current safeguards and security plan requirements, as well as a review of information provided by the intelligence community, the Commission has determined that certain compensatory measures are required to be implemented by Global Nuclear as prudent, interim measures to address the current threat environment. Therefore, the Commission is imposing interim requirements, set forth in Attachment 1¹ of this Order, which supplement existing regulatory requirements, to provide the Commission with reasonable assurance that the public health and safety and

common defense and security continue to be adequately protected in the current threat environment. These requirements will remain in effect until the Commission determines otherwise.

The Commission recognizes that some of the requirements set forth in Attachment 1² to this Order may already have been initiated by Global Nuclear in response to previously-issued advisories, or on its own. It is also recognized that some measures may need to be tailored to specifically accommodate the specific circumstances and characteristics existing at Global Nuclear's facility to achieve the intended objectives and avoid any unforeseen effect on safe operation.

Although Global Nuclear's response to the Safeguards and Threat Advisories has been adequate to provide reasonable assurance of adequate protection of public health and safety, in light of the current threat environment, the Commission concludes that the security measures must be embodied in an Order, consistent with the established regulatory framework. In order to provide assurance that Global Nuclear is implementing prudent measures to achieve an adequate level of protection to address the current threat environment, Materials License SNM-1097 shall be modified to include the requirements identified in Attachment 1 to this Order. In addition, pursuant to 10 CFR 2.202 and 70.81, I find that, in the circumstances described above, the public health, safety and interest and the common defense and security require that this Order be immediately effective.

III

Accordingly, pursuant to Sections 53, 63, 81, 161b, 161i, 161o, 182 and 186 of the Atomic Energy Act of 1954, as amended, and the Commission's regulations in 10 CFR 2.202 and 10 CFR Part 70, *it is hereby ordered, effective immediately, that material license SNM-1097 is modified as follows:*

A. Global Nuclear shall, notwithstanding the provisions of any Commission regulation to the contrary, comply with the requirements described in Attachment 1 to this Order. Global Nuclear shall immediately start implementation of the requirements in Attachment 1 to the Order and shall complete implementation, unless

² To the extent that specific measures identified in Attachment 1 to this Order require actions pertaining to Global Nuclear's possession and use of chemicals, such actions are being directed on the basis of the potential impact of such chemicals on radioactive materials and activities subject to NRC regulation.

otherwise specified in Attachment 1 to this order, *no later than August 15, 2003.*

B. 1. Global Nuclear shall, *within twenty (20) days* of the date of this Order, notify the Commission, (1) if it is unable to comply with any of the requirements described in Attachment 1, (2) if compliance with any of the requirements is unnecessary in its specific circumstances, or (3) if implementation of any of the requirements would cause Global Nuclear to be in violation of the provisions of any Commission regulation or its license. The notification shall provide Global Nuclear's justification for seeking relief from or variation of any specific requirement.

2. If Global Nuclear considers that implementation of any of the requirements described in Attachment 1 to this Order would adversely impact safe operation of its facility, Global Nuclear must notify the Commission, *within twenty (20) days* of this Order, of the adverse safety impact, the basis for its determination that the requirement has an adverse safety impact, and either a proposal for achieving the same objectives specified in the Attachment 1 requirement in question, or a schedule for modifying the facilities to address the adverse safety condition. If neither approach is appropriate, Global Nuclear must supplement its response to Condition B1 of this Order to identify the condition as a requirement with which it cannot comply, with attendant justifications as required in Condition B1.

C. 1. Global Nuclear shall, *within twenty (20) days* of the date of this Order, submit to the Commission, a schedule for achieving compliance with each requirement described in Attachment 1.

2. Global Nuclear shall report to the Commission when it has achieved full compliance with the requirements described in Attachment 1.

D. Notwithstanding any provision of the Commission's regulations to the contrary, all measures implemented or actions taken in response to this Order shall be maintained until the Commission determines otherwise.

Global Nuclear's responses to Conditions B.1, B.2, C.1, and C.2, above shall be submitted in accordance with 10 CFR § 70.5. In addition, Global Nuclear's submittals that contain safeguards information shall be properly marked and handled in accordance with 10 CFR § 73.21.

The Director, Office of Nuclear Material Safety and Safeguards, may, in writing, relax or rescind any of the

¹ Attachment 1 contains safeguards information and will not be released to the public.

above conditions upon demonstration by Global Nuclear of good cause.

IV

In accordance with 10 CFR 2.202, the licensee must, and any other person adversely affected by this Order may, submit an answer to this Order, and may request a hearing on this Order, within twenty (20) days of the date of this Order. Where good cause is shown, consideration will be given to extending the time to request a hearing. A request for extension of time in which to submit an answer or request a hearing must be made in writing to the Director, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Washington, DC 20555, and include a statement of good cause for the extension. The answer may consent to this Order. Unless the answer consents to this Order, the answer shall, in writing and under oath or affirmation, specifically set forth the matters of fact and law on which the licensee or other person adversely affected relies and the reasons as to why the Order should not have been issued. Any answer or request for a hearing shall be submitted to the Secretary, Office of the Secretary of the Commission, U.S. Nuclear Regulatory Commission, ATTN: Rulemakings and Adjudications Staff, Washington, DC 20555. Copies also shall be sent to the Director, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Washington, DC 20555, to the Assistant General Counsel for Materials Litigation and Enforcement, at the same address, to the Regional Administrator, NRC Region II, Sam Nunn Atlanta Federal Center, Suite 23 T85, 61 Forsyth Street, SW., Atlanta, GA 30303-3415, and to Global Nuclear if the answer or hearing request is by a person other than the licensee. Because of possible disruptions in delivery of mail to United States Government offices, it is requested that answers and requests for hearing be transmitted to the Secretary of the Commission either by means of facsimile transmission to 301-415-1101 or by e-mail to hearingdocket@nrc.gov and also to the Office of the General Counsel either by means of facsimile transmission to 301-415-3725 or by e-mail to OGCMailCenter@nrc.gov. If a person other than the licensee requests a hearing, that person shall set forth with particularity the manner in which his interest is adversely affected by this Order and shall address the criteria set forth in 10 CFR 2.714(d).³

If a hearing is requested by the licensee or a person whose interest is adversely affected, the Commission will issue an Order designating the time and place of any hearing. If a hearing is held, the issue to be considered at such hearing shall be whether this Order should be sustained.

Pursuant to 10 CFR 2.202(c)(2)(i), the licensee may, in addition to demanding a hearing, at the time the answer is filed or sooner, move the presiding officer to set aside the immediate effectiveness of the Order on the ground that the Order, including the need for immediate effectiveness, is not based on adequate evidence but on mere suspicion, unfounded allegations, or error.

In the absence of any request for hearing, or written approval of an extension of time in which to request a hearing, the provisions specified in section III above shall be final twenty (20) days from the date of this Order without further order or proceedings. If an extension of time for requesting a hearing has been approved, the provisions specified in section III shall be final when the extension expires if a hearing request has not been received. *An answer or a request for hearing shall not stay the immediate effectiveness of this Order.*

Dated this 6th day of February, 2003.

For the Nuclear Regulatory Commission.

Martin J. Virgilio,

Director, Office of Nuclear Material Safety and Safeguards.

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NUCLEAR REGULATORY COMMISSION

[Docket No. 40-8857]

Notice of Amendment Request for Proposed Operation of the Gas Hills Project *in situ* Leach Uranium Recovery Facility, Freemont and Natrona Counties, WY, and Opportunity To Provide Comments and To Request a Hearing

I. Introduction

The U. S. Nuclear Regulatory Commission (NRC) has received, by letter dated June 24, 1998, a license amendment application from Power Resources, Inc. (PRI), requesting an amendment to Source Materials License SUA-1511 for the Highland Uranium Project to allow the operation of an *in*

inadvertently omitted the last sentence of 10 CFR 2.714(d) and subparagraphs (d)(1) and (2), regarding petitions to intervene and contentions. For the complete, corrected text of 10 CFR 2.714(d), please see 67 FR 20884, April 29, 2002.

situ leach (ISL) uranium recovery facility at the Gas Hills Project site. In order to support the staff's detailed technical review of the license amendment application, the staff requested additional information from PRI in letters dated May 21, 1999, and July 15, 1999. In response to staff requests for additional information, PRI supplemented and revised the license amendment application in letters dated September 24, 1999, November 11, 1999, and May 3, 2002.

The Highland Uranium Project is an existing licensed (Source Materials License SUA-1511) ISL uranium recovery facility located in central Converse County, Wyoming, approximately 24 miles northeast of Glenrock. Source Materials License SUA-1511 for the commercial operation of the Highland Uranium Project was issued on July 1, 1987. The planned Gas Hills Project covers approximately 8500 acres where PRI proposes to operate the Gas Hills Project as a satellite uranium recovery facility to the Highland Uranium Project facility. As a satellite facility, only well-field, ion exchange, and water treatment facilities would be constructed and operated at the Gas Hills Project to support uranium recovery activities. During process operations, uranium will be leached from identified subsurface ore bodies by circulating local groundwater fortified with chemicals through the mineralized zones. The dissolved uranium will be extracted from the uranium-bearing solution at a surface ion exchange facility at the Gas Hills Project. Then, the uranium-laden ion exchange resin will be transported by truck from the Gas Hills Project site to the Highland Uranium Project site for final processing of the uranium into "yellowcake" (U₃O₈). The travel distance by road between the Gas Hills Project and the Highland Uranium Project is approximately 140 miles. Water treatment facilities, including evaporation ponds, will be provided at the Gas Hills Project for treatment of wastes from process operations and subsequent well-field groundwater restoration activities.

PRI intends to extract sufficient uranium from the Gas Hills Project to yield as much as 2.5 million pounds of yellowcake per year over a production period of twenty years or longer. When the recovery of uranium from the Gas Hills Project well-fields reaches its economic limit, ISL operations will cease and groundwater restoration in the affected well-fields will begin. In this regard, it is PRI's intent to return the affected groundwater to baseline (pre-mining) conditions or acceptable

³ The most recent version of Title 10 of the Code of Federal Regulations, published January 1, 2002,