



U.S. DEPARTMENT OF ENERGY

News Media Contact(s):
(202) 586-4940

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800 to 1000 New Jobs Coming to Piketon

Department of Energy to Accelerate Cleanup Work While USEC Further Develops ACP Technology

(Washington, D.C.) The Department of Energy announced today that it will further expand and accelerate cleanup efforts of cold-war era contamination at the Portsmouth site in Piketon, Ohio – an investment worth about \$150 to \$200 million per year for the next four years that is expected to create 800 to 1000 new jobs. At the same time, the Department has encouraged USEC to withdraw its application for loan guarantee funding for the American Centrifuge Plant in Piketon. This would allow USEC to work over the next 12-18 months to continue research, development, and testing to resolve the technology issues facing ACP without hurting the chances of USEC to secure approval for a loan guarantee in the future.

“While we believe USEC needs time to develop its technology and demonstrate that it can be deployed at a commercial scale, we’re moving forward with other investments that will create good, high-paying jobs in the community,” said Energy Secretary Steven Chu. “USEC will have another chance to resubmit their application if they can overcome the technical and financial hurdles, but in the meantime we’ll put more people to work in the environmental cleanup effort.”

The Department of Energy has worked closely with USEC since the Obama Administration took office to evaluate their loan application. The Department sees promise in the ACP technology a next generation uranium enrichment technology, but DOE’s technical and financial review indicates the project is not yet ready to move to commercial scale operations and therefore USEC’s application would likely not meet the legal requirements of the 2005 EPACT statute and the subsequent Title 17 loan guarantee regulations. Therefore, the Department is offering up to \$45 million over the next 18 months to support ongoing ACP research and development activities. Should USEC accept this offer, it would allow them to continue operations, maintenance, and research activities at Piketon and Oak Ridge, and give USEC additional time to strengthen the technical and financial aspects of the application should USEC decide to resubmit it.

The \$150 to \$200 million investment in environmental cleanup at Piketon is in addition to the \$118 million provided through the President’s American Recovery and Reinvestment Act. The new investment will be funded by providing excess uranium from the Department’s existing stockpiles in exchange for services. This uranium is in excess of what the U.S. government needs and can be safely enriched for civilian nuclear power production, helping to meet our country’s energy needs while supporting important cleanup activities. The Department of Energy has used an exchange of excess uranium in a number of instances to pay for needed services.

“The Cold War left a legacy of environmental contamination at Piketon,” said Secretary Chu. “Today’s announcement means that the United States will be using another remnant of that era – excess uranium stockpiles – to fund the cleanup, while creating new jobs and helping the nation meet our energy needs.

It represents the best path forward.”

The 800 to 1000 new jobs created by today’s announcement will more than offset any job losses among the current 750 workers at ACP, many of whom will be able to either continue their work at ACP or be hired as part of the expanded cleanup effort.

If USEC does not withdraw the application, the Department will likely take formal action on it soon. USEC’s other activities, especially the ongoing operations of the Highly Enriched Uranium agreement with Russia and the reliable uranium enrichment operations at Paducah, should not be affected by this decision. The HEU agreement remains a critical national security priority and provides attractive financial returns for USEC. Likewise, the Paducah operations have a useful life of another 5-10 years and should continue without interruption.

U.S. Department of Energy, Office of Public Affairs, Washington, D.C.