Uranium mill in western Colorado would be first to be approved in 30 years

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Public Hearing

Citizens may submit by Nov. 12 written comments regarding the proposed Piñon Ridge Uranium Mill to:

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Send us your news

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Even if the proposed Piñon Ridge Uranium Mill wins approval for a radioactive fuels license from the Colorado Department of Public Health and Environment, it could be years before its owner, Energy Fuels Resources, starts construction on the proposed mill located in rural Paradox Valley in western Montrose County.

The Colorado Department of Public Health and Environment had previously issued the radioactive materials license to Energy Fuels in 2011, but that decision was set aside after Sheep Mountain Alliance sued the state health department for “not providing the public a fair hearing or opportunity to comment on the proposed mill.”

In March, the U.S. Nuclear Regulatory Commission agreed that the CDPHE did not meet federal requirements for a fair public hearing process when it issued a radioactive materials license to Energy Fuels to operate the proposed Piñon Ridge Uranium Mill.

A new hearing and public comment period is scheduled for Nov. 7, 8, 9 and Monday, Nov. 12, in Nucla at the Moose Lodge, 1045 Main St. The public comment period will close Monday, Nov. 12.

Judge Richard Dana, of the Judicial Arbiter Group in Denver, will hear witness testimony each day from 8:30 a.m. to 4 p.m. He’ll then listen to comments from the general public from 4 p.m. until everyone has had an opportunity to speak.

HEARING THE EVIDENCE

The radioactive processing facility and tailings complex is proposed for an 800-acre site in Paradox Valley, about 12 miles from Nucla. Energy Fuels seeks to process 500 tons of ore per day.

“Even if the proposed mill were to be built, it would be years before its owner, Energy Fuels Resources, starts construction,” Dana said. The mill would also process vanadium ore from area mines.

Linda Miller of the Telluride-based Sheep Mountain Alliance, a group that opposes the mill, disputed the company’s claim that the U.S. is a primary market for the uranium.

“The price of uranium is going down,” Energy Fuels spokesman Curtis Moore said. “If prices don’t improve between now and then, it might be put on hold for a little while.”

“The mill would be the first conventional uranium mill built in the United States in 30 years. The Canadian-based Energy Fuels would seek to sell the majority of its uranium oxide to utilities in the U.S., Moore said. The mill would also process vanadium ore from area mines.

The Los Angeles Times previously reported that according to Energy Fuels filings, the yellow cake uranium would be exported primarily to Asia. Moore confirmed that Asia has experienced a “big growth in nuclear power” and that the company would also seek markets in China, India and South Korea.

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“If they re-issue (the license), we will assess the market and decide when to build it,” Moore said.

Moore said he expects the state to make its decision by April 2013. The company also expects further appeals, he added.

At full capacity, the mill would employ about 85 people — “a good proportion of those would come from the local communities,” Moore said.

Opponents, however, fear that the proposed uranium mill would leave a toxic legacy in western Colorado — similar to what has happened in other communities throughout the Southwest.

There are currently 2,000 abandoned uranium mines with toxic waste on Native American lands in the Four Corners region.

Nucla residents, however, are overwhelmingly in favor of the uranium mill opening, Nucla librarian and longtime resident Kathy Redd said.

“Most people in Nucla and Naturita are very much for it because it will bring jobs,” Redd, 64, said. “Our economy is in bad shape here. The thing is, you use what an area has. We have uranium — why can’t we use it to help us?”

Sheep Mountain Alliance identified 17 concerns regarding the mill, including air pollution, traffic safety (transporting radioactive materials on Colorado highways), and possible water contamination, Miller said. The proposed mill site is seven miles from the Dolores River, and 12 miles from the San Miguel River.

Although the court set aside CDPHE’s initial decision to grant Energy Fuels the license, the court did rule in the state’s favor regarding 10 of the 11 claims set forth by Sheep Mountain Alliance, said Warren Smith, of the CDPHE hazardous and waste management division. The court ruled the department acted appropriately on issues concerning financial assurance, long-term care, air emissions and ground-water quality, Smith said. Only the hearing format was deemed inadequate, he said.

“We welcome the hearing, and another opportunity to examine the evidence,” Smith said. “We believe in robust public involvement.”

http://www.gjfreepress.com/article/20121102/MISC10/121109958/1001&parentprofile=1059917
“The hearing officer is providing a significant opportunity for the public to provide additional input.”

**URANIUM LEGACY**

Opponents hope to convince the state that the mill would present unacceptable environmental risks to the region.

There are 1,300 un-reclaimed or idle mines in the Dolores River Watershed which threaten the groundwater there, said Grand Junction resident Janet Jackson, a member of Western Colorado Congress.

According to the Sheep Mountain Alliance website, the Piñon Ridge mill would include 90 acres of tailings impoundment plus 80 acres of evaporation ponds on land used by elk, deer and bald eagles for winter range.

Miller said the group is concerned that Energy Fuels does not have adequate resources to mitigate environmental problems in the event of an accident, or to provide for adequate clean-up when the operation is done.

“Will the containment plan work?” Miller asked. “What if there’s a minor earthquake?”

The site has an underlying major fault zone located below the proposed tailings cell area, she noted.

Colorado uranium mill sites have cost American taxpayers nearly $1 billion to clean-up, according to the U.S. Department of Energy.

Energy Fuels has agreed to a bond of $15 million to decommission its site -- tearing down the mill and tending the radioactive waste -- after its operations are completed. That's up from $12 million the company had originally estimated for the cost of clean-up.

“We agreed to (increase it) to $15 million, based on a settlement with Telluride and San Miguel County,” Moore said.

Cold War era uranium development has left on-going environmental problems in some areas.

For example, unlined radioactive tailings ponds from the Cotter Uranium Mill outside Canon City have seeped into area groundwater. The site and surrounding neighborhood was listed as an Environmental Protection Agency Superfund site in 1984.

Tailings ponds would be covered and lined at Piñon Ridge, Moore said.

Redd, the Nucla librarian, said people there trust the company to abide by environmental regulations.

“We've been around uranium all of our life and we're not that afraid of it,” Redd said. “They're going to take care of it and they're going to make it right.”

After hearing all the evidence, Judge Dana will make a recommendation to the CDPHE, regarding the radioactive materials license for Energy Fuels. The health department will also send people from its radiation program to the hearings. Those representatives will review the evidence and make a recommendation to CDPHE executive director Chris Urbina.

“If Energy Fuels can demonstrate they can operate the mill in a manner protective of human health and environment, we're bound to issue the license,” Smith said.

For more information regarding the hearings, call Johnson at 970-256-9459.