



STATE OF WASHINGTON
DEPARTMENT OF HEALTH
OFFICE OF RADIATION PROTECTION
111 Israel Road SE • P.O. Box 47827 • Olympia, Washington 98504-7827
TDD Relay Service: 1-800-833-6388

March 22, 2017

TO: Interested Parties, Dawn Mining Company Closure

FROM: Mikel J. Elsen, Supervisor 
Waste Management Section

SUBJECT: Dawn Mining Company Uranium Mill License Amended to Reflect Current
Approved Reclamation Schedule

This memo is to inform you that the Department of Health (the Department) has amended Dawn Mining Company's (DMC) state of Washington radioactive materials license. License Conditions 37, 38, and 40 have changed. License Condition 37 will now require DMC to complete the final radon barrier over tailings disposal areas 1, 2, 3 and 4 (TDA's 1-4) by December 31, 2017. License Condition 38 now requires DMC to complete the tailings disposal area surface water diversion ditch by December 31, 2017. Additionally, License Condition 40 has been updated to reflect DMC's establishment of a standby trust and a revised Newmont Mining Corporation parent company guarantee. I have attached Amendment 28 to DMC's state of Washington Radioactive Materials license WN-I043-2 and an addendum to existing State Environmental Policy Act (SEPA) documents for closure of the DMC millsite for your information.

DMC's Request to Amend Radioactive Materials License WN-I043-2

- Dawn Mining Company (DMC) submitted a letter request to the Department of Health, Office of Radiation Protection (the department) on December 14, 2016 to amend their state of Washington radioactive materials license to reflect DMC's current approved reclamation schedule. Following staff review of DMC's request, the department sent a letter response to DMC dated December 20, 2017 approving DMC's request for an amendment. The request by DMC to extend the date for completion of the final radon barrier by one year was because DMC encountered unexpected heavy oil contaminated soils in the vicinity of the mill building in August 2015. DMC characterized the soils during 2016 and encountered larger than expected volumes of soils that needed to be

excavated. The condition resulted in maintaining Tailings Disposal Area 4 (TDA-4) open through 2016 for soil disposal.

Summary of Changes to DMC's Radioactive Materials License Conditions 37, 38, and 40

- The change to License Conditions 37 and 38 is an extension for the completion of the final radon barrier over TDA's 1-4, and the Tailings Disposal Area surface water diversion ditch by December 31, 2017. The original date was December 31, 2016.
- The department administratively amended license Condition 40 to reflect DMC's establishment of a standby trust (dated October 4, 2016) and revised Newmont Mining Corporation parent company guarantee (dated October 4, 2016).

Conclusion

DMC's amendment request complies with applicable radiation protection laws and regulations contained in RCW 70.98 and WAC 246-252. There are no changes to the radioactive materials license that have not already been evaluated under existing SEPA documents. Amendment 28 is attached and will be posted on the department's website at <http://www.doh.wa.gov/CommunityandEnvironment/Radiation/WasteManagement>. Anyone who is not on the department's list for receiving these mailings related to closure of the DMC millsite may be added to that list, or may request copies of these attachments, by contacting Teresa Davis at (360) 236-3240, or Teresa.Davis@doh.wa.gov, or at DOH Office of Radiation Protection, P.O. Box 47827, Olympia, WA 98504-7827.

MJE: td

Attachments: WN-I043-2, Amendment 28
Addendum to Existing Environmental Documents, March 2017

State of Washington
Radioactive Materials License

Page 1 of 2

License Number: WN-I043-2
Amendment No. 28

DAWN MINING COMPANY, LLC
5326 Uranium City Road
Ford, Washington 99013

Attention: William Lyle
Vice-President & General Manager

In accordance with the amendment request submitted to the Washington State Department of Health (Department) by Dawn Mining Company, LLC (DMC) in a letter dated December 20, 2016, regarding extending the completion date for the final radon barrier, License Conditions 37 and 38 of Radioactive Materials License Number WN-I043-2 are amended as follows:

License Condition 37 is amended to read:

37. Consistent with Criterion 6A(a) of WAC 246-252-030, the licensee shall meet the following milestone: complete construction of the Final Radon Barrier over Tailings Disposal Areas 1,2,3, and 4 (TDAs 1-4) by **December 31, 2017**. The Final Radon Barrier must address radon emanation, gamma rates, and erosion protection. This license condition may be amended by the department as necessary for reasons of inclement weather, litigation resulting in delays, or other factors beyond the control of the licensee.

License Condition 38 is amended to read:

38. The licensee shall complete construction of the Tailings Disposal Area surface water diversion ditch by **December 31, 2017**, in order to protect the Final Radon Barrier of Tailings Disposal Areas 1, 2, 3 and 4.

In addition, DMC established a standby trust (dated September 16, 2016) and revised parent company guarantee (dated October 4, 2016) in accordance with Chapters 70.98 and 70.121 of the Revised Code of Washington (RCW), and Department promulgated regulations regarding uranium mills in Chapter 246 of the Washington Administrative Code (WAC). These regulations require that a licensee of a uranium recovery facility shall provide assurance that funds will be available when needed in accordance with the approved reclamation and decommissioning plan and also for long-term surveillance and control of the uranium recovery facility. In accordance with the standby trust (dated September 16, 2016) and revised parent company guarantee (dated October 4, 2016), License Condition 40 of Radioactive Materials License Number WN-I043-2 is amended as follows:

State of Washington
Radioactive Materials License

Page 2 of 2

License Number: WN-I043-2
Amendment No. 28

40. The licensee shall maintain a department-approved financial surety arrangement consistent with WAC 246-252-030, Criterion 9. This requirement may be satisfied by a department-approved parent company guarantee and standby trust financial surety bond or other acceptable financial instrument.

The licensee shall submit financial tests and supporting documentation from the Corporate Chief Financial Officer and independent certified accountant to the Department pursuant to WAC 246-252-030, Criterion 9(e) as specified in NRC NUREG 1757 annually by March 31. These tests and documentation support the parent company's use of the guarantee and standby trust.

The licensee shall also submit updated closure cost estimates annually by March 31, and provide the closure cost estimates within the Integrated Project Schedule report. The licensee shall also submit updated closure cost estimates no later than 60 days following any modification or re-evaluation of the closure plan that affects closure costs, and no later than 60 days after the department may otherwise request an update. For each update of estimated closure costs, the licensee shall submit to the department supporting documentation showing a breakdown of the costs and the basis of the updated cost estimate, with adjustments for inflation, changes in engineering plans, activities performed, and any other conditions affecting the estimated costs for site closure. Following the licensee's submission of any updated closure cost estimate, the department will review and comment in writing on the closure cost estimate. Such comments may concur with or may order revisions to the licensee's closure cost estimate. The licensee shall be entitled to obtain review of a department order directing any material revisions to the licensee's closure cost estimate. Such review shall be by adjudicative proceeding, conducted pursuant to Chapter 246-10 WAC, including the right to judicial review in accordance with WAC 246-10-706. The licensee shall revise its financial assurance in accordance with a final order of the department.

FOR THE STATE OF WASHINGTON DEPARTMENT OF HEALTH

Date: March 22, 2017

By: 
Mikel Elsen, Supervisor
Waste Management Section

Dawn Mining Company Uranium Millsite

ADDENDUM TO EXISTING ENVIRONMENTAL DOCUMENTS

March 2017

Washington State Department of Health

Office of Radiation Protection

This document is an addendum to the following existing environmental documents:

- DMC Millsite:
 - 1991 Final Environmental Impact Statement, Closure of the Dawn Mining Company Uranium Millsite
 - 1994 Supplemental Final Environmental Impact Statement for Millsite Closure
 - 2000 Addendum to Existing Environmental Documents
 - 2009 Addendum to Existing Environmental Documents
 - 2011 Addendum to Existing Environmental Documents
 - 2014 Addendum to Existing Environmental Documents

Dawn Mining Company (DMC) submitted a letter request to Department of Health, Office of Radiation Protection (the department) on December 14, 2016 to amend their radioactive materials license to reflect DMC's current approved reclamation schedule. Following staff review of DMC's request, the department sent a letter response to DMC dated December 20, 2017 approving DMC's request for amendment.

Changes to DMC's License in the 2017 License Amendment

After the department's review of DMC's license amendment request and review of current millsite operations and closure status, the department determined that the amended license would include the following updates:

- A change in completion dates for Conditions 37 and 38 from December 31, 2016 to December 31, 2017. Condition 37 will now require DMC to complete the final radon barrier over tailings disposal areas 1, 2, 3 and 4 (TDAs 1-4) by December 31, 2017. Condition 38 will now require DMC to complete the tailings disposal area surface water diversion ditch by December 31, 2017. The department has extended the dates by one year because DMC encountered unexpected heavy oil contaminated soils in the vicinity of the mill building in August 2015. DMC characterized the soils during 2016 and encountered larger than expected volumes of soils that needed to be excavated. The condition resulted in maintaining Tailings Disposal Area 4 (TDA-4) open through 2016 for soil disposal.

- An update to Condition 40 to reflect DMC's establishment of a standby trust (dated October 4, 2016) and revised Newmont Mining Corporation parent company guarantee (dated October 4, 2016) in accordance with Chapters 70.98 and 70.121 of the Revised Code of Washington (RCW), and Department promulgated regulations regarding uranium mills in Chapter 246 of the Washington Administrative Code (WAC). These regulations require that a licensee of a uranium recovery facility shall provide assurance that funds will be available when needed in accordance with the approved reclamation and decommissioning plan and also for long-term surveillance and control of the uranium recovery facility.

State Environmental Policy Act

In addition to reviewing the information provided in DMC's license amendment request, the department's review must also consider whether, under the State Environmental Policy Act (SEPA), amendment of DMC's license requires changes to DMC's license that are substantial and/or involve new information indicating probable significant adverse environmental impacts not adequately evaluated in the existing environmental documents.

Conclusion

The department has determined that Dawn Mining Company's license amendment meets all applicable requirements. The amended license will update DMC's radioactive materials license conditions to reflect the current approved reclamation schedule regarding completion of the final radon barrier and the tailings disposal area surface water diversion ditch, and the establishment of a standby trust. In addition, DMC's license amendment does not involve substantial changes or new information indicating probable significant adverse environmental impacts that have not already been adequately evaluated in existing environmental documents.