



## **USEC STATEMENT**

**March 26, 2003**

### **U.S. Court of International Trade Requires Commerce Department To Further Support Determination in Low-Enriched Uranium Trade Cases**

The U.S. Court of International Trade has remanded to the U.S. Department of Commerce (DOC) certain issues in the trade cases involving European low-enriched uranium (LEU) imports for a better explanation of the DOC's determination than the agency originally provided.

In remanding the issues, the court has not reversed the DOC's final determination nor any of the DOC's dumping or countervailing duty orders, which remain in effect. The U.S. government will continue to collect duties on LEU imports from France, Germany, the Netherlands and the United Kingdom, pending the court's final ruling. This remand is one step in an ongoing process of decision and appeal.

A remand is a procedure by which an appellate court sends a decision back to a lower court or agency to take certain action. The remand in the trade cases provides the DOC with an opportunity to better explain its determination given certain prior DOC decisions that the court felt were inconsistent with the DOC's holding that enrichment contracts were sales of goods. These decisions were addressed in the DOC's final determination along with a number of other issues.

Given the extensive factual, legal and policy arguments presented to the DOC in the trade cases, USEC is confident that the DOC will substantiate its determination with sufficient depth and clarity for the court to affirm.

The parties who have actively promoted imports of unfairly priced LEU into the United States have said they will challenge the DOC's determination in a variety of venues. This is not the first challenge to the DOC's decision, nor do we expect it to be the last.

Duties against European LEU imports have been in place since February 2002, following the DOC ruling that two European uranium enrichers were receiving unfair government subsidies and, in the case of the French enricher, illegally dumping LEU in the United States. The DOC's action has helped return fair pricing to the U.S. nuclear fuel market.

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The DOC is expected to respond to the court within 75 days of yesterday's decision. The court is expected to rule 45 to 90 days after receiving the DOC's response.

USEC Inc. (NYSE: USU), a global energy company, is the world's leading supplier of enriched uranium fuel for commercial nuclear power plants.

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