

United States Senate

WASHINGTON, DC 20510

December 2, 2011

The Honorable Steven Chu
Secretary
U.S. Department of Energy
1000 Independence Ave SW
Washington DC 20585

Dear Mr. Secretary:

Thank you for your continued engagement and support of the American Centrifuge Project (ACP) and USEC, Inc.'s efforts to obtain a loan guarantee to make this critical technology possible. And thank you for continued commitment to the cleanup of the former Portsmouth Gaseous Diffusion Plant. Together, we have helped 2600 people find employment on the cleanup project building the future of the former site.

I appreciate your concerns with the loan guarantee application at this time and appreciate your continued dedication to its success. The recent "Cooperative Agreement" (CA) that proposes additional Research Development and Demonstration (RD&D) investment similar to other commitments made by the Department in 2009 is a positive step. Partnering with USEC and holding the ACP to strict milestones is a responsible path forward. While we continue to work together with the Congress and the Administration on funding the CA, I am concerned that there are additional resources at USEC's and DOE's disposal that can provide a valuable influx of capital. This funding can happen today and will allow the project to continue as Congress and the Administration work through the appropriations process.

I ask that you work with USEC to "collateralize" the uranium tails and allow this freed capital to be put to work on the RD&D. In order to protect DOE and taxpayer interests, DOE would not only take title of the depleted uranium hexafluoride, or DUF6, "tails", as it has done previously, but would also take possession of an equal value of USEC's low enriched uranium, or LEU. This would provide USEC with the much needed cash infusion at no exposure to taxpayers. The "collateralization" is consistent with US law and can be done very quickly between DOE and USEC.

If the Department and USEC believe that one train of centrifuges is needed to meet our national security needs and provide a path to commercialization, than surely the Department and company can commit to this proposal that funds the RD&D today and avoids any demobilization. This proposal does not amount to a handout and with "skin in the game", USEC will be held accountable for any loss to the taxpayer, should the ACP fail to meet the milestones in the CA.

From our national defense to supplying nuclear reactors around the world, it is critical that the country that invented nuclear power maintains its leadership in nuclear energy with projects like the ACP. I ask that you work with me on implementing this plan as we work to create an ACP that benefits our entire country.

Thank you for your continued attention to this important matter.

Sincerely,



Sherrod Brown

Thank you, Mr. Secretary