



January 16, 2015

VIA EMAIL AND FIRST CLASS MAIL

Mr. David Henderson
U.S. Department of Energy
Office of Nuclear Energy
Mailstop NE-52
19901 Germantown Road
Germantown, Maryland 20874-1290

RFI-UraniumTransfers@hq.doe.gov

RE: Office of Nuclear Energy, Department of Energy; U.S. Excess Uranium Management

Dear Mr. Henderson:

On behalf of the Texas Mining and Reclamation Association (“TMRA”), I am writing to provide TMRA’s comments, concerns and responses to the published RFI regarding the U.S. Department of Energy (“DOE”) May 2014 Secretarial Determination on United States uranium reserves.

TMRA is a non-profit trade association representing over one hundred fifty (150) members and companies actively involved in the mining of numerous materials, including uranium. As the collective “voice” of uranium mining in Texas, we are asking that DOE regulatory decisions, guidance and determinations be made consistent with applicable laws and regulations and with open and full opportunity for public input.

First, TMRA supports and adopts those comments submitted to the DOE by the Uranium Producers of America (“UPA”). Some members of UPA are also members of TMRA.

Second, TMRA is concerned that the DOE continues to misinterpret its mandate from the U.S. Congress. The DOE is charged with ensuring its transfers do not have an adverse material impact on the domestic uranium industry. The USEC Privatization Act does not give DOE the discretion to justify its transfers on the basis that the DOE’s transfers have less of an impact relative to other market factors. DOE should solely examine the impact of its transfers on the domestic uranium industry. The direct consequences to the uranium production and conversion industries from DOE transfers in 2012-2014 include direct financial losses, production cutbacks, employment losses, and significant share price reductions for uranium production companies. In addition, the lack of predictability has made it difficult for U.S. producers to raise capital to sustain and grow operations.

While TMRA objects to the DOE's recent actions, including the May 2014 Secretarial Determination, we do not fundamentally oppose DOE's efforts to leverage the federal excess uranium inventory, which TMRA views as a taxpayer asset that can and should be used to fund the cleanup of legacy federal nuclear sites. TMRA, however, believes that DOE actions must be conducted in a transparent manner and that DOE should incorporate the following steps into the process to more effectively meet its mandate from Congress to not have an adverse impact on the domestic uranium production industry:

- Publish future Secretarial Determinations in the Federal Register for public comment before being finalized
- Subject any DOE-sponsored market analyses to peer review
- Reinstate an annual cap on transfers (TMRA supports UPA's recommendation of a 5 million pound cap that would be phased in over five years)
- Reform how the material enters the market by utilizing the expertise of the uranium industry to feed the material into long-term contracts
- Prohibit barter contracts that commence before or extend after the time period covered by a Secretarial Determination

While there is a positive long-term outlook for the nuclear production/power industry, we face more difficult years ahead as the nuclear industry continues to recover from the impact of Fukushima. The Administration has clearly indicated that nuclear power is an essential and vital component in America's current and future electrical generation requirements, and that further expansion of nuclear power must be undertaken to meet the Nation's long-term energy requirements in an effective, reliable, affordable and environmentally protective way. TMRA and its members absolutely agree.

Thank you again for seeking input regarding the DOE's management of the federal excess uranium inventory. We hope this is the starting point of a more productive and transparent dialogue between our industry and the DOE as you proceed.

Respectfully submitted,



Chesley N. Blevins
Executive Director

Mr. David Henderson

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cc: ***Via Email or First Class Mail***

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The Honorable Ted Cruz, U.S. Senator
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The Honorable Joe Barton, U.S. Congressman
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The Honorable Michael Burgess, U.S. Congressman
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