



Department of Energy

Washington, DC 20585

May 14, 2015

The Honorable John Barrasso, M.D.
United States Senate
Washington, DC 20510

Dear Senator Barrasso,

Thank you for your April 23, 2015 letter regarding the Department of Energy (DOE) transfers of uranium to Fluor-B&W Portsmouth (FBP) for decommissioning and decontamination services at the Portsmouth Gaseous Diffusion Plant, and FBP's arrangement to sell that uranium to the Traxys Group.

DOE appreciates your inquiry regarding uranium transfers and ensuring that the services it receives from FBP are in the taxpayers' interest. As you may know, DOE's contract with FBP establishes the process under which DOE transfers natural uranium hexafluoride (UF₆) to FBP in exchange for cleanup services at Portsmouth. The value of the services that DOE receives are based on prevailing market prices, and DOE is immediately credited with the values in services by FBP. Once DOE transfers uranium to FBP, the material becomes an FBP asset, and the contract between DOE and FBP does not limit or control FBP's decisions regarding the uranium.

As you mentioned, the General Accountability Office has reviewed past transfers of uranium. DOE understands that FBP's contract with Traxys was made available to the GAO during its 2011 investigation. The September 2011 report you mentioned did not identify any legal violations related to the FBP transfers.

We appreciate your continuing interest in these matters. If you have any questions, please contact me or Ms. Jaime Shimek, Deputy Assistant Secretary for Senate Affairs, at (202) 586-5450.

Sincerely,

A handwritten signature in blue ink, reading "Mark Whitney".

Mark Whitney
Acting Assistant Secretary
for Environmental Management

