

## Why Trump's Appointments Of Tillerson And Perry May Fuel Uranium And Nuclear Sectors – OpEd

BY STEVE ANTONY\* DECEMBER 30, 2016

In a world anxious about notable political shakeups, but hopeful about new paths for public policies both here at home and abroad, the U.S. nuclear sector may be reenergized under President-Elect Trump through his nomination of Rex Tillerson (CEO of Exxon-Mobil) for Secretary of State, and Rick Perry (former Governor of Texas) as Energy Secretary.

We all know that two major platforms of Trump's campaign were U.S. energy independence and jobs. It follows that Trump and his team can greatly promote both of these interests through nuclear energy and uranium mining.

While many people think about "oil" when discussing energy independence, our greatest foreign energy dependence issues are likely in the nuclear sector. Trump, Tillerson, and Perry have stated that they generally support nuclear energy. However, they need to understand just how dependent on foreign uranium our nuclear sector really is – truly a national security issue.

It is a well-known fact that nuclear power accounts for 20% of U.S. electrical generation (and 63% of our emission-free electricity). However, as the CEO of the 2nd largest uranium producer in the US, I see risks in being far more dependent on foreign uranium than we have ever been on foreign oil. Consider this: in 2015 U.S. nuclear utilities purchased 56.5 million pounds of uranium, of which 3.4 million pounds were produced in the US. Yes – you are reading this correctly – well over 90% of the uranium used to fuel our fleet of nuclear power plants comes from foreign suppliers. Indeed, almost 21 million pounds (about 37%) of the uranium used in U.S. reactors in 2015 came from Russia, Kazakhstan, and Uzbekistan – up from 16.5 million pounds in 2012 (about 29%). And, the problem is only getting worse – US uranium production averaged over 4.6 million pounds per year for 2012 – 2014. However, it decreased almost 20% between 2014 and 2015. And through three quarters in 2016, U.S. uranium production has dropped another 20%. The highly-strategic U.S. nuclear fuel sector is struggling with foreign competition from nations that may not have our best interests at heart – one of whom is alleged by the CIA to have attempted to influence our presidential election! Therefore, declaring our nation energy independent – when we are so dependent on foreign uranium – is flawed.

President-Elect Trump is also interested in saving and creating jobs. While coal jobs have been "front-and-center" in the press, there are many excellent paying jobs in the uranium and nuclear sectors that stand to be lost if more nuclear power plants are closed and uranium production continues to drop. Leading economists are arguing against more nuclear power plant closures. And, states such as New York and Illinois have recently passed legislation to save well-operating plants from premature closures – closures which were due in part to renewable subsidies. Believe it or not, US uranium miners are also in direct competition with our own Department of Energy that sells large quantities of uranium into the global market. Though, I hope this job-crushing policy goes away, if a recent tweet by Trump means anything.

On a related note, Microsoft co-founder Bill Gates, who is leading a \$1 billion investment in the future of energy, has stated that innovation is the key to solving the clean energy problem. It is unquestionable that "moonshots" capture peoples' imaginations, and they certainly have their place in any conversation

on next generation energy. However, these will take years, if not decades, to bring into the marketplace. As I've argued before, nuclear is the real bridge fuel to future clean energy sources. Therefore, nuclear should play a larger role in the U.S. energy mix, and it could make a big difference – right now – as a means to curb price volatility, cut emissions, create good jobs, and achieve energy independence. In addition – thanks to innovation – we might also achieve even greater predictability, increased safety, and more efficiency through digitalization, which may make nuclear an even more appealing energy source for Trump to support.

While we may see increased drilling for fossil fuels under Trump, it may be premature to suggest that the nomination of Tillerson as his Secretary of State will result in total allegiance to the oil sector. In fact, Tillerson has publicly supported a carbon tax. He also made these remarks at an October speech at the 37th Annual Oil & Money Conference in London, "At ExxonMobil, we share the view that the risks of climate change are serious and warrant thoughtful action". One would hope that Tillerson's view will influence Trump's position on climate change. And even Trump recently stated that he has an 'open mind' about the US remaining in the Paris climate deal. All of this would be very positive for nuclear energy and uranium mining.

Someone else who stands to influence U.S. energy policy is Rick Perry, Trump's choice to become Energy Secretary. Perry has championed efforts to have his home state of Texas store both low- and high-level nuclear waste, something that could bode well for his support of the nuclear sector. Texas also hosts four nuclear reactors that supply 10% of that state's electricity – and 60% of their emission-free electricity. Additionally, the largest nuclear maintenance facility in the country is just outside Amarillo, Texas.

Therefore, with Perry running the DOE, it is plausible that we could see the nuclear waste disposal issue move toward resolution. Perry has also suggested, like Trump, that barriers to build new nuclear plants here in the U.S. need to be greatly lowered. And, as mentioned above, I believe there is a chance that DOE uranium sales go away.

At the end of the day, giving "power" back to the people really can give Trump a tangible opportunity to create real American leadership, especially as it relates to nuclear energy, energy independence, innovation, and jobs. This makes Tillerson and Perry an interesting "one-two punch" that may Make the American Nuclear Industry Great Again.

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