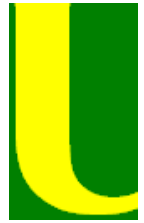
Roadmap for ending U.S. reliance on Russia for nuclear fuel

- Russia has weaponized its energy resources and cultivated America's dangerous reliance on Vladimir Putin and his allies for nuclear fuel.
- U.S. Nuclear utilities purchase nearly 60 percent of the uranium needed to fuel U.S. reactors from Russia, Kazakhstan, and Uzbekistan, including relying on Russia for approximately 20 percent of their annual enriched uranium product requirements.
- The Russian state atomic company, Rosatom - an extension of the Kremlin and Russian military – benefits from hundreds of millions of U.S. dollars in annual uranium purchases.

Recommendations to end U.S. reliance on Russia for nuclear fuel

- Congress and the Administration must recognize Russia has disqualified itself from the Western nuclear market.
- Ban Russian uranium imports into the United States to prevent more U.S. dollars from financing the Putin regime.
- UPA's member companies stand ready to work with U.S. utilities and in concert with other Western uranium suppliers to ensure every existing and planned new domestic reactor will be able to maintain operations as the U.S. economy increasingly relies on reliable clean power.
- UPA strongly supports bipartisan legislation recently introduced in the House (H.R. 7222) and Senate (S.3856) to impose a ban on Russian uranium imports.

Establishment of the U.S. Strategic Uranium Reserve



- The Department of Energy (DOE) developed the Strategic Uranium Reserve precisely to assure the availability of uranium for U.S. nuclear utilities in the event of international supply disruptions and preserve domestic mining and conversion capabilities.
- The Strategic Uranium Reserve is the result of multiple federal investigations and studies, including the Department of Commerce's (DOC) Section 232 investigation of uranium imports and the federal interagency Nuclear Fuel Working Group (NFWG).
- Congress appropriated an initial $75 million for the program in December 2020.
- Program places with NNSA rather than NE.

NNSA Finally Acts

- DOE sent RFP and FONSI on June 30, 2022.
- Limited purchases to U_3O_8 already produced, transported to and stored at conversion plant.
- FONSI – The proposed procurement is modest and will likely result in no new production of U_3O_8 at domestic production facilities.

Going Forward

- Provide, at minimum, the $1.5 billion over 10 years in Strategic Uranium Reserve funding recommended by the NFWG.
- The NFWG supported DOE's Fiscal Year (FY) 2021 budget request for $150 million annually for 10 years as the minimum necessary to support the mining and conversion industries. The NFWG also recognized the potential need to expand the reserve if warranted to adequately guard against disruptions caused by foreign states.
- As DOE develops an over $3 billion domestic nuclear fuel plan, the domestic production of natural uranium (i.e., "yellowcake," the feedstock for converted and enriched nuclear fuel) must be a priority with nearly 60 percent of current U.S. supply sourced from Russia and its allies.

Develop alternatives to Russian sources of high-assay, low-enriched uranium (HALEU).

- Unless non-Russian alternatives are pursued, Russian SOEs will serve as one of the few sources of commercial HALEU supply, posing unacceptable supply risk to advanced reactor projects in the U.S.
- DOE must proceed with urgency to establish domestic HALEU enrichment capabilities that along with a revitalized domestic uranium mining and conversion capabilities can form a stable and reliable HALEU supply chain.
- In the meantime, UPA urges DOE to down-blend National Nuclear Security Administration (NNSA) inventories of highly enriched uranium (HEU) to create an immediate source of HALEU until domestic HALEU capabilities can be established.
- The domestic uranium mining and conversion industries have ample capacity to produce material to replenish these inventories, which are finite and needed to meet national defense, research, and medical requirements in the years ahead.