

# GE Hitachi enters talks with Energy Dept. to buy depleted uranium, build new Ky. plant

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LOUISVILLE, Kentucky — The U.S. Department of Energy said Wednesday that it is entering negotiations with General Electric's nuclear division on a proposal to replace an aging uranium enrichment plant in Kentucky with a new facility.

GE Hitachi Nuclear Energy wants to build a laser enrichment facility that would make use of the depleted uranium kept at the Paducah Gaseous Diffusion Plant. The Energy Department announced that it has selected GE Hitachi to begin exclusive negotiations for the sale of the uranium inventory.

GE Hitachi spokesman Chris White said Global Laser Enrichment that uses a unique laser technology would extract natural uranium from Paducah's stores of depleted tails. The uranium would be used to fuel commercial nuclear reactors in the U.S., he said.

The negotiations are just beginning and there is no timetable on building a new plant, White said.

U.S. Sens. Mitch McConnell and Rand Paul, along with Rep. Ed Whitfield, said in a joint release Wednesday that the company could create thousands of temporary construction jobs and hundreds of permanent jobs at the plant site in the Kentucky city along the Ohio River near the Illinois border.

The plant had been a major employer for two generations but is now shutting down and layoffs began earlier this year.

Gov. Steve Beshear called the announcement "a positive development" that he hopes will bring economic stability to Paducah.

"While negotiations are yet to come and a great deal of work remains, I am cautiously optimistic regarding this new effort," Beshear said.

A Department of Energy release said the GE Hitachi proposal "offered the greatest benefit to the government" from among the firms that showed interest in Paducah's depleted uranium stockpile.

The negotiations would include the use of Paducah's existing facility, though no uranium would be enriched at the old plant, White said.

"We would be producing uranium in quantities that would rival a natural uranium mine," White said.

If the negotiations are successful, GE Hitachi, which is headquartered in Wilmington, North Carolina, would then seek approval from the Nuclear Regulatory Commission to license a new facility in Paducah.

USEC Inc., which leases the plant from DOE, said in May it planned to cease production and lay off most of the plant's approximately 1,100 workers. The average salary for plant workers, including benefits, is \$125,000. The mass layoffs will cause ripple effects throughout the regional economy.

McConnell, the Senate's top-ranking Republican, has pressed the Energy Department to ensure that any work to re-enrich depleted uranium material at the plant remains at the Paducah facility. McConnell, Paul and Whitfield said they met with Energy Secretary Ernest Moniz on two occasions to discuss the matter.

The Paducah plant opened in 1952 to develop enriched uranium for military reactors and to produce nuclear weapons. The plant began selling uranium for commercial reactors in the 1960s, and has been operated since the late 1990s by Bethesda, Maryland,-based USEC.