ONE HUNDRED SEVENTEENTH CONGRESS

Congress of the United States

House of Representatives COMMITTEE ON ENERGY AND COMMERCE

2125 RAYBURN HOUSE OFFICE BUILDING WASHINGTON, DC 20515-6115 Majority (202) 225-2927 Minority (202) 225-3641

April 27, 2022

The Honorable Jennifer Granholm Secretary of Energy U.S. Department of Energy 1000 Independence Avenue, SW Washington, D.C. 20585

Dear Secretary Granholm:

Russia's invasion of Ukraine exposes the risks of weakening American energy security. These risks extend beyond our oil and gas assets to include supply vulnerabilities in our civilian nuclear sector. This sector is essential for national and energy security, and for strengthening the geostrategic relationships necessary to compete with Russia, China, and other adversaries.

Unfortunately, global nuclear fuel market disruptions in the wake of Japanese and German nuclear reactor shutdowns following the Fukushima accident in 2011, as well as U.S. reactor shutdowns over the past decade, undermined domestic uranium mining, conversion, and enrichment services. This eroded our domestic nuclear fuel infrastructure. At the same time, reliance on inexpensive, Russian-sourced fuels to well more than 20% of America's nuclear fuel supply created strategic vulnerabilities. Those vulnerabilities now threaten disruption to fuel supplies for a nuclear fleet that is responsible for 20 percent of the nation's electricity supply, as well as the timely deployment of advanced nuclear technologies.

As Secretary of Energy, you have authorities under the Atomic Energy Act, the Department of Energy (DOE) Organization Act, and in recent laws¹ enacted by Congress to take action to address immediate and long-term fuels supply vulnerabilities. For example, the Atomic Energy Act authorizes you to take actions to increase the availability of domestic uranium and conversion services to advance domestic fuel cycle capacity in the United States. These authorities also enable you to expand the existing American Assured Fuel Supply² to address supply disruptions. Under the DOE Organization Act, you are authorized to direct coordination between components of the Department, including the National Nuclear Security Administration

¹ See Section 2001 of the Energy Act of 2020 and Section 40323 of the Infrastructure Investment and Jobs Act.

² See <u>Federal Register Notice</u>, Notice of Availability: American Assured Fuel Supply, August 18, 2011.

and the Office of Nuclear Energy, to assure that all DOE resources can be brought to bear to assist supply threats.

Given looming risks to American nuclear fuel infrastructure and supply, we believe you should prioritize Departmental capabilities to address vulnerabilities in the short term and to facilitate restoration of private, domestic nuclear energy fuel infrastructure in the long term. Unfortunately, the President's budget proposal indicates no clear action on this front.

Shortly, you will appear before the Energy and Commerce Committee and will have an opportunity to discuss how Russia's invasion has refocused your priorities to address energy security, including American nuclear energy security. To assist with our oversight of your management of these matters and review of the President's budget proposals, we request that you provide responses to the following by May 11, 2022.

- 1. Describe all actions the Department is taking to identify and address current and potential nuclear fuel supply disruptions, including, but not limited to, implementation of recommendations of the U.S. Nuclear Fuels Working Group's 2020 report and contingency planning to address short-term shortages and capacity gaps caused by loss of access to Russian-sourced nuclear fuels.
- 2. Provide current Energy Information Administration (EIA) data and your assessment of the domestic market for enriched fuels and potential gaps if Russian-sourced supplies cease or are curtailed. Include in this assessment the total domestic demand, Russian-sourced supply, domestic production capacity, commercial inventories, U.S. government inventories, and any other appropriate information and market considerations to provide a full picture of the domestic supplies, domestic capacity, and the potential gaps and economic impacts.
- 3. Provide a list of authorities and budget and other resources, including uranium resources, at the Department's disposal to support planning to respond to any supply disruptions and assist the long-term development of private, domestic fuel cycle infrastructure.
- 4. Describe the status of the Department's implementation of a domestic uranium reserve and revitalization of domestic uranium conversion services.
- 5. Describe the status of the Department's implementation of section 2001 of the Energy Act of 2020, including efforts, given current events, to accelerate implementation of the program.
- 6. Describe the status and timing of the Department's implementation of section 40323 of the Infrastructure Investment and Jobs Act, including how it could mitigate any negative economic impacts from supply shortages or domestic development of fuels.

We appreciate your prompt attention to this request. Please have your staff work with Peter Spencer of the Minority Committee Staff to address any questions about complying with this request.

Sincerely,

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Cathy McMorris Rodgers Republican Leader Committee on Energy and Commerce

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cc: Chairman Pallone, Energy and Commerce Committee cc: Chairman Rush, Subcommittee on Energy