## Congress of the United States Washington, DC 20515

July 14, 2014

The Honorable Ernest Moniz Secretary U.S. Department of Energy 1000 Independence Ave., S.W. Washington, D.C. 20585

## Dear Secretary Moniz:

We write to express our strong opposition to the May 15, 2014 Secretarial Determination authorizing transfers of the Department of Energy's (DOE) excess uranium inventories. We have repeatedly expressed to you and your predecessor our concerns about the negative impacts that uranium transfers have on America's uranium mining, conversion, and enrichment industries and the good-paying jobs that they provide. We repeat our concerns today and request that you disclose the basis for your finding that the uranium transfers authorized by the 2014 Secretarial Determination "will not have an adverse material impact on the domestic uranium mining, conversion, or enrichment industries."

Under the USEC Privatization Act, you are only authorized to transfer or sell excess uranium inventories if you find that the transfer or sale "will not have an adverse material impact on the domestic uranium mining, conversion, or enrichment industry." For years, DOE has relied on market impact analyses conducted by Energy Resources International Inc. (ERI) to justify its uranium transfers. As DOE recently explained to the Government Accountability Office (GAO), DOE contracts with ERI because it does not have the internal expertise to assess the impact of its transfers. DOE justified its 2009, 2011, 2012 and 2013 transfers by citing ERI's explicit findings that these transfers would not have an adverse material impact on domestic uranium industries.

On May 15, 2014, you authorized additional transfers of excess uranium inventories. DOE cited an ERI market impact analysis and "other information and analysis" to justify your finding that these transfers "will not have an adverse material impact on the domestic uranium mining, conversion, or enrichment industries." However, unlike ERI's four prior market impact analyses, ERI's 2014 analysis does *not* make a finding that DOE's uranium transfers will not have an adverse material impact on domestic uranium industries. To the contrary, ERI's 2014 analysis explicitly states that it "does not make any conclusion regarding whether or not the release of DOE inventories into the commercial markets will result in an adverse material impact."

We therefore can only assume that DOE relied exclusively on "other information and analysis" to justify your finding that the 2014 transfers will not have an adverse material impact on domestic uranium industries. For that reason, we ask that you disclose, in its entirety, this other information and analysis. Please also describe what, if any, steps DOE has taken to ensure the technical quality of this information and analysis. We note that DOE recently admitted to GAO that it did not subject ERI's 2012 or 2013 market impact analyses to peer review, but "trusted" ERI to provide quality analyses. We want to know whether DOE has, likewise, trusted the sources of this other information and analysis or whether DOE has subjected it to peer review.

Thank you for your consideration and we look forward to your prompt response.

Sincerely,

John Barrasso, M.D. United States Senator

Mike Johanns United States Senator

Michael B. Enzi United States Senator

Mike Lee United States Senator

John Cornyn United States Senator

Deb Fischer

United States Senator

Orrin G. Hatch United States Senator Cynthia Lummis/

U.S. Representative

Adrian Smith U.S. Representative

Cory Gardner U.S. Representative

Michael Burgess U.S. Representative

Doug Lambern
U.S. Representative

Blake Farenthold U.S. Representative

Scott R. Tipton U.S. Representative

U.S. Representative

John Shimkus U.S. Representative

Stianks Trent Franks
U.S. Representative

Steve Pearce

U.S. Representative