DAILY READING FILE

URANIUM PRODUCERS OF AMERICA

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June 18, 2012

Via Hand Delivery
The Honorable Lisa Jackson
Administrator
U.S. Environmental Protection Agency
Ariel Rios Building
1200 Pennsylvania Avenue, NW
Washington, DC 20460

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OFFICE OF THE
EXECUTIVE SECRETARIAT

Dear Administrator Jackson:

The Uranium Producers of America (UPA) represent the major uranium mining and conversion industries in the United States. This letter specifically expresses the concerns of the uranium mining companies with respect to EPA's potential upcoming regulations for in situ recovery (ISR) uranium mines, aquifer exemptions for ISR uranium mines, and the recent (past two years) EPA intrusion into state primacy for the Underground Injection Control (UIC) programs.

As you know, nuclear energy is America's largest source of clean, carbon-free electricity, producing no greenhouse gases or air pollutants. Yet, despite accounting for approximately 20 percent of the electricity consumed in the United States, nuclear power plants are forced to rely on foreign countries for uranium. The United States now imports 92 percent of the uranium needed to fuel our nuclear reactors. The EPA should be working with the industry to ensure that we have a reliable and secure supply of domestically produced uranium to fuel our United States nuclear power plants. Having such a high dependence on imported uranium is not desirable from a National Security perspective or from a jobs perspective. Expanding domestic uranium production means more U.S. jobs and increased energy security.

It is our understanding that in June 2011, the EPA asked its Science Advisory Board to review a draft technical report (*Considerations Related to Post-Closure Monitoring of Uranium In-Situ Leach/In-Situ Recovery (ISL-ISR) Sites)* related to the regulation of uranium mining. As you are aware, the membership of the Science Advisory Board primarily includes representatives from academia and the national laboratories, plus industry nominated academia and consultants. Unfortunately, there is no direct representation from the uranium mining industry on this board, and we are concerned that there has been no separate effort by EPA to solicit feedback from industry leaders regarding these potential changes to the regulations that will directly impact uranium

mining. Prior to publishing proposed or draft regulations for our industry, we respectfully request that EPA reach out directly to the uranium mining industry to understand our position in the formulation of any proposed rules, particularly when it could create potential conflicts or duplication with other Federal programs that regulate the industry. And, until the regulations are formally changed, the EPA should be evaluating new uranium mining projects in a timely manner based on the existing EPA regulations, or state regulations for states with EPA-approved UIC primacy, and not some yet unwritten proposed, unpromulgated regulations that may or may not be adopted.

The UPA is seriously concerned that EPA is delaying approvals for aquifer exemptions for Class I and Class III UIC permits for new uranium projects and renewals of existing UIC permits. This is occurring in states with decades of well established regulatory primacy and experience for UIC programs, primarily Texas and Wyoming. On June 6, the heads of the Texas Commission of Environmental Quality and Texas Railroad Commission testified before the United States House of Representative's Committee on Energy and Commerce stating that EPA is ignoring EPA-approved state UIC programs and regulations. Because EPA granted primacy to Texas and Wyoming for these UIC programs, the agency should respect and accept the decisions made by these states pursuant to their primacy authority. Second guessing the decisions of state regulatory agencies with EPA-approved UIC programs was not the intent of the Safe Drinking Water Act. These states are committed to the EPA UIC programs and believe that the permits that they issue are protective of USDWs and the public. Evidently EPA also believed this when they granted primacy for the UIC programs to these states as evidenced in the Memorandums of Understanding and various correspondence that have occurred since the UIC programs were implemented. Additionally, EPA's long-standing approval, which is based on annual reviews of State Programs and numerous concurrences on aquifer exemption actions, further underscores the efficacy of the State UIC programs.

We urge you to work with our industry to ensure that we have a stable domestic supply of uranium to fuel our nuclear reactors. To that end, we request that you stop any further delay of any pending UIC permit approvals or renewals in states where primacy for the UIC program belongs to those states. And further, we request that you directly consult with the uranium industry regarding any proposed changes to the existing regulations or guidance.

Sincerely,

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