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NRC Issues Confirmatory Action Letter to Power Resources, Inc.

The Nuclear Regulatory Commission has issued a Confirmatory Action Letter to Power Resources Inc. of Casper, Wyo., documenting actions that the company has agreed to take before resuming shipments of radioactive sludge to a Utah facility.

The <u>letter</u> formalizes commitments company officials made to the NRC following two incidents in which containers of radioactive barium sulfate sludge, a byproduct of uranium ore processing, arrived at the facility in Blanding, Utah, with some external contamination from leakage during transport. The incidents occurred in August 2015 and March 2016.

The NRC conducted an inspection of Power Resource's Smith Ranch-Highland Uranium Project facility 90 miles north of Casper, on June 20-23, and reviewed the two transportation incidents. The NRC determined that while the company took some corrective actions after the first incident, they were not fully effective.

The NRC decided to issue a Confirmatory Action Letter based on the repetitive nature of the shipping incidents, deficiencies identified in the company's transportation program, and the company's failure to maintain accurate records for materials shipped to the Utah facility.

Following a conversation with NRC officials, the company has agreed (1) not to resume shipping barium sulfate sludge without NRC approval; (2) to identify the specific causes for the two incidents; (3) review and report on all shipments of barium sulfate sludge to Energy Fuels Resources' White Mesa Mill facility in Blanding, Utah, over the past three years; and (4) develop a corrective action plan to ensure future activities will be conducted in compliance with NRC regulations.

Issuance of a Confirmatory Action Letter does not preclude the NRC from taking other additional actions for any violations of NRC requirements that may be identified.

August 31, 2016