



Department of Energy

Portsmouth/Paducah Project Office
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Lexington, Kentucky 40513
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DEC 16 2011

Mr. Ralph Young, Chair
Paducah Citizens Advisory Board
111 Memorial Drive
Paducah KY 42001

PPPO-02-1281006-11

Dear Mr. Young:

RESPONSE TO THE PADUCAH CITIZENS ADVISORY BOARD RECOMMENDATION 11-07: RE-ENRICHMENT OF HIGH ASSAY TAILS

The U.S. Department of Energy (DOE) is in receipt of the Paducah Citizens Advisory Board (CAB) Recommendation 11-07, Re-enrichment of High Assay Tails. The CAB recommends:

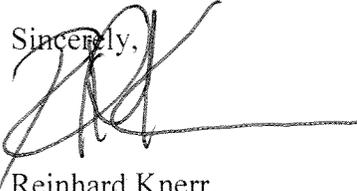
- 1. The DOE should make an immediate decision to re-enrich the high assay tails at the Paducah Gaseous Diffusion Plant beginning in FY-2012 in order to capitalize on available excess capacity and cost efficiencies while the plant is still operational.**
- 2. Funds, proceeds, revenues, or other monetary returns generated from the re-enrichment of high assay tails at the Paducah site should be allocated to the Paducah EM cleanup projects on top of current funding targets. This will allow the DOE to meet FY-2019 enforceable milestones and the DOE's commitments to the community regarding site cleanup, which are currently in jeopardy due to the current levelized funding targets.**
- 3. If the DOE is delaying the decision to re-enrich the high assay tails for any particular reason, such as in order to retrofit a facility that utilizes a different technology or allow the DOE to self-perform the work, the Paducah Citizens Advisory Board requests supporting documentation for the DOE's decision be made publicly available.**

DOE appreciates your recommendation regarding the potential for re-enrichment of depleted uranium hexafluoride "tails" currently stored at the Gaseous Diffusion Plant in Paducah, Kentucky. DOE is continuing to evaluate the viability of a re-enrichment program for portions of its tails inventory. Many considerations regarding the program are being evaluated including the economic benefit to the taxpayer, the potential impacts to the domestic uranium markets, and the legal framework under which any proceeds from the program, if any, could be retained by DOE.

Presently, considering our limited budget, the main focus of the Paducah work effort is on the site environmental cleanup program and the tails conversion project. The conversion project will first process the lowest assay tails (over 60% of the Paducah tails inventory). Saving the higher assay tails until later in the conversion project will avoid any concern that the conversion project

could adversely impact any tails re-enrichment program. Upon any decision by DOE, we will make sure that the appropriate information is made available to the CAB.

We appreciate the CAB's continued support of DOE's ongoing interest in completing the cleanup mission in a safe and expedient manner. If you have any questions, or require additional information please contact Buz Smith at (270) 441-6821.

Sincerely,


Reinhard Knerr
Paducah Site Lead
Portsmouth/Paducah Project Office

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