

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 2054
OFFERED BY MR. WHITFIELD OF KENTUCKY**

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “Energy and Revenue
3 Enrichment Act of 2011”.

4 SEC. 2. DEFINITIONS.

5 In this Act:

6 (1) DEPARTMENT.—The term “Department”
7 means the Department of Energy.

8 (2) ENRICHMENT PLANT.—The term “enrich-
9 ment plant” means a uranium enrichment plant
10 owned by the Department of Energy with respect to
11 which the Nuclear Regulatory Commission has made
12 a determination of compliance under section
13 1701(b)(2) of the Atomic Energy Act of 1954 (42
14 U.S.C. 2297f(b)(2)).

15 (3) QUALIFIED OPERATOR.—The term “quali-
16 fied operator” means a company that has experience
17 in operating an enrichment plant under Nuclear
18 Regulatory Commission authorization and has the

1 ability and workforce to enrich the depleted uranium
2 that is owned by the Department of Energy.

3 (4) REENRICHMENT.—The term “reenrich-
4 ment” means increasing the weight percent of U-
5 235 in uranium in order to make the uranium usa-
6 ble.

7 (5) SECRETARY.—The term “Secretary” means
8 the Secretary of Energy.

9 **SEC. 3. REENRICHMENT CONTRACT.**

10 (a) IN GENERAL.—

11 (1) REQUIREMENT.—The Secretary shall enter
12 into a contract with a qualified operator for a 24
13 month pilot program for the reenrichment at an en-
14 richment plant of the depleted uranium owned by
15 the Department of Energy that the Secretary finds
16 economically viable. The Secretary shall seek to
17 maximize the financial return to the Federal Gov-
18 ernment in negotiating the terms of such contract.

19 (2) TERMS.—The contract entered into under
20 this subsection shall provide for—

21 (A) the transfer to the qualified operator
22 of title to the depleted uranium to be enriched
23 under the contract;

24 (B) retention by the qualified operator of
25 a sufficient amount of the reenriched uranium

1 to cover the terms of the contract negotiated
2 between the Secretary and the qualified oper-
3 ator;

4 (C) return to the Secretary of all re-
5 enriched uranium not retained by the qualified
6 operator pursuant to subparagraph (B); and

7 (D) transfer back to the Secretary of all
8 the depleted uranium resulting from the re-
9 enrichment conducted under the contract.

10 (3) AMOUNT OF ENRICHMENT.—The Secretary
11 shall, during each year of the pilot program under
12 this subsection, provide for uranium reenrichment
13 under such program in an amount (measured in sep-
14 arative work units) equal to approximately 25 per-
15 cent of the aggregate uranium enrichment conducted
16 in the United States during calendar year 2010.

17 (4) ECONOMIC VIABILITY.—For purposes of
18 paragraph (1), uranium shall be considered economi-
19 cally viable if the cost to the United States of the
20 reenrichment thereof, including the costs of the con-
21 tract entered into under paragraph (1), are less than
22 the revenue anticipated from the sale of the re-
23 enriched uranium returned to the Secretary pursu-
24 ant to paragraph (2)(C).

1 (b) COMMENCEMENT OF REENRICHMENT.—Re-
2 enrichment under the contract entered into under sub-
3 section (a) shall commence as soon as possible, but no
4 later than June 1, 2012.

5 (c) SALE OF REENRICHED URANIUM.—The Sec-
6 retary may from time to time sell the reenriched uranium
7 returned to the Secretary at fair market value pursuant
8 to subsection (a)(2)(C).

9 (d) USE OF PROCEEDS.—Any funds received by the
10 Secretary from the sale of reenriched uranium generated
11 pursuant to the contract entered into under subsection (a)
12 shall be transferred to the Uranium Enrichment Decon-
13 tamination and Decommissioning Fund established in sec-
14 tion 1801 of the Atomic Energy Act of 1954 (42 U.S.C.
15 2297g), to be available, to the extent provided in advance
16 in appropriation Acts, without fiscal year limitation.

17 **SEC. 4. LIMITATION ON FEDERAL URANIUM SALES.**

18 (a) INITIAL PERIOD.—Notwithstanding section
19 3112(d) of the USEC Privatization Act (42 U.S.C.
20 2297h—10(d)), the contract entered into under section
21 3(a) shall provide that, during the 24 month pilot program
22 and the subsequent 24 months after that program is com-
23 plete, the Secretary and the qualified operator combined
24 shall not during any calendar year sell uranium that is
25 reenriched under that contract in an amount that exceeds

1 15 percent of the United States' nuclear fuel requirements
2 for that year.

3 (b) SUBSEQUENT PERIOD.—After the expiration of
4 the 48 month period described in subsection (a), the Sec-
5 retary may not during any calendar year sell an amount
6 of uranium that exceeds 10 percent of the United States'
7 nuclear fuel requirements for that year, except to the ex-
8 tent that the Secretary determines that such sales will
9 have no significant effect on uranium markets.

10 **SEC. 5. COMPETITIVE BIDDING FOR CONTINUATION OF**
11 **PROGRAM.**

12 (a) IN GENERAL.—Upon the expiration of the pilot
13 program under this Act, the Secretary may, through a
14 competitive bidding process, enter into a contract for fur-
15 ther reenrichment, without disruption in the continuity of
16 reenrichment. Reenrichment under this section shall be
17 carried out subject to the requirements of section 3, except
18 that the definition in section 2(2) shall not apply to such
19 requirements.

20 (b) COMPETITION.—In accordance with the Competi-
21 tion in Contracting Act of 1984 (Public Law 98–577), the
22 Secretary shall provide for full and open competition of
23 a reenrichment contract under this section through use of
24 a competitive procedure or combination of competitive pro-
25 cedures consistent with the Federal Acquisition Regula-

1 tions. The Secretary is prohibited from entering into a
2 contract that exports the uranium tails for reenrichment.
3 The Secretary shall certify to the Committee on Energy
4 and Commerce of the House of Representatives and the
5 Committee on Energy and Natural Resources of the Sen-
6 ate that the successful bidder does not shift current en-
7 richment operations or reenrichment operations as a result
8 of the pilot program outside of the United States.

