

# The Excess Uranium Transparency and Accountability Act

S. \_\_\_\_

**Senator Barrasso**

## **Cosponsors: Senator Markey (D-MA)**

**SUMMARY:** S. \_\_ would bring greater transparency and accountability to the process by which the Department of Energy (DOE) disposes of its excess uranium inventory. Specifically, the bill would:

- (1) require the Secretary of Energy to issue an updated ten-year Excess Uranium Inventory Management Plan for 2016 to 2025 pursuant to the rulemaking process;
- (2) subject future Secretarial Determinations (whereby the Secretary determines whether excess uranium transfers will have an adverse material impact on the U.S. uranium mining, conversion, and enrichment industries) to the rulemaking process; and
- (3) establish an annual cap on DOE's excess uranium transfers of 2,100 metric tons of natural uranium (MTU) (5.487 million pounds) for calendar years 2016 through 2023 and 2,700 MTU (7.06 million pounds) for calendar year 2024 and each year thereafter.

## **WHY DO WE NEED THE EXCESS URANIUM TRANSPARENCY AND ACCOUNTABILITY ACT?**

- DOE has failed to manage its excess uranium inventory consistent with its own policy and federal law. As a result, DOE has caused significant uncertainty for U.S. uranium producers and failed to obtain a fair return on uranium assets for the American public.
- In 2008, DOE published an Excess Uranium Inventory Management Plan which stated that DOE would gradually increase its excess uranium transfers between 2008 and 2013, at which point DOE would limit its excess uranium transfers to 5 million pounds per year or 10 percent of the uranium that U.S. utilities purchased each year.
- Between 2009 and 2011, DOE transferred more uranium than the amount specified in the 2008 Plan. DOE transferred much of this uranium to two contractors who provided decommissioning services at DOE's gaseous diffusion plants in Ohio and Kentucky. In 2011, the Government Accountability Office (GAO) found that DOE's uranium transfers to the two contractors violated federal law (i.e., the miscellaneous receipts statute) by circumventing the power of the purse granted to Congress under the Constitution.
- In 2012, DOE again transferred more uranium than the amount specified in the 2008 Plan. DOE transferred much of this uranium to try to prop up a failing private uranium enrichment company, USEC, Inc. In 2014, GAO found that DOE violated federal law for, among other reasons, failing to charge a price for the uranium it transferred in 2012. GAO explained that the net loss to taxpayers may have been as much as \$195 million.
- In 2013, DOE issued an updated Excess Uranium Inventory Management Plan, but it eliminated all annual caps on excess uranium transfers. In May 2015, DOE authorized excess uranium transfers in the amount of 2,100 MTU per year in "2016 and thereafter," but that authorization expires in May 2017. As a result, neither U.S. uranium producers nor the public know how DOE will manage its excess uranium inventory in the future.