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February 27, 2020

Dear Chairwoman Kaptur, Ranking Member Simpson, and Members of the Subcommittee:

On behalf of our members and mining-impacted communities throughout the West, we write to express our opposition to the \$1.5 billion Congressional Budget Request (Budget Request) in the Department of Energy's (DOE) Office of Nuclear Energy (NE) Fiscal Year 2021 (FY21) for establishing a new reserve for domestically produced uranium.

This Budget Request is no more than a bailout for the foreign-owned uranium industry.

Only five companies produced uranium from seven domestic facilities in 2018, according to the Energy Information Association.<sup>1</sup> None are based in the United States. Energy Fuels Resources (Energy Fuels), a publicly traded Canadian company, advocated for removing protections from the Bears Ears National Monument to benefit their own nearby uranium mill as well as claims they sold in exchange for a large stake in the purchasing company, enCore Energy. Energy Fuels has an interest in almost 1/3 of active mining claims within the original boundaries of the Monument, many of which now fall outside the Monument's boundaries.<sup>2</sup>

Energy Fuels and Ur-Energy, another Canadian-based company, petitioned the Commerce Department last year to impose quotas on uranium imports by falsely raising the specter of national security concerns. Under pressure from nuclear power utilities unwilling to pay a higher price for lower quality U.S. uranium, the Trump Administration denied the petition and instead created the United States Nuclear Fuel Working Group- the next target to which these companies would later pitch their bailout. This Budget Request takes the form of both taxpayer subsidies and government manufactured demand to appease nuclear utilities' cost concerns.

Trade restrictions, uranium subsidies, and artificial demand make bad policy- a view shared across the political spectrum.<sup>3</sup> Similarly, protections for iconic American landscapes like Bears Ears and the Grand Canyon enjoy bipartisan support.

And yet, the DOE's Budget Request lines the pockets of foreign mining companies. It also reinforces this Administration's controversial decision to add uranium to its list of so-called critical minerals. This request also lays bare the toxic waste legacy left from uranium mining.

Mining impacted Indigenous communities will likely suffer the most from this Budget Request. Tribal communities have traditionally not received meaningful consultation in the siting and operation of uranium mines. A recent University of New Mexico study found that more than 1/4 of over 700 Navajo Nation women tested had high concentrations of uranium in their bodies.<sup>4</sup>

These impacts to their lives and health continue to persist. Further, such impacts will also be visited on communities with existing and potential new mines, as the current regulatory structure is an *ad hoc* mess that fails in every instance to protect scarce Western groundwater. The previous Administration had been well on its way to addressing the need for new, protective uranium recovery standards under EPA's purview (*see*, proposed revisions to 40 C.F.R. § 192, 82 Fed. Reg. 7,400-430 (Jan. 19, 2017)) but the current Administration withdrew those long overdue proposed standards (83 Fed. Reg. 54,543 (Oct. 30, 2018)), and we now face the Nuclear Regulatory Commission's likely attempt to weaken the already grossly inadequate standards (84 Fed. Reg. 6,979 (Mar. 1, 2019)).

The toxic legacy left from our Cold War efforts to mine uranium has also left mining impacted communities and taxpayers with the financial burdens of cleanup. Uranium mines pay no federal reclamation fee nor federal royalty in exchange for the profits they make from lands that belong to the American public.<sup>5</sup> The President's Budget Request only furthers that injustice while artificially propping up polluting, non-U.S. companies that are inadequately regulated at U.S. taxpayers' expense.

For the above reasons, we respectfully urge this Subcommittee to deny the Budget Request.

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<sup>1</sup> Seven facilities in Nebraska, Wyoming, and Utah produced uranium in 2018. These facilities are owned by Energy Fuels Resources, Ur-Energy, Cameco, Uranium One, and Peninsula.

<sup>2</sup> Please see: Multinational Mining Corporations Are Exploiting U.S. Taxpayers, by Nicole Gentile (November 21, 2019) <https://www.americanprogress.org/issues/green/reports/2019/11/21/477569/multinational-mining-corporations-exploiting-u-s-taxpayers/>

<sup>3</sup> Please see: Trump wants \$1.5 B over 10 years to revive US uranium mining, by Brady McCombs and Ellen Knickmayer (Associated Press, February 14, 2020) <https://abcstlouis.com/news/nation-world/trump-wants-15b-over-10-years-to-revive-us-uranium-mining>

<sup>4</sup> Please see: Research Reveals High Levels of Radiation in Navajo Women Stemming From Cold War, by N. Jamiyla Chisholm (October 8, 2019) <https://www.colorlines.com/articles/research-reveals-high-levels-radiation-navajo-women-stemming-cold-war>

<sup>5</sup> Some uranium mines post deeply inadequate surety bonds (that often assume no problems will arise, for instance groundwater contamination can cost hundreds of millions of dollars to remediate).