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In Case You Missed It... Barrasso Op-Ed: America's Self-Imposed Uranium Shortage

The U.S. and its allies have plenty, but we still buy from despots.

By: U.S. Senator John Barrasso February 8, 2018 <u>Wall Street Journal</u>

Uranium plays a vital role in maintaining America's national security. The element powers nearly a quarter of the U.S. Navy's fleet and keeps the lights on in around 20% of American homes and businesses. So why is the U.S. relying on adversaries to supply it with uranium?

The American West—including my home state of Wyoming—is rich in uranium. In 2016, commercial nuclear power plants purchased 50.6 million pounds of uranium, according to the Energy Information Administration. The U.S. could produce tens of millions of pounds a year, relying on friendly countries like Canada or Australia for the remainder. Yet the element often comes from nations like Russia, Kazakhstan and Uzbekistan. Together, the three supply around 40% of America's commercial nuclear fuel.

Making matters worse, America's only plant capable of preparing natural uranium for enrichment was idled last year. All uranium mined in the U.S. must now leave the country for processing in places like France and Canada. Then it is reimported for use in domestic nuclear power plants.

The federal government has made the situation worse. Since the 1990s, the Energy Department has maintained a stockpile of uranium from decommissioned nuclear weapons. For the past decade, the agency has actually bartered uranium away in exchange for services from contractors. The contractors then sell the uranium.

If the department sold its uranium directly, the funds would go to the U.S. Treasury, not to the agency's coffers. This bartering scheme effectively circumvents Congress's power of the purse, which is why the Government Accountability Office called it illegal in 2006 and 2011. The department kept doing it anyway.

This is happening while the U.S. is producing uranium at the lowest levels since the early 1950s. None of that matters to Washington. Each year since 2011, Energy has bartered away more uranium than the U.S. has produced.

In the past two years, the department has given contractors more than double the amount of uranium that America generates. Even though U.S. producers suffer harm from this racket, they don't have standing to challenge the government in court. The result is that American uranium producers now supply less than 5% of American nuclear fuel, and the number of American uranium workers was cut in half between 2011 and 2016.

Last spring Energy Secretary Rick Perry took a good first step when he announced that his department would begin to reduce uranium bartering with contractors. But the Energy Department should immediately stop paying its contractors in uranium. If the Trump administration ends this ill-advised policy, it will open up significant opportunities for American uranium producers to supply America's nuclear power plants.

The administration should also take action against state-owned and state-subsidized producers in Russia, Kazakhstan and Uzbekistan. These nations are unfairly flooding the U.S. with cheap uranium, as they are interested in gaining political leverage over the U.S. Two American uranium producers recently petitioned the Commerce Department to investigate these abuses. The Trump administration should expedite this investigation and take steps to make sure our uranium producers can compete on a level playing field.

At a minimum, the administration should pursue policies that promote robust American uranium production. America is on the cusp of losing its ability to produce its own nuclear fuel. The administration can't let that happen.

Mr. Barrasso, a Wyoming Republican, is chairman of the Senate Environment and Public Works Committee.

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