ATTACHMENT A

EDGE ENVIRONMENTAL, INC'S TECHNICAL RESPONSE

Edge Environmental, Inc.

January 26, 2010

Frank Filas, P.E.
Environmental Manager
Energy Fuels Resources Corporation
44 Union Boulevard, Suite 600
Lakewood, CO 80128

Dear Mr. Filas:

Please find attached our response to comments on the Radioactive Materials License Application and Environmental Report for the Piñon Ridge Mill provided by Sheep Mountain Alliance and the Paradox Valley Sustainability Association to CDPHE on December 15, 2009. Our responses mainly focus on comments regarding ecological issues and socioeconomic issues. Responses were provided by Dr. Archie Reeve (Wildlife Biologist) and Ms. Sandra Goodman (MBA, Environmental Economist) who were responsible for writing the respective sections in the Environmental Report. Carolyn Last and I provided additional responses in the area of state versus federal jurisdiction.

Sincerely,

Edge Environmental, Inc.

Mary A. Bloomstran

Mary A. Bloomstran
President

Attachment

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Response to Sheep Mountain Alliance Comments on
Energy Fuels' Radioactive Materials License for Proposed Piñon Ridge Uranium Mill

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2	1	NEPA	The result is an Application which fails to address the serious direct, indirect, and cumulative impacts posed by a uranium mill which starts with mining of ore on federal lands and which will conclude with a transfer of title to the federal government for perpetual care of the mill tailings facility.	Colorado is one of 37 NRC Agreement States. Under Section 274 of the Atomic Energy Act of 1954, the NRC may relinquish portions of its regulatory authority to the States to license and regulate byproduct materials; source materials; and certain quantities of special nuclear materials. As an Agreement State, Colorado is the regulating authority responsible for the licensing of uranium mills within Colorado's borders; therefore, the Piñon Ridge Mill must obtain a license pursuant to CDPHE's statutes and regulations. The National Environmental Policy Act (42 U.S.C. § 4321-4370a) requires all federal agencies to consider the likely environmental effects of "every recommendation or report on proposals for legislation and other major federal actions significantly affecting the quality of the human environment . . ." (42 U.S.C. § 4332(C)). CDPHE is not a federal agency; therefore, NEPA is not an applicable statute. Within CDPHE's applicable body of regulations, 6 CCR 1007-1 Part 3, Section 3.8.8, specifically addresses Environmental Impact Assessment requirements. In some sections, the Environmental Report for the Piñon Ridge Mill cites NRC or CEQ guidance documents and/or regulations. While not legally applicable to the Piñon Ridge Project, the guidance documents or regulations have been used as accepted standards/methodologies/terminologies

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				when evaluating potential environmental impacts.
2	5	Socioeconomic	The serious deficiencies of the "in-house approach" are exemplified in the Socioeconomic Report, which uses undocumented interviews as the sole basis for "data" concerning employment and other social conditions in Bedrock, Colorado and the Paradox Valley. The Report relies extensively on citations to: "White, Dick. Energy Fuels Resources. Personal Communication April, 2009." The Energy Fuels website lists Mr. White as a geologist with ties to the troubled Cotter Corporation. There is no indication in the website or the application to suggest that Mr. White has any training, experience, or competence in collecting or analyzing socioeconomic data, whether qualitative or quantitative. Moreover, there is no explanation of the methodology, if any, which was used to satisfy Colorado laws which address social and economic impacts.	The analysis of socioeconomic baseline conditions and potential impacts presented in the Environmental Report for the Piñon Ridge Mill are based on several data sources, including the U.S. Census Bureau, Colorado Department of Labor and Employment, Montrose Economic Development Corporation, and personal interviews with major employers and individuals in western Montrose County. Survey techniques, including personal interviews, are an accepted procedure for obtaining information on small, unincorporated communities such as Bedrock and Paradox, for which Census data do not exist. Information obtained through Mr. White's interviews was analyzed by consulting economists. It is not clear what "Colorado laws which address social and economic impacts" this comment is referring to.
5	7	T&E	Although the Application mentions impacts to fish and wildlife species that are protected as Threatened or Endangered under the Endangered Species Act ("T&E Species"), Energy Fuels did not conduct any protocol surveys, which is the accepted methodology to determine if certain species are present and therefore is crucial to any analysis of a project's impact on T&E Species.	There are several wildlife survey protocols that have evolved over time to maximize the likelihood for a surveyor to detect a species in suitable habitat. However, surveys for listed species are not conducted indiscriminately. Surveys using appropriate protocols are conducted when there is reason to suspect that the species might be present, which is dependent on historical distribution, the species' current distribution, and presence of suitable habitat. For example, the survey protocol for the Mexican spotted owl was developed to

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				detect territorial owls in nesting, roosting or foraging habitat; the black-footed ferret survey protocol is applied in white-tailed prairie dog colonies only when they are 200 acres or more with burrow densities of eight burrows per acre. Biologists would not conduct surveys if suitable habitat for the target species is not present. Suitable habitats in which survey protocols would be applied are not present for any of the ESA-listed species identified by the USFWS which have the potential to occur within Montrose County.
6	2	T&E	Protocol surveys are regularly prepared and reviewed by species' experts. The protocol surveys take into account the best available information about a species natural history so that there is the greatest likelihood for detection if the species is present. Additionally, protocol surveys ensure consistency in data collection, minimize sampling biases, facilitate data comparison, and provides data that more accurately reflects ecological patterns and landscape level changes in distribution and population trends. Lack of detection during a protocol survey does not necessarily mean that a species is absent from a project site or that it may not use the site in the future if suitable habitat is available. Even though the ad hoc approach used in the Application identified serious impacts to fish and wildlife, the magnitude of the problem is masked by the failure to use protocol surveys for certain important species.	As above, surveys using protocols are not conducted indiscriminately but only when there is reason to suspect that a species might occur. Protocols have been developed to survey for Ute ladies'-tresses orchid, for southwest willow flycatchers, for Utah prairie dogs, for Preble's meadow jumping mice, and so on, but a wildlife biologist would not conduct surveys for those species in the vicinity of the Piñon Ridge site because 1) the site is not within the historical or current range of the species, and/or 2) suitable habitat for the species is not present. The same applies to Mexican spotted owls, black-footed ferrets, Canada lynx, clay-loving buckwheat, or any of the four endangered Colorado River fish species. One species, the western burrowing owl, is an exception. There was reason to believe the species might be present based on its distribution and habitat. The survey protocol developed by Colorado Division of Wildlife (CDOW) was used, and the species was detected. See the Environmental Report section 3.5.2.3.

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				Habitat for Colorado hookless cactus also appeared to be present on-site and a survey was conducted by qualified botanists (no survey protocol has been developed for the species). No cactus were found which is not surprising given that the site does not coincide with the species' known distribution. See the Environmental Report Section 3.5.2.1.
6	3	T&E MBTA	Further, although some impacts were recognized, the Application does not provide significant mitigation measures for T&E Species and does not suggest that Energy Fuels has consulted with the U.S. Fish and Wildlife Service to ensure that the proposed actions do not constitute prohibited takings of T&E Species or otherwise violate the Migratory Bird Treaty Act. See: Bennett v. Spear, 520 U.S. 154, 170 (U.S. 1997) ("any person' who knowingly 'takes' an endangered or threatened species is subject to substantial civil and criminal penalties, including imprisonment."). As the CDPHE is surely aware, Cotter Corporation recently plead guilty in a federal court proceeding to a criminal violation of the Migratory Bird Treaty Act at the uranium mill in Cañon City, Colorado.	Section 7 of the Endangered Species Act (16 U.S.C. § 1531-1544) requires all federal agencies to consult with FWS to insure that any action authorized, funded, or carried out by the federal agency is not likely to jeopardize the continued existence of any endangered species or threatened species . . ." (16 U.S.C. §1536(2)). The CDPHE is not a federal agency; therefore, Section 7 of the ESA is not applicable to the Piñon Ridge Mill Project. Section 9 of the ESA (16 U.S.C. § 1538) lists prohibited acts of persons subject to the jurisdiction of the United States. Prohibited acts include a "take" of endangered species of fish or wildlife. As the Environmental Report concludes, the Piñon Ridge Mill Project will not result in a "take," incidentally or intentionally, of a federally-listed fish or wildlife species; therefore, the Project is in compliance with the ESA. Likewise, there will be no take of a migratory bird species because Energy Fuels has committed to not removing vegetation by surface disturbing actions from May 15 through July 15 to avoid take of migratory bird species, nests, or eggs which is consistent with BLM policy to avoid taking migratory breeding birds.

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				The Cotter Corporation's accidental release of a solvent into a catchment pond and subsequent deaths of waterfowl at the uranium mill in Cañon City was unique to that facility and is irrelevant to the proposed Energy Fuels project.
6	4	T&E	Instead of meeting the continuing duty to avoid taking T&E Species and migratory birds, Energy Fuels proposes that every 5 years, prior to renewing the Mill License, Energy Fuels will "conduct surveys at the Site and immediate vicinity for Threatened, Endangered, and Candidate Species, BLM Sensitive Species, and State of Colorado Species of Concern, as well as for wildlife." As with the current Application, this proposal for future surveys does not include any protocol level surveys.	As above, a wildlife biologist would not expect listed species to occur in the vicinity of the site at the present time or in the future and use of survey protocols when 1) the site is not within the historical or current range of the species, and/or 2) suitable habitat for the species is not present would be foolish. As stated in the Environmental Report, Energy Fuels would conduct surveys for burrowing owls, utilizing the same protocol used during collection of baseline data, prior to construction and use of the soil storage site.
6 7	5 1	T&E	The Energy Fuels approach is particularly troublesome where the Application itself acknowledges that prohibited "take" of T&E Species is anticipated by Energy Fuels. Some of the major impacts and deficiencies regarding species, can be gleaned from the ad hoc analysis provided in the Application: **Canada Lynx** – Federally Threatened. Application recognizes "take" via direct mortality via road kill but provides no U.S. Fish and Wildlife Service review or approval of take, mitigation, or monitoring. **Gunnison Sage Grouse** – Colorado Species of Special Concern, proposed federal Candidate Species. The project site is within its historical range and the cumulative impact zone encompasses a significant portion of its current range, yet there is no effort to identify cumulative	The evaluation of potential effects to Canada lynx included a discussion of increased traffic associated with the Mill Facility and the possibility of that traffic contributing to "mortality of Canada lynx if dispersing animals are in the region; however, the extent of that contribution is impossible to predict" (Environmental Report, page 4-57, for example). If this project was under authority of a federal agency, a Biological Assessment would have been prepared for review by the U.S. Fish and Wildlife Service (USFWS). The potential effects to Canada lynx described above and in the Environmental Report would be judged as discountable. The USFWS recognizes discountable effects as extremely unlikely to

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			impacts or to monitor or mitigation impacts to this species. **Black-footed Ferret** – Federally Endangered. Although suitable habitat for current range expansion for this species is available on the project site and in the immediate vicinity, there is no specific acknowledgement of the potential affect and no mitigation or monitoring proposal. **Mexican Spotted Owl** – Federally Threatened. Suitable habitat is present on and adjacent to the Site and surrounding uranium mine sites in the cumulative impact zone, however no protocol surveys were conducted for this species even though the Application acknowledges that this species may be disturbed by high noise levels and no mitigation or monitoring was proposed. Additionally the Application does not consider impacts to this species as part of cumulative impacts. **Colorado Pikeminnow, Razorback Sucker, Humpback Chub, Bonytail Chub** – Federally Endangered. Water quality and quantity issues are present, but the Application does not acknowledge these issues nor does it seriously discuss direct, indirect, and cumulative impacts and no mitigation or monitoring is proposed.	occur and which would not be meaningfully measured, detected, or evaluated. Such a judgment would lead to a determination that the project **is not likely to adversely affect** Canada lynx and formal consultation with USFWS would not occur. This is not an acknowledgment that "take" would occur. A similar determination of effect would apply to Mexican spotted owls. There would be **no effect** to black-footed ferret because extant populations in Rio Blanco and Moffat counties would not be affected in any way. The Environmental Report recognizes that groundwater withdrawn from the Upper Colorado River Basin can adversely affect endangered fish. Though not required, Energy Fuels proposed a one-time monetary contribution to support recovery of listed fish, consistent with requirements for federal actions. Potential effects to Gunnison sage grouse were addressed in the Environmental Report and potential mitigation measures were proposed but specific measures will be developed in coordination with the Colorado Division of Wildlife (CDOW). No project-related effects to species listed in this comment would be considered a significant impact using the criteria specified by Council on Environmental Quality (CEQ. 1978. Regulations For Implementing the Procedural Provisions of the National Environmental Policy Act. 43 FR 55978-56007). Section 6.0 of the Environmental Report considers the effects of past, present, and reasonably foreseeable actions along with the Proposed Action within a project

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				impact zone. The Application does not acknowledge "take" with respect to any species.
7	2	T&E	There is no serious consideration of specific bird species which are protected as T&E Species and that may also fall under the protections of the Migratory Bird Treaty Act. Example species include the California Condor, Southwest Willow Flycatcher, and Whooping Crane. Although the Bald Eagle was delisted in 2007, U.S. Fish and wildlife Service continues to monitor species for an additional five years following delisting. The Site is within the migration corridor and range of both the Bald and Golden Eagle, both species are known to occur in the Paradox Valley, and both of these species are protected under the Bald and Golden Eagle Protection Act.	Energy Fuels understands that the U.S. Fish and Wildlife Service (USFWS) is the authority for potential occurrence of listed species in Colorado. According to USFWS, none of the species listed by Sheep Mountain Alliance in this comment occur in Montrose County while the California condor and whooping crane do not occur in Colorado or Utah at all. There is no reason why they should have been considered. Alternatively, the Bald Eagle and Golden Eagle do occur in the project vicinity and both species were considered in the Environmental Report.
7 8	3 1	Wildlife	Wildlife need not be listed as threatened or endangered before they must be fully considered in the Application materials, including the Environmental Report. Many state and federally identified sensitive species known to inhabit the region are not recognized as occurring in the vicinity of the mill site or within the cumulative impact zone despite the presence of suitable habitat on the Site or at the uranium mines. Some of the more prominent species of concern include: • Kit Fox • Botta's Pocket Gopher • Northern Pocket Gopher • Northern River Otter • Barrow's Goldeneye • Northern Goshawk • Ferruginous Hawk • American Peregrine Falcon • Western Snowy Plover	Each of the species included in this comment were considered in the Environmental Report (see Section 3.5.2.3). As with ESA-listed species, sensitive species that would not occur or for which no suitable habitat was present within the project location were noted as such. If there was a potential for project effects to a species (Botta's pocket gopher, northern pocket gopher, American peregrine falcon, northern river otter are examples), those species and potential effects analysis were included in the Environmental Report. To emphasize a point, CEQ guidance is against inclusion of useless bulk. Further, "data and analyses in a (impact) statement shall be commensurate with the importance of the impact, with less important material summarized, consolidated, or simply referenced." (CEQ. 1978. Regulations For Implementing the Procedural Provisions of the National

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			• Black Tern • Long-billed Curlew • White-faced Ibis • American White Pelican • Sandhill Crane • Columbian Sharp-tailed Grouse • Long-nosed Leopard Lizard • Milk Snake • Midget Faded Rattlesnake • Great Basin Spadefoot • Canyon Tree Frog • Northern Leopard Frog	Environmental Policy Act, Section 1502.15). That guidance was carried through the preparation of the Environmental Report.
8	2	Wildlife	Despite some sensitive species having been recognized as occurring in the vicinity and/or having the potential to occur on Site, there were still no mitigation or monitoring programs proposed or protocol level surveys conducted, despite a high potential for negative impacts. Such species included Western Burrowing Owl and Gunnison Sage Grouse. The Application makes a weak commitment to participate in CDOW efforts to increase habitat connectivity for sage grouse by chaining pinyon-juniper habitat while at the same time claiming in the Application that no impacts will occur to pinyon-juniper habitat when asserting that there will be no impacts to Spotted Owls.	Issues in this comment have been addressed, above. Also noted above were potential mitigation measures that were proposed by CDOW but which will be developed in coordination with CDOW. Any consideration of effects to spotted owls by such mitigation measures would be total speculation and would only provide useless verbiage in the Environmental Report.
8	3	Wildlife	Paradox Valley and surrounding canyons and woodlands provide excellent bat habitat. Abandoned uranium mines likely provide bat habitat, therefore renewed mining in region which is spurred by increased regional milling capacity could have significant impact on bats, particularly if any of those mines support maternity colonies. The only impact to bats addressed in the Environmental Report is the attractive nuisance that would be created by the lighting at mill site. Cumulative impacts on bats, which must include mining, is not	There is no connection of the proposed Mill Facility with destruction of bat caves at abandoned uranium mines. Such an assertion is entirely speculative and certainly not a reasonably foreseeable future consequence of implementing the Proposed Action.

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			addressed.	
8 9	4 1	Wildlife	Much of the source information used in the Application for known bat occurrences was extremely outdated (1994), considering there have been major technological improvements in the last 15 years on methods to detect and monitor bats. Further, there were no cumulative impact assessment for the following species of bats that the Application identified as having the potential to occur on the Site and that are likely to also occur at uranium mine sites. • Townsend's Big-eared Bat • Spotted Bat • Fringed Myotis • Yuma Myotis • Big Free-tailed Bat	See response, above.
9	2	Wildlife	In short, the Application lacks the accepted methodologies for identification and analysis of wildlife impacts to support a detailed review of the Application.	All above responses refute this comment.
			The Environmental Report failed to consider cumulative impacts to fish and wildlife resulting from the increased release of toxic materials from existing and renewed uranium mining in the region. Impacts would include both direct and indirect loss of habitat, introduction of contaminants into environment (radiological, heavy metals, petroleum products, other potential poisons such as antifreeze), bioaccumulation of toxins, direct and indirect mortality, and disruption of current efforts to restore habitats and native species to former range, including endangered and threatened species and species of concern.	Uranium mining projects are regulated with respect to release of toxic materials. Nevertheless, whether or not there would be releases of toxic materials from renewed uranium mining in the region is not a reasonably foreseeable future occurrence related to this project. Speculation should not be introduced to cumulative effects analysis.
13 14	6 1 and 2	Water Depletion	There is no analysis of the direct, indirect, or cumulative impact of water depletions in light of the	The mill will not automatically trigger mining at specific mines. Ore may be shipped from

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			past, present, and future dewatering activities at the mines which the Application identifies as the source of feedstocks. The volume of mine water and associated residues from dewatering the mines adds up to a very substantial volume of water over time. For example, the inactive Whirlwind Mine operates pursuant to a 0.03 MGD discharge limit under the mine water permit issued by the CDPHE. This pumping rate would result in a pre-treatment water quantities of -30,000 gallons per day, which is more than 33 acre-feet yr. This volume of water must be multiplied by the dozens of mines (located on federal lands) which are identified as likely sources of ore for the mill. Although this information is readily available, the impacts of related depletions is not included in the Application or the Environmental Report. Due to the overlapping regulatory structure, the Application should include information from the Water Quality Division, the Division of Reclamation and Mine Safety, and the federal agencies which have information on the cumulative and significant impacts of this mill and the associated mines on water supplies and water use.	mines that are already permitted or from mines that need NEPA analysis, but these mines may ship to other existing mills. Water depletions for the Whirlwind Mine were analyzed and mitigated for in the associated Environmental Assessment as they would be for any mine requiring NEPA analysis. Attempting to calculate volumes of potential mine dewatering would be completely speculative.
15	1 and 2	Socioeconomic	The socioeconomic Report and the Environmental Report omit the basic information which is required for the CDPHE to begin review of the Application. This component is crucial as the information which the Radiation Control Act mandates that the CDPHE consider also provides an independent basis for the CDPHE to deny the application. Required, but missing information includes: 1) Impacts on potentially affected sectors, such as	The Environmental Report addresses the issues raised in this comment. 1) Analysis of the impact of tourism in western Montrose County is based on independent reports prepared for the Colorado Division of Wildlife (BBC, 2008a), Colorado Tourism Office (Dean Runyon, 2008), and Montrose County Commissioners (BBC, 2008b). Analysis of part-time residents in western Montrose County is based on

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			tourism, retirement, and amenity migrants and part-time residents. 2) Stigma and its effects, which include economic costs including loss of tax revenue due to property value loss and reduced tourism activity as travelers and recreationalists stay away rather than "ski, hunt or hike in uranium country," psychological harm, physiological harm due to boom and bust employment cycles. 3) Under real estate analysis, there is no realtor survey, no consumer survey (addressing why people might move to the area and what their concerns are), no case study research on stigma, no tourism analysis on potential impacts, nothing on public awareness and media attention, no retirement analysis, and no scenarios of impacts. 4) In addition, there is nothing about the taxpayer services that San Miguel County provides to residents in the west end of Montrose County. 5) Socio-economic impacts identified and relied upon by the CDPHE in reviewing applications for uranium mill license amendments at the Cotter facility.	U.S. Census Bureau data. 2) The Environmental Report evaluates the potential long-term impacts on agricultural and residential property values associated with the Piñon Ridge Mill. The analysis in the Environmental Report is based on October 2009 agricultural and residential sales price data provided by the San Juan County Assessor and National Association of Realtors. The analysis indicates that property values near Blanding Utah, which is 6 miles from the White Mesa Mill do not differ significantly from property values near Monticello, Utah, which is over 30 miles from the White Mesa Mill Site. The Cotter report's discussion of the stigma associated with uranium mills concludes by saying that "there is no historical evidence of a negative impact [of a uranium mill] on the real estate market." 3) The surveys and case studies mentioned in this comment are not required by the NRC Office of Nuclear Material Safety and Safeguards (NMSS), or by the CDPHE, which has been delegated NRC regulatory authority in Colorado. 4) The Environmental Report discusses potential impacts to the Norwood R-2J School District and Uncompahgre Medical Center in Norwood. It is not clear what other San Miguel taxpayer services this comment is referring to. 5) The Environmental Report for the Piñon

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				Ridge Mill (2008) and the Radioactive Materials License Renewal Master Document for the Cotter Corporation's Cañon City mill (2003) analyze the same socioeconomic impacts.
15	3	Socioeconomic	The lack of competent information and data is accompanied by a lack of identifiable methodologies on which the socioeconomic analyses is based. Although there are several references to outdated NRC Guidance documents which were produced in the 1980s, there are few and sometimes no references to the requirements imposed by Colorado statues and regulations, not to mention the accepted methodologies from the respective socioeconomic disciplines.	The analyses contained in the Socioeconomic Report and Environmental Report comply with Colorado statutes and regulations as well as with guidance issued by the NRC-NMSS. These guidelines, which include NUREG 1748 (2003), NRC Regulatory Guidance 3.8 (1982), and NUREG BR/0058 (2004) are consistent with the Atomic Energy Act, the Radiation Control Act and C.R.S. § 25-11-203(2)(c)(VI). It is not clear what additional "requirements imposed by Colorado statutes and regulations" this comment is referring to. All data sources used in the Socioeconomic Report and Environmental Report are clearly referenced and widely accepted within the economic community. Assumptions behind fiscal estimates are presented, and the IMPLAN model, which is used to estimate employment, income and fiscal impacts associated with the Piñon Ridge Mill, is the standard methodology used for regional program and project analysis.
16	1	Cost/Benefit	The Environmental Report does not contain "an analysis of the environmental, economic, social, technical, and other benefits of the proposed application against environmental costs and social effects while considering available alternatives." C.R.S. § 25-11-203(2)(c)(VI). Instead, the environmental analysis contains an *ad hoc* discussion which is called a "cost-benefit analysis" but which does not comport with the rigors of any	The cost-benefit analysis in the Environmental Report follows standard procedures to evaluate the economic impacts of a federal action or proposed project as set forth by the Office of Management and Budget (OMB). Such procedures are widely used in the evaluation of NRC-related projects.

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			identified or recognized methodology. Social effects are neither quantified nor seriously discussed in a qualitative manner in Section 7 of the Environmental Report nor in Section 4, on which Section 7 purports to rely.	Colorado Revised Statute §25-11-203: *"Approval of facilities, sites and shipments for disposal of radioactive waste"* does not require a cost-benefit analysis and has no requirements for conducting a cost-benefit analysis.
16	2	Cost/Benefit	Despite a broad literature, there is no attempt in the Environmental Report to assert reliance on any particular methodology – or combination of methodologies – which would satisfy the statutory criteria. Instead, the Environmental Report simply makes vague reference to NRC Guidance documents, none of which attempt to provide guidance on the implementation of Colorado law which implements the federal Atomic Energy Act. Because there is a robust controversy over the various interdisciplinary methodologies used to compare benefits to costs across various alternatives, it is important that the CDPHE require Energy Fuels to identify and justify the methodology being used to ensure it is appropriate to the current task and mandates of Colorado law.	The cost-benefit analysis included in the Environmental Report follows NRC and OMB procedures for conducting an economic analysis of regulatory actions. It appears that this comment is referring to methodologies that are designed to estimate an economic value for social and other non-monetary benefits (*e.g.* travel cost methods, hedonic pricing models, and contingent valuation methodologies). Although these procedures can provide decision-makers with useful information, they are rarely included in federal or state cost-benefit analyses. It is not clear what "statutory criteria" or "implementation of Colorado law" this comment refers to.

ATTACHMENT B

RECORD OF CONVERSATION
U.S. FISH AND WILDLIFE SERVICE

RECORD OF CONVERSATION

DATE: January 21, 2010

Project: Energy Fuels Piñon Ridge Mill

Contact: Patty Gelatt

Agency: U.S. Fish and Wildlife Service

Email Address: Patty_SchraderGelatt@fws.gov

Phone: 970-243-2778x26 **Fax:**

Subject: Requirement for Consultation under the Endangered Species Act

Carolyn Last and I called Patty Gelatt with the U.S. Fish and Wildlife Service to inquire about requirements for consultation under the Endangered Species Act as it relates to the proposed Piñon Ridge Mill. We explained to her that through our analysis, the only species for which there would be a "likely to adversely affect" would be the Colorado River Endangered Fish due to proposed water depletions (141 gpm or and annual average depletion of 227 acre-feet per year). We also explained that this mill would be located on private lands and that this is not considered a "major federal action" and therefore there is no NEPA required.

Patty confirmed that only federal agencies can consult with the U.S. Fish and Wildlife Service under Section 7 of the Endangered Species Act. Because this is not a major federal action, consultation is not required.

By: Mary Bloomstran

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