

**PRESS RELEASE FROM
THE MINISTRY FOR ATOMIC ENERGY OF THE RUSSIAN FEDERATION**

February 7, 2003

(Unofficial Translation)

**On the 10th Anniversary of the Agreement between the Government of the Russian Federation and the Government of the United States of America Regarding the Utilization of Highly Enriched Uranium Extracted from Nuclear Weapons
(HEU-LEU AGREEMENT)**

On February 18, 1993, an Agreement between the Government of the Russian Federation and the Government of the United States of America regarding the utilization of highly enriched uranium (HEU) extracted from nuclear weapons (the Agreement) was signed.

The executive agents appointed by the governments to implement the Agreement were: for the Russian government, the Ministry for Atomic Energy of the Russian Federation; and for the U.S. government, the Department of Energy, which later transferred its commercial functions to the enrichment corporation, USEC.

The Agreement provides that within 20 years, until 2013, 500 metric tons of uranium as Russian HEU would be processed into low-enriched uranium (LEU) to be fabricated into fuel for American nuclear power plants.

In October 2002, USEC and OAO "Techsnabexport", executive agents of the U.S. and Russian governments for implementation of the Agreement, declared that one-third of the program, based on deliveries to the U.S. of LEU extracted from HEU, has been fulfilled.

As of today, 170 metric tons of uranium as HEU has been irreversibly destroyed and transformed into nuclear fuel. That means that mankind has been relieved of more than 6,500 nuclear warheads and received 2 billion megawatts of electricity instead.

Thanks to the market orientation of the program, there is no sizable expenses for administration, i.e. all revenues, about \$3.5 billion received since 1994, work in real sectors of the Russian economy. They are invested from the state budget into scientific research, converting military production to civilian use, enhancing safety and resolving environmental problems.

Simultaneously, about 20 thousand metric tons of natural uranium hexafluoride (UF₆) have been returned to Russia. That is enough to satisfy Russian nuclear energy needs for several years.

-- more --

As a result of the program, about 10% of all electricity in the United States is being produced by burning nuclear fuel received from Russia.

An addendum to the existing long-term contract with USEC, which runs until the year 2013, was signed in February of 2002.

Terms of the new agreement allow for a stable and predictable flow of revenues to the Russian budget and permit fulfillment of the HEU-LEU agreement without any concerns of disruption because of disputes over prices.

Thus, by the number of dismantled warheads and by the volumes of liquidated nuclear materials, the Russian HEU-LEU program has no parallels in the sphere of global disarmament. As a whole, it has been implemented successfully, and provides an example of the effective realization of bilateral cooperation in real disarmament.

###

Contact information:



Ministry for Atomic Energy of the Russian Federation: www.minatom.ru/english/



USEC Inc. www.usec.com