

Commercial Viability of USEC and ACP Update – 2009

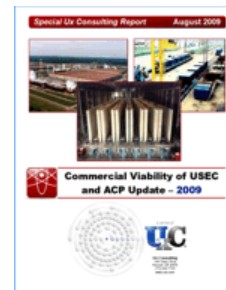
UxC, the nuclear fuel industry's leading market research and analysis company, announces the availability of a new report focused on the United States Enrichment Corporation (USEC).

USEC and the American Centrifuge – A 2009 Update



The recent announcement that the DOE was not going to award a loan guarantee to USEC in the July/August 2009 timeframe for completion of the American Centrifuge Plant shocked and surprised not only USEC, but many in the nuclear industry. The non-award has thrown a proverbial curve ball at USEC and USEC has had to scramble to adjust to a different situation than the one it had assumed would happen.

Our latest study report on USEC and its American Centrifuge Project is an in-depth analysis of USEC's viability now that a DOE loan guarantee will be, at best, delayed for at least six months. The report looks at why the DOE Loan Guarantee Program Office's evaluation of USEC's loan application may have led to concerns about the technical viability of the ACP and about USEC's financial ability to repay a \$2.0 billion loan.



An updated technical view of the progress USEC has made on the ACP since our January 2008 report is presented at the beginning of the report, setting the stage for the commercial analysis that follows. The commercial analysis looks at USEC's current and future sources of revenues, costs, and operating margins and then projects these out to 2018 to assess USEC's long-term profitability. Separative Work Unit (SWU) sales - from the aging Paducah gaseous diffusion plant (GDP) and from the High Enriched Uranium (HEU) program with the Russians – are reviewed, along with uranium sales from underfeeding the GDP, and sales from the Government Sales segment.

USEC's current and future position within the worldwide enrichment market is also analyzed and forecasted. The market analysis considers that USEC must compete with other enrichers who are not standing still as USEC copes with the loan guarantee decision and its own delays with commercializing the ACP.

The report also looks at strategic alternatives that USEC could be considering to improve its business position in the world nuclear fuel cycle market. Our Viability report analyzes these events and looks at the time horizon USEC has to remain a viable SWU supplier and what actions it should be taking today to sustain the SWU business and perhaps grow into other areas.

Please see the report table of contents in Adobe Acrobat PDF  format for a review of the chapters and subchapters in the report.

Pricing Information

Special Offer

UxC has recently announced its **2010 USEC Watch service** and special pricing offer that includes the 2009 viability study.

The price for the UxC **Commercial Viability of USEC and ACP Update – 2009** report is **US\$5,000.00**. Customers of UxC's *Enrichment Market Outlook* will receive a \$1,500.00 discount, making the total price for EMO subscribers \$3,500. An online order form is available to purchase this report.

Please note that we will also offer to purchasers of the 2009 USEC/ACP study report an opportunity to engage UxC's principals involved in the report in a custom presentation at the customer's location for a negotiated fee.

For additional information, please contact:

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