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DOE Actions Harm Domestic Uranium Industry

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Denver, CO: Scott Melbye, President of Uranium Producers of America, issued the following statement on DC District Court ruling in *ConverDyn v. U.S. Department of Energy*.

“We are disappointed the court did not grant a preliminary injunction to stop the Department of Energy from transferring uranium from its inventory into the market, but we are confident ConverDyn will win its lawsuit.

“To fund ongoing decommissioning and clean-up work, the Department is selling uranium from the federal inventory. While we are not opposed to these projects, the Department is now selling more uranium than the entire domestic industry produces in a year. This hurts our industry and violates the law.

“The USEC Privatization Act mandates DOE ensure uranium transfers will not have an adverse material impact on the domestic uranium mining, conversion, or enrichment industry. DOE’s own market analysis concludes these transfers will result in an 8 percent drop in the uranium spot price, a 12 percent cut in the conversion market price, and additional job losses.

“The domestic uranium industry is struggling to survive. Uranium prices are at a level not seen since 2005. We have lost half our workforce, and our production costs far exceed the current spot market price. The Department’s transfers will further depress the market and inhibit our ability to provide a domestic and secure source of fuel for U.S. reactors, which power one in five homes and businesses.

“As uranium prices have fallen, the Department is selling more uranium and raising less money, putting more than 700 jobs at risk at the Portsmouth Ohio decommissioning site. Lower uranium prices mean fewer jobs – fewer uranium jobs and fewer decommissioning jobs. It is in everyone’s interest to stop DOE from dumping uranium on the market.

“The real issue is the Administration’s failure to request full funding for these projects in the appropriations process. Despite what the Department might claim, this is not a choice between protecting the uranium industry and saving jobs in Ohio. We are confident the Department can find \$160 million in a \$27 billion budget to fully fund the cleanup, limit transfers, and fulfill its statutory mandate to protect the domestic uranium industry.”

For more information, please contact:

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