



March 24, 2016

By Electronic Mail

Scott T. Anderson, Director
Department of Environmental Quality
Division of Waste Management and Radiation Control
P.O. Box 144880
Salt Lake City, UT 84114-4880
dwmrcpublic@utah.gov

Re: Comments on the Renewal of the Radioactive Material License for the Shootaring Canyon Uranium Mill

Dear Mr. Anderson:

The Division of Waste Management and Radiation Control (“Division”) has requested public comments on the renewal of Anfield Resources Holding, Corp.’s 11e.(2) Byproduct Radioactive Material License (RML UT0900480) for the Shootaring Canyon Uranium Mill near Ticaboo, Utah. The Division specifically requested comments on public concerns, topics of interest, and significant issues with the Shootaring Canyon Uranium Mill. We address these points below.

I. Identity of Commenting Party

The Grand Canyon Trust is a non-profit corporation with offices in Flagstaff, Arizona, Castle Valley, Utah, and Denver and Durango, Colorado. The mission of the Trust is to protect and restore the Colorado Plateau – its spectacular landscapes, flowing rivers, clean air, diversity of plants and animals, and areas of beauty and solitude. The Shootaring Canyon Mill sits in the heart of the Colorado Plateau, an area stretching from the Grand Canyon to northern Utah and into western Colorado and New Mexico. The Trust has long worked to secure responsible operation and timely reclamation of uranium-impacted sites across the Colorado Plateau, including the former Atlas uranium mill site outside Moab, Utah and the White Mesa Uranium Mill near White Mesa, Utah.

II. Concerns, topics of interest, and significant issues with the Shootaring Canyon Uranium Mill

A. Background

The Shootaring Canyon Mill is just five miles from the small community of Ticaboo, Utah. It sits on the doorstep of the Grand Staircase-Escalante National Monument, less than ten miles from Lake Powell and the Glen Canyon National Recreation Area and less than fifty miles from the Henry Mountains. Just 140 feet below the Mill is a pristine groundwater aquifer.

The Mill has been in standby since 1982 through a succession of owners. Since Anfield bought the Mill, it has continued to let it sit idle. For 34 years now, about 25,000 cubic yards of tailings have been sitting in a clay-lined tailings impoundment next to the Mill. Another 39,100 cubic yards of wastes from the cleanup of old uranium projects – specifically, the remnants of the former Hydro-Jet Heap Leach operation and the cleanup of the Hanksville Uranium Ore Buying Station – are also still sitting near the Mill. Uranium One Americas Inc., *Tailings Reclamation and Decommissioning Plan for Shootaring Canyon Uranium Project, Garfield County, Utah* (last revised November, 2003), 1-1. Somewhere close to 250,000 pounds of uranium ore are also stockpiled on site. Anfield Resources Inc., *Management Discussion and Analysis for the nine months ended September 30, 2015 and the subsequent period ended November 25, 2015*, 8.

B. The Mill should be reclaimed.

The Director should not renew the Shootaring Canyon Mill's radioactive material license. Instead, the Division should issue an order requiring Anfield to reclaim the Mill. Reclamation of the Shootaring Canyon Mill is in the best interest of the nearby communities, the pristine groundwater underlying the Mill, and the stunning natural landscapes around the Mill.

Under Utah Admin. Code R313-12-2, the Division must “ensure the maximum protection of the public health and safety to all persons at, or in the vicinity of, the place of use, storage, or disposal.” When considering whether to renew a radioactive material license, the Director of the Division must determine that “the issuance of the license will not be inimical to the health and safety of the public” and that “the applicant’s proposed equipment, facilities, and procedures are adequate to minimize danger to public health and safety or the environment” before approving a license or a license renewal. Utah Admin Code R313-22-33(1)(d), (1)(b); *see also* Utah Admin Code R313-22-33(1)(a) (requirement that applicant be qualified to minimize danger to public health and environment); Utah Admin Code R313-22-34(2)(a) (Director has discretion to impose additional license conditions to minimize danger to public health and environment).

The Trust doubts that Anfield can afford to submit an adequate license renewal application, let alone run the Mill in a way that protects the public health and the environment. As part of the license renewal, the Division is responsible for ensuring that Anfield posts a

surety sufficient to “carry out the decontamination and decommissioning of the mill and site and for the reclamation of any tailings or waste disposal areas.” Utah Admin. Code R313-24-4 (adopting 10 C.F.R. Part 40, App. A, Criterion 9); *see also* Utah Admin Code R313-22-35. Anfield’s surety estimate must account for the “total costs that would be incurred if an independent contractor were hired to perform the decommissioning and reclamation work.” Utah Admin. Code R313-24-4 (adopting 10 C.F.R. Part 40, App. A, Criterion 9). While the Trust recognizes that Anfield has posted a surety, we expect the amount would (and should) increase with an updated reclamation plan as part of the license renewal. An adequate surety is critical for ensuring that Utah’s long history of uranium operators going bankrupt and leaving Mill sites un-reclaimed at the taxpayers’ expense does not repeat itself at the Shootaring Mill.

Anfield’s records suggest that it probably cannot meet the financial obligations that accompany Mill ownership. Anfield’s most recently filed Management Discussion and Analysis report notes, “[a]t September 30, 2015, the Company had a working capital deficit of \$1,504,061, as compared to a deficit of \$1,728,783 at December 31, 2014, which management considers being insufficient to continue operations for the coming year. In addition, there are insufficient funds to meet all property commitments and agreements as they now stand.” Anfield Resources Inc., *Management Discussion and Analysis for the nine months ended September 30, 2015 and the subsequent period ended November 25, 2015*, 15. Given this information, the Trust is very concerned that Anfield does not and will not have the financial resources to upgrade the Mill to best available technology; post an increased surety to account for an updated reclamation plan; responsibly operate the facility; and then properly reclaim it. Indeed, the damage to the environment, threats to public health, and costs of reclamation will only go up if the Mill is allowed to operate again.

If the Mill were to begin running again, it would threaten the health of those who live near it, as well as the environment around it. The Division itself has previously raised concerns that the Mill may contaminate surface water and groundwater. In comments on an environmental assessment for the Mill’s Reclamation Plan that were submitted to the Nuclear Regulatory Commission on November 29, 1999, the Division expressed concerns about impacts to the water resources from flooding, a groundwater mound beneath the tailings impoundment, proximity to the regional Entrada aquifer 140 feet below the site, and potential for contamination of the Entrada Class IA, Pristine Ground Water aquifer. Utah Division of Environmental Quality, *Environmental Assessment for the Shootaring Canyon Reclamation Plan: State Comments* (November 29, 1999). The Trust is also concerned about the storage of ore and other radioactive and toxic materials on the Mill site. In particular, we are concerned about the airborne deposition of radioactive and toxic dust from these materials, and the corresponding potential exposure of wildlife and the public to toxic and radioactive materials. These issues will persist until the Mill is reclaimed, and the threat will only increase if the Mill is either allowed to indefinitely remain in standby status or allowed to operate again.

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In conclusion, the Trust urges the Division to ensure the maximum protection of the health and safety of all persons in the vicinity of the Mill site by requiring timely reclamation of the Shootaring Canyon Mill. The Trust echoes the Division's own concerns stated in a recent letter to the principles of Anfield: the Mill has been in standby status since 1982; the licensee has not actively pursued operational status of Mill since becoming owner in 2007; the licensee has been granted three renewal extensions; and upgrading the mill to operational status to Best Available Technology standards would require substantial investment. Letter from Scott T. Anderson, Director, DWMRC, to Norman Schwab, Vice President of Mining, Uranium One Americas Inc., and Joshua Bleak, President, Anfield Resources Holding Corporation (December 2, 2015), 2. In light of the Anfield's financial circumstances and the importance of protecting public health and the nearby environment, the Trust urges the Division to end this pattern of indefinite standby by issuing an order that would require reclamation. Importantly, the Shootaring Canyon Mill is an unusual site because it has a relatively low level of contamination that likely can be remediated to regulatory standards at less cost than many other sites. Rather than let the Mill start running again only to run up reclamation costs, the Mill should be permanently shut down and cleaned up.

As a final note, the Trust urges the Division to make public the final decommissioning and reclamation plan for the Shootaring Canyon Mill – particularly any plans for decommissioning in accordance with 10 CFR 40 Appendix A Criterion 2 as incorporated by reference in R313-24-4 of the UAC, which would differ from the existing reclamation plan posted on UDWMRC's website – and open that plan to public comment. Thank you for the opportunity to comment.

Sincerely,



Anne Mariah Tapp
Energy Program Director
Grand Canyon Trust