

June 19, 2015

The Honorable Peter J. Visclosky
United States House of Representatives
Washington, DC 20515

Dear Congressman Visclosky:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter of May 13, 2015, forwarding correspondence from your constituent Richard Lenart. Mr. Lenart expressed concern regarding the Russian purchase of U.S. uranium mines and possible shipment of uranium from those mines to Russia or the Middle East.

In 2010, the NRC approved the transfer of control of the licenses from Uranium One USA, Inc. and Uranium One America, Inc. to JSC Atomredmetsoloto (ARMZ), a Russian corporation. At that time we determined that the U.S. subsidiaries of Uranium One, Inc. (the formerly Canadian, now Russian-owned firm) would remain as the NRC-regulated licensees and continue to be qualified to conduct the uranium recovery operations. As a condition of our approval, we required the licensee to notify the NRC before ARMZ appoints, hires, or designates personnel to perform NRC-licensed activities. The ARMZ licensees represent approximately 20 percent of the currently licensed uranium in-situ recovery production capacity in the U.S.

At this time, neither Uranium One, Inc. nor ARMZ holds a specific NRC export license, which would authorize them to export uranium to any other country. However, in 2012, RSB Logistics Services, a shipping company, received from the NRC an amendment to its export license to allow it to export uranium from various sources, including the Uranium One, Inc. Willow Creek site in Wyoming, to the Blind River conversion plant in Canada, and then return the uranium to the U.S. for further processing. That license stated that the Canadian Government needed to obtain prior U.S. Government approval before any of the U.S. material could be transferred to any country other than the U.S. Subsequently, the U.S. Department of Energy granted approval for some re-transfers of U.S. uranium from the Canadian conversion facility to European enrichment plants.

Before issuing this license amendment to RSB Logistics Services—or any other export license or license amendment—the NRC must determine that the proposed export is not inimical to the common defense and security of the United States. Under existing NRC regulations, this means that any uranium proposed to be exported to any country for use in nuclear fuel would be subject to the Atomic Energy Act Section 123 agreement for peaceful nuclear cooperation between the U.S. and that other country and confirmed in case-specific, government-to-government assurances for each export license. The receiving country is required to commit to use the material only for peaceful purposes (not for development of any nuclear explosive device), to maintain adequate physical protection, and not to retransfer the material to a third country or alter it in form or content without the prior consent of the U.S. The transfer of the U.S.-supplied uranium from Canada to Europe noted above also was subject to applicable Section 123 agreements.

P. Visclosky

-2-

In addition, every application submitted to the NRC for a specific export or import license is made available to the public on the NRC's web site, and the NRC welcomes public comment on such applications. Our regulations outline in detail procedures for public participation concerning these license applications.

Please be assured that no Uranium One, Inc.-produced uranium has been shipped directly to Russia and the U.S. Government has not authorized any country to re-transfer U.S. uranium to Russia.

I hope this information is useful to you. If you need anything additional, please contact me or Eugene Dacus, Director of the Office of Congressional Affairs, at (301) 415-1776.

Sincerely,

/RA Michael Weber Acting for/

Mark A. Satorius
Executive Director
For Operations

