



April 10, 2017

Cheryl Moss Herman
U.S. Department of Energy
Office of Nuclear Energy
Mailstop NE- 32,
19901 Germantown Rd.
Germantown, MD 20874-1290

Submitted via email: RFI-UraniumTransfers@hq.doe.gov

Re: Excess Uranium Management: Effects of Potential DOE Transfers of Excess Uranium on Domestic Uranium Mining, Conversion, and Enrichment Industries; Notice of Issues for Public Comment, Federal Register / Vol. 82, No.45 / Thursday, March 9, 2017/ Notices

Dear Ms. Herman:

On behalf of Energy Fuels Resources (USA), Inc. (Energy Fuels), we appreciate the opportunity to provide input on the Department's management of the federal excess uranium inventory. Energy Fuels is a domestic uranium mining company, and we own and operate the last operating uranium mill in the United States, the White Mesa Mill in Southeast Utah. We also own and operate two in situ uranium recovery operations, the Nichols Ranch Uranium Project located in Central Wyoming, and the Alta Mesa Uranium Project in South Texas. Energy Fuels employs 116 people in the states of Arizona, Colorado, New Mexico, Texas, Utah, and Wyoming.

As a member of the Uranium Producers of America (UPA), we participated in developing the association's comments to this Federal Register Notice. We strongly support the UPA recommendation for the Department to halt further uranium transfers until the market recovers. The uranium market is already oversupplied, and any additional transfers will continue to have an adverse material impact on our company and the industry.

According to the 2015 Domestic Uranium Report published by the Energy Information Agency, the combined licensed and name plate capacities of Energy Fuels three production centers is 11 million lbs U₃O₈ per year. In our 2016 10-K report, Energy Fuels reported production of just over 1 million lbs U₃O₈ per year, or less than 10 percent of our reported capacity. That inability to utilize a significantly higher portion of capacity is in response to the very low uranium market price, and a conscious decision by the company in 2016 to limit capacity and reduce costs. The most visible outcome of this response is the reduction in employment since January 2016, where we employed 202 people, to March 31, 2017, where that employment number dropped to 116 people. This represents 42% reduction in workforce across the states where we operate.

We are now at a point where our country is importing 94 percent of the uranium needed to power our domestic nuclear reactors. Rather than compete with our industry, we encourage the Department to work with us and other stakeholders to ensure we have a stable domestic supply of uranium.

Sincerely,

A handwritten signature in black ink, appearing to read 'William Paul Goranson', with a long horizontal flourish extending to the right.

William Paul Goranson
Executive Vice President ISR Operations