



Material for 16,000 Nuclear Warheads Eliminated by Megatons to Megawatts

September 9, 2010

BETHESDA, Md., Sep 09, 2010 (BUSINESS WIRE) --

USEC Inc. (NYSE: USU) announced today that the [Megatons to Megawatts](#) program has eliminated the equivalent of 16,000 nuclear warheads by recycling 400 metric tons of weapons-grade uranium from Russia into low enriched uranium used as fuel in commercial nuclear power plants.

The Megatons to Megawatts program is a unique, commercially financed government-industry partnership in which 500 metric tons of Russian weapons-grade uranium downblended to low enriched uranium is being supplied to USEC for delivery to USEC's customers as commercial reactor fuel.

"For more than 15 years, USEC and TENEX have cooperated in fueling America's nuclear reactors while reducing the threat of nuclear proliferation for the entire world," said John K. Welch, USEC president and chief executive officer. "Our bilateral efforts have made the world safer, benefited the American consumer, and reduced greenhouse gas emissions."

USEC's subsidiary, United States Enrichment Corporation, as executive agent for the U.S. government, and JSC "Techsnabexport" (TENEX), acting for the Russian government, implement the program, which is on track to complete the downblending of the equivalent of 20,000 nuclear warheads into commercial nuclear fuel by the end of 2013. USEC has paid the Russian Federation more than \$6.7 billion for the SWU (separative work units) component of the low enriched uranium delivered since 1995. The total amount paid to Russia through the 20-year life of the contract is expected to exceed \$8 billion. USEC also supplies natural uranium to TENEX in exchange for the uranium component of the low enriched uranium.

The U.S. Department of Energy's National Nuclear Security Administration (NNSA) is the U.S. lead agency on the Megatons to Megawatts program. Through its HEU Transparency Program, NNSA works to reduce nuclear risks by monitoring the conversion of Russian highly enriched uranium at several sites in Russia.

The fuel generated to date could produce enough electricity to meet the demand for a city the size of Boston or Seattle for approximately 610 years and is the energy equivalent of more than 9.8 billion barrels of oil or nearly three years of U.S. crude oil imports.

Background: HEU to LEU

The recycling of HEU into LEU begins with a multi-step process at several facilities in Russia. HEU metal is first removed from a warhead, machined into shavings, oxidized and fluorinated.

The resulting highly enriched uranium hexafluoride is then mixed in a gaseous stream with slightly enriched uranium to form LEU suitable for commercial nuclear reactors. The LEU is checked to ensure it meets commercial specifications, transferred to shipping cylinders and sent to a collection point in St. Petersburg. USEC takes possession of the material there and ships it to USEC's facility in the United States where it is inspected and then included in USEC's inventory.

USEC Inc., a global energy company, is a leading supplier of enriched uranium fuel for commercial nuclear power plants.



SOURCE: USEC Inc.

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