

March 18, 2004

Chief, Rules and Directives Branch
Mail Stop T6-D59
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

ATTN: Melanie Wong (301) 415-5398

RE: Docket No. 70-3103
EIS Scoping Comments

Dear People,

Southwest Research and Information Center (SRIC) is a private nonprofit, educational organization based in Albuquerque, New Mexico, that has been involved in issues related to uranium development in New Mexico for decades. As a result of its more than 30 years of work, including analyzing and experiencing the enormous and continuing extremely negative impacts of uranium mining and milling on people's health and the water, soil, air, and spiritual environment in New Mexico, SRIC has great interest in the proposed LES Gas Centrifuge Uranium Enrichment Facility. SRIC submits these scoping comments for NRC's environmental impact statement (EIS) of the LES plant.

SRIC agrees that the EIS must consider all of the alternatives and environmental impact areas included in the *Federal Register* notice of February 4, 2004. 69 FR 5375. SRIC's scoping comments include more specific details that must be considered in the EIS, in addition to those alternatives and impact areas listed in the NRC notice.

Alternatives

The No-action and Proposed action alternatives must be included.

The alternative of storage of up to 15,727 Uranium Byproduct Cylinders (UBCs) beyond the operational lifetime of the facility must be fully analyzed.

This alternative, which is not included in the LES Environmental Report, must be included in the EIS because it is a reasonable alternative since LES has made no other arrangements for the materials and wastes contained in those UBCs. Further, no existing disposal option for the wastes exists.

This alternative is of great concern to the State of New Mexico and to its people. For example,

New Mexico's Governor Bill Richardson has stated that he is concerned that LES will not remove all of the waste from the State of New Mexico, as LES has promised. (Attachment 1, *Santa Fe New Mexican*, February 18, 2004.). The *Albuquerque Journal*, the largest circulation newspaper in New Mexico, has twice editorialized about its concerns about the waste not being removed from the state. (Attachment 2, November 25, 2003; Attachment 3, January 9, 2004.)

The Lack of Need for the LES Plant

The EIS must fully analyze the need for the plant. SRIC believes that in light of the existing uranium enrichment capacity, which is meeting the domestic U.S. nuclear power plant requirements, that the LES plant is not needed. The LES Environmental Report makes no showing that existing worldwide enrichment capacity – some of which is currently used for U.S. domestic requirements -- will become unavailable. The EIS must analyze the domestic and worldwide enrichment capacity possibilities of meeting the U.S. domestic enrichment requirements. Indeed, the possibility of LES's European owners expanding their existing capacity to meet the U.S. domestic demand must be analyzed. The EIS must also analyze U.S. and Russian surplus highly enriched uranium being downblended and added to the U.S. domestic supply. Also, the use of Mixed Oxide (MOX) fuel in commercial power plants as additional supply must be analyzed, as the NRC is currently considering licensing such a MOX plant.

Another indication that the plant is not needed is that the facility is not economical in that it can only operate if it has the \$1.8 billion Industrial Revenue Bonds (IRBs). The fact that LES itself admits that the plant is not economic and would not be built without the IRBs must be included in the EIS.

Waste issues

In addition to the analysis of the additional alternative, already noted, several other waste issues must be addressed in the EIS.

The LES Environmental Report includes two disposal options ("plausible strategies") for UBCs. Page 4.13-8. The "preferred" option is to have a private conversion facility process the depleted UF6 and to then dispose of the converted waste in "an exhausted uranium mine (the Cotter Mines in Colorado)." *Id.* However, no such privately financed conversion facility exists and no uranium mine is licensed to carry out such disposal. The EIS must analyze the impacts of such facilities, including, among other issues, the financing that would be required for a conversion facility, the location of such a facility, the impacts of such a facility, and the decontamination and decommissioning of such a facility. As for the disposal site, what "exhausted uranium mines" could be used, the financial requirements for such a disposal facility, the environmental impacts of such a facility must be analyzed in the EIS.

It should be noted that although the option of using "the Cotter Mines in Colorado" is included in the LES Environmental Report, such an option was not discussed with the owner of the mine before LES submitted its license application. Attachment 4.

Regarding the second "plausible" option of having the UBCs be taken by the U.S. Department of Energy (DOE), there are several "implausible" aspects of such an option. First, the UF6

conversion facilities do not exist at Paducah, Kentucky and Portsmouth, Ohio. Second, even if the plants are built and operate, they will have decades of work to process the existing thousands of tons of on-site wastes, meaning that they would not be able to process LES waste during the lifetime of the LES plant, thereby leaving the waste in New Mexico. Third, Ohio Governor Bob Taft informed the Commission by letter of January 15, 2004 that acceptance of the LES waste in Ohio “would not be automatic or inevitable.” Attachment 5.

SRIC believes that the two “plausible” options must be fully analyzed in the EIS, much more extensively than the cursory, inadequate treatment they receive in the LES Environmental Report. Further, as previously noted, given the “implausible” nature of both of those options, the EIS must fully analyze the alternative that the depleted UF6 will remain at the LES plant indefinitely, far beyond the operational lifetime of the plant.

Given that likelihood of indefinite storage of the waste at the LES plant, the EIS must analyze the impacts of the LES site being a perpetual nuclear dump, including the public perception that such a nuclear dump site would create and how that perception would impact other future economic development options for the area.

Financial issues

The EIS must analyze the costs of indefinite waste storage at the LES plant, and the financial assurance requirements to fully care for such wastes. The LES Environmental Report does not include such an analysis. Such an analysis also will result in changed, and increased, financial assurance requirements that must be provided by LES.

Water issues

The LES Environmental Report states that the plant’s average water consumption will be 63,423 gallons per day. Page 2.1-17. The EIS must analyze the total water use, not just consumption, as the total amount of water used will not be available for other domestic uses of the communities of Hobbs and Eunice. Since the LES Environmental Report does not specify whether the plant’s water supply would come from Eunice or from Hobbs, the EIS must analyze separately the impacts if all water was supplied by Eunice or if all water was supplied by Hobbs. The EIS analysis must include the impacts of peak water use, which is said to be 544,320 gallons per day (9 times the average use). LES Environmental Report, Page 2.1-19. The EIS must analyze the amounts of water use based on the plant design, which is presumably higher than that peak amount, though the design capacity does not appear to be included in the LES Environmental Report. The EIS must consider the impacts of that amount of design capacity water use separately on the domestic users if the total water use would be supplied by Eunice and if the total water use would be supplied by Hobbs. The EIS must also analyze the impacts on both LES and the communities of Hobbs and Eunice, if the water design capacity of the LES plant cannot be met at times during the plant’s operations. The EIS must analyze various water-related questions, including:

- * What would be the total impacts (including safety issues) on the LES plant if insufficient water was available to meet plant operations or emergency needs (including fire).
- * What requirements are in place to ensure that adequate water supply will be available

throughout the lifetime of the LES plant? That analysis must include projected lack of water availability if future drought conditions occur.

* What would be the impacts on the communities of Hobbs and Eunice if they are required to provide water to LES even if that results in water supply shortfall for other municipal users?

Regarding water discharges, the EIS must analyze all possible water discharge points and their capacities. Those capacities are apparently not included in the LES Environmental Report.

Air emission issues

The EIS must fully examine the effects of the continuous releases of small amounts of uranium into the air. It must also fully examine the effects of possible large releases of uranium and other materials into the air in the case of a significant accident. Those issues do not seem to be identified in the NRC notice of February 4.

Transportation issues

While the NRC notice indicates that the scope will include “modes, routes, quantities and risk measures,” SRIC points out that a wide variety of routes must be considered, since the enriched uranium could be shipped to customers worldwide as well as to potential domestic users. Moreover, since LES assumes that all of the almost 16,000 UBCs will be shipped from the plant, the impacts of such shipments must be analyzed. The special nature of the many two-line highways in southeastern New Mexico and west Texas must be analyzed, along with the risks of accidents involving highly flammable and oilfield and natural gas related materials that are transported on those same highways.

Other issues

The LES Environmental Report does not seem to locate existing nearby oil and gas facilities, nor identify potential resources that could be developed during the lifetime of the LES plant. The EIS must include such an analysis.

Recently, two major accidents have occurred that must be considered in the EIS analysis. One was the major natural gas pipeline explosion near Carlsbad that killed several people. Within the last week, a blowout of an oil rig in Carlsbad required evacuation of hundreds of people from their residences and businesses. The EIS must analyze the effects of such accidents if they occurred near the LES plant and include a discussion of mitigation measures to prevent similar accidents.

Issues of emergency response capabilities are not specifically included in the NRC notice. The adequacy of emergency response and medical care facilities, and the fact that such facilities are in Hobbs, 20 miles away must be fully considered in the EIS.

Another issue that must be considered is the national and international impact of a centrifuge uranium enrichment plant, given the worldwide interest in the dangers of nuclear proliferation for such facilities. International attention focused on Pakistan, Iran, North Korea, Libya, and other countries shows that the possibility and risks of such proliferation must be analyzed, along

with mitigation measures. Issues related to security and the potential for espionage or sabotage must be fully analyzed in a classified appendix to the EIS and sufficient analysis must be included in the EIS to facilitate public understanding and analysis of those issues.

Thank you for your inclusion of and full consideration of all of these issues in the EIS.

Sincerely,

Don Hancock