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United States Senate

COMMITTEE ON
ENERGY AND NATURAL RESOURCES
WASHINGTON, DC 20510-6150

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April 30, 2021

The Honorable David Turk
Deputy Secretary of Energy
U.S. Department of Energy
1000 Independence Avenue, S.W.
Washington, D.C. 20585

Dear Deputy Secretary Turk:

I appreciate the commitments that you and Secretary Granholm made during your confirmation hearings to implement the uranium reserve, which received \$75 million in fiscal year (FY) 2021. I also appreciate your commitment to further discuss this important issue.

I understand Secretary Granholm has directed the National Nuclear Security Administration and the Office of Nuclear Energy to collaborate and develop an implementation strategy before establishing the uranium reserve program. While I recognize the need for such a strategy, it should not delay near-term actions that can be taken to inform the establishment of the reserve. I am deeply concerned that DOE is currently not on track to establish the reserve and procure uranium this year. This will have grave consequences on the U.S. nuclear fuel supply chain. I urge you to accelerate the Department's efforts to establish the reserve and request that you begin purchasing uranium this year.

Given the precarious state of the front-end of America's nuclear fuel cycle and the nuclear energy ambitions of Russia and China, it is urgent that the Department take immediate action to establish the uranium reserve. This reserve will ensure the availability of nuclear fuel in the event of a market disruption. Specifically, it will preserve our uranium production capabilities, which state-owned entities currently threaten through imports of artificially low-priced uranium into the United States. The uranium reserve will also provide a means to supply the U.S.-origin uranium required for defense programs, which currently rely on stockpiles that are finite and diminishing.

The U.S. is increasingly reliant on artificially low-priced uranium imports from state-owned entities, including in Russia, Kazakhstan, and Uzbekistan, which now meet nearly half of America's annual commercial reactor demand. Meanwhile, China is actively growing its own presence in global uranium and nuclear markets. This is occurring at a time when U.S. uranium production and employment are at levels not seen since the dawn of the nuclear industry in the 1940s. Our overreliance on state-owned entities is alarming, considering nuclear power provides 20 percent of our nation's electricity and over half of our carbon free power. These factors led the federal interagency Nuclear Fuel Working Group to conclude in April 2020 that the U.S. uranium mining and conversion industries were at urgent risk of collapse, necessitating the uranium reserve to retain our production capabilities and ensure a domestic uranium supply.

A stable nuclear fuel supply chain is also critical for the development of high-assay, low-enriched uranium (HALEU), which will fuel our advanced nuclear reactors. If the Department does not act swiftly to reinvigorate the U.S. nuclear fuel supply chain, our advanced nuclear reactors will be fueled with Russian-produced HALEU. We cannot leave America's energy security, national security, and clean energy goals reliant on fuel supplies from hostile nations.

While state-owned entities have tilted the global playing field against free market companies with predatory market tactics, there remains ample licensed capacity and infrastructure in the U.S. to ramp up uranium production and begin supplying the uranium reserve this year. It is also critical that the Department include funding for the uranium reserve in its FY 2022 budget request. Doing so will demonstrate the Department's commitment to leveling the global playing field for America's uranium producers and maintaining a robust U.S. uranium supply chain.

Thank you for your consideration and assistance.

Sincerely,



John Barrasso, M.D.
Ranking Member