



Powertech goes to bat for uranium industry

Official says groundwater protection rules unreasonable

BY BOBBY MAGILL • BOBBYMAGILL@COLORADOAN.COM • NOVEMBER 18, 2010

A Powertech Uranium Corp. official said the company is going to bat for the entire uranium industry with its lawsuit against the state over groundwater protection rules the company considers unreasonable.

Powertech USA President Richard Clement said the company is on track to file a permit application in 2011 for its Centennial Project uranium mine northeast of Fort Collins despite the lawsuit.

"What we're doing by filing (the lawsuit), there's a number of issues there that we felt were inappropriately dealt with, but the rules themselves, we feel the rules are livable, and we can work within the rules," Clement said Tuesday.

Some provisions of the rules, he said, didn't conform to the 2008 state law requiring Powertech to keep the groundwater clean.

The rules, which were developed during nearly two years of public hearings, require Powertech to contain water pollution beneath the Centennial Project and fully clean the groundwater once mining permanently ceases.

The company's lawsuit, filed in Denver District Court on Nov. 1, says some of the final provisions of those rules, approved by state mining regulators in August, are unreasonable and hold Powertech to a higher groundwater protection standard than other mining companies.

Clement said earlier this year that the one provision in the rules, which requires companies to establish baseline groundwater purity before they even start looking for uranium underground, would be "fatal" to all future in situ mining operations statewide.

"This is a suit on behalf of industry, not just Powertech," he said Tuesday.

The lawsuit names Colorado Department of Natural Resources Executive Director Mike King and the members of the Mined Land Reclamation Board as defendants.

King's spokesman, Todd Hartman, said the DNR is still reviewing the lawsuit.

"We feel good about that process that led up to those regulations being approved," he said. "We feel that these regulations are important because we're talking about Colorado's water resources. It's critically important that we protect them."

Jeff Parsons, senior attorney at the Western Mining Action Project, which represents local residents opposed to the mine, said it's difficult to gauge the possible success of Powertech's

lawsuit, but it's hard to imagine the company submitting its Centennial Project permit application to the state while the suit is making its way through the courts.

"They previously said they plan to file their application for the Centennial Project by the end of the year, and now they're suing," Parsons said. "That raises the questions about what their timeline is for this project. This litigation can last years."

He said it would be awkward for Powertech to be legally challenging regulations they say they can comply with in their permit application.

"They contradict themselves continually," he said.