

W  
E  
E  
K  
L  
Y

In the most recent edition of our *Uranium Market Outlook* quarterly report, we discuss what we believe will be four key transitions that will influence the uranium market over the next several years, if not longer. These views are summarized below.

**Changing inventory policies in light of deregulation** – So far, it is clear that deregulation has caused a reduction of inventories on the part of European utilities, as net requirements (total requirements less inventory and MOX use) there have dropped significantly. While that adjustment is playing out, the question arises as to how Japanese utilities will treat their rather abundant inventories in light of increased cost pressures. There is also the question of whether deregulation and its byproduct, consolidation, will lead to an even further reduction in inventories held by U.S. utilities.

**The evolution of HEU feed sales policies** – Given the fact that the HEU feed quota increases over time and the floor price is currently far above the spot price, a key factor for the future market is the extent to which the floor price changes and when this occurs. As shown in the chart, the quota was not fully utilized in 1999 and through the second quarter of this year, 31% of the quota has been used. Despite the fact that Cameco recently said it has purchased its share of the U.S. quota for 2000, it is unlikely that the quota will be fully utilized this year as well, perhaps falling below the 1999 percentage.

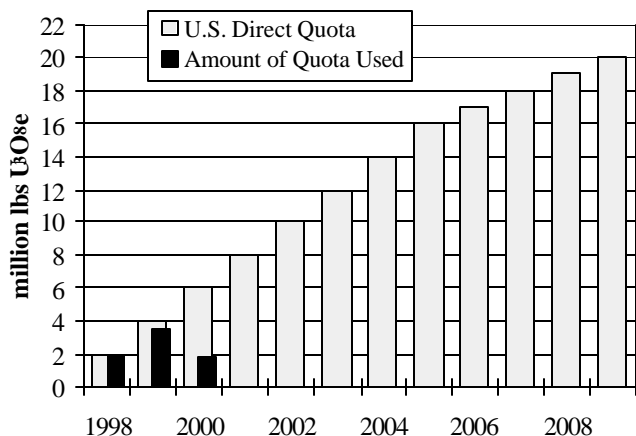
Going forward, there may be increased pressure to lower the floor price if the spot price stays depressed, especially if the differential between the two does not improve or worsens. However, we do not expect that a change in the floor price would come until later next year, giving the spot price more time to recover. Of course, decisions concerning the floor price become even more critical in the future as the amount of uranium governed by this price increases as the quota increases.

**Replacement of expiring long-term contracts** – While it is true that expiring contracts are being replaced all of the time, the replacement of contracts that are scheduled to end over the next several years could potentially present new challenges to the market. This is due both to the fact that a substantial volume of material will have to be replaced, as signified by a steeply increasing unfilled requirements curve, and because recent prices are far below the prices of many of the expiring contracts or the costs of the producers supplying these contracts. How these contracts are replaced (who supplies them, what type of contract/pricing mechanism is used) will have a large impact on the future market.

**Consolidation** – The trend in consolidation is likely to continue for some time, and will not necessarily be confined to the buyer side of the market. The smaller number of companies is likely to affect the market in several ways. For one, we expect to see a continuation of the general decline in spot market volume. Associated with this trend, we would expect less of a reliance on market price contracts. This is because the disparity between what is offered under long-term contracts (supply stability and price security) and spot supplies is likely to grow. As mentioned above, consolidation could also influence inventory policies in the future.

Of course, these are not the only factors or transitions that will affect the future uranium market. Other important ones include the integration of ex-CIS supplies into the mainstream market (a development that is going on today), exports of Russian commercial (non-HEU) supplies in light of potentially growing requirements and shrinking supplies there, USEC inventory sales, and the future movement of the U.S. dollar against currencies of other uranium producing countries.

**Russian HEU Feed Quota vs. Deliveries**



\* 2000 quota amount used as of first six months.

**Volume 14  
Issue 39**

Internet:  
[www.uxc.com](http://www.uxc.com)

As published by  
The Ux Consulting  
Company, LLC

**Weekly  
Ux Prices**

U<sub>3</sub>O<sub>8</sub>  
**\$7.45**  
(-0.10)

CIS U<sub>3</sub>O<sub>8</sub>  
**\$6.70**  
(Unch.)

# NEWS BRIEFS

**USEC signs agreement with DOE on centrifuge development**—On September 19, USEC announced a new agreement with the U.S. Department of Energy (DOE) to conduct at least a year of research into designing new gas centrifuge technology based on DOE's old GCEP program in the 1980s.

Under the agreement, USEC is to spend \$4 million to conduct research at DOE's Oak Ridge National Laboratory operated under government contract by the University of Tennessee and Battelle Corp. The project is expected to employ 12 USEC workers, 10 USEC subcontract personnel and the equivalent of seven full-time Oak Ridge employees. DOE will oversee the one-year project, which can be lengthened or expanded if government money becomes available. According to Bill Magwood, director of DOE's Office of Nuclear Energy, Science and Technology, the agreement allows USEC to use DOE facilities and expertise "at no cost to the taxpayer." He added that "under this arrangement, the public will benefit from any advances to the technology made by USEC." USEC and UT-Battelle will perform cooperative research in three key areas to include design of key centrifuge components, refurbishment and restart of facilities to manufacture and test centrifuge components, and planning for potential deployment and operation of a centrifuge enrichment plant.

Separately, in USEC's latest 10-K filing with the U.S. Securities & Exchange Commission, the company states that itself, the Tennessee Valley Authority (TVA), and an unnamed third party are reportedly discussing possible arrangements for the supply of power, or the construction of generating facilities, for principal use during the peak summer periods (approximately June 1 to August 31). If a "Summer Option" agreement is reached, this may impact the recent 10-year power purchase agreement reached with TVA in July.

**Strickland presents plan to maintain Portsmouth GDP on 'hot standby'**—Congressman Ted Strickland (D-Oh.) released a plan last Tuesday to prevent job losses at the Portsmouth gaseous diffusion plant by keeping it on "hot standby" status so it could quickly return to full capacity if needed. Strickland's eight point plan calls for 1) maintaining the plant in "hot standby" until the Paducah GDP proves it can meet domestic needs; 2) accelerating cleanup; 3) speeding construction of a uranium recycling facility; 4) providing for worker transition; 5) investing in local economic development; 6) renegotiating a favorable power contract; 7) protecting the plant's crucial assets, such as its multi-million dollar supply of coolant; and 8) helping develop

## — Industry Calendar —

- **September 24-27** – NEI's *International Uranium Fuel Seminar* will be held in *Olympic Valley, CA*.
- **October 2-6** – IAEA's international symposium "The Uranium Production Cycle and the Environment" will be held in Vienna, Austria.
- **October 16-17** – NEI will host a License Renewal Workshop in Naples, Florida.
- **October 22-24** – NEI will hold the "Communicating Nuclear Issues" workshop in Cleveland, OH.
- **November** – The All-Russian Scientific-Research Institute of Mineral Resources (VIMS) will host the symposium "Uranium on the Verge of Centuries: Resources, Production, Demand" in Russia.
- **December 11-13** – The U.S. DOE Office of Nuclear Energy will host the "Americas Nuclear Energy Symposium" in Miami, Florida.
- **January 24, 2001** – NEI's Nuclear Fuel Supply Forum will be held in Washington, D.C.
- **April 1-4, 2001** – NEI's FUEL CYCLE 2001 will be held in San Francisco, California.

the next generation of nuclear fuel production at the site.

Strickland said, "hot standby will keep a sizable amount of workers at the plant in case USEC ceases to produce nuclear fuel domestically. This is a plan that protects job security and national energy security." Strickland also noted that he's continuing his effort to have the government buy back USEC Inc.

**Vermont Yankee sale delayed**—Vermont utility regulators have delayed a decision on whether to approve a proposed sale of the Vermont Yankee nuclear plant, citing a need to compare the deal with the recent sale of the Millstone nuclear plant in Connecticut. The Vermont Public Service Board has pushed back its expected ruling from mid-September to early October.

Opponents of the proposed sale of Vermont Yankee have pointed to the Millstone plant's sale price of \$1.3 billion as reason for Vermont Yankee to put out a re-bid. The Millstone sale price is huge compared to the proposed \$23 million deal offered by AmerGen for Vermont Yankee. While the Millstone plant is more than twice as large as Vermont Yankee, the price tag on an output basis is 12 to 13 times higher than Vermont Yankee's. Mark Sinclair of the Conservation Law Foundation said the deal would saddle ratepayers with debts related to the construction of Vermont Yankee that could

## NEWS BRIEFS cont...

reach \$161 million.

Sinclair also criticized a 10-year power purchasing agreement between AmerGen and the 13 local utilities that currently own Vermont Yankee Nuclear Power Corp., claiming the agreement won't diversify buyers' risk portfolio, or make it more market-based, and will ultimately be a stumbling block for retail competition in Vermont. Meanwhile, AmerGen and Vermont Yankee have countered that the agreement contains a clause that downwardly adjusts power purchase prices if the wholesale power market dips below certain levels.

Proponents of the Vermont Yankee deal argue that one reason the deal is smaller than Millstone is because its operating license only runs to 2012, versus 2025 for Millstone. Vermont Yankee spokesman Rob Williams said the reactor is also situated at a less lucrative point on the New England power grid, noting that Millstone is located near congestion points close to New York City.

**Barsebäck 2 closure postponed**—On September 20, the Swedish government announced that Barsebäck 2 will not be shut down in 2001. Swedish prime minister Göran Persson said Barsebäck 2 “will be closed down as soon as the conditions laid down by the Riksdag (parliament) have been met.” Last month, Sweden's minister of energy said closure of Barsebäck 2 would threaten the supply of electricity to southern Sweden and would lead to increases in national carbon dioxide emissions, contrary to Sweden's international commitments. Swedish general elections will take place in 2002.

**Taipower sees electricity shortage without fourth nuclear plant**—Taiwan Power Corp. announced September 20 that Taiwan's northern region will likely face a serious electricity shortage if the government decides not to complete the country's fourth nuclear power plant. Taipower spokesman Clint Chou said, “If the nuclear plant isn't finished, then maybe in 2007, the power demand and supply in Taiwan will be in imbalance in the northern areas.”

In 2006, Taiwan's northern region will be short 1,630 megawatts, but in 2007, the region will be short 2,550 megawatts, which accounts for 15 percent of the north's consumption. Demand in the northern region of Taiwan is expected to total 17,000 megawatts in 2007. The planned fourth nuclear plant has a total capacity of 2,700 MWe, with the first reactor slated to come online by the end of 2005 and the second reactor a year later. Taipower has already spent NT\$48 billion (US\$15.3 billion) to complete 33 percent of the plant.

Meanwhile, the fate of the plant is becoming an increasingly hot political potato with Taiwan's president

### **Ux U<sub>3</sub>O<sub>8</sub> 9/25/00 Price Conditions**

<b>Price:</b>	<b>\$7.45</b>
<b>Quantities:</b>	<b>3-500,000 lbs</b>
<b>Delivery:</b>	<b>6 months</b>
<b>Origin/Location:</b>	Open origin/U.S. convertor Non-CIS/All other locations Matched/Any location

and premier taking opposing sides. Premier Tang Fei favors building the plant while President Chen Shui-bian has reaffirmed his anti-nuclear stand. Tang said if the Executive Yuan votes against the plant, the cabinet will invite another group of experts to review the project and reserves the right to overturn the committee's verdict.

**Phase 2 construction of Tianwan nuclear station begins**—On September 20, construction began on the third and fourth units of the Tianwan nuclear power station in Lianyungang, China. The first and second units began construction last October and are slated to be finished in 2004 at a total cost of 26 billion yuan (>US\$3 billion). The third and fourth units are expected to enter service in 2005. The four reactors are Russian-designed VVER-1000's, each with a generating capacity of 1,000 MWe. Purchase contracts worth over US\$300 million have been signed between China and companies from Germany, France and the U.S., amongst others.

**Metsamor's closure likely to be delayed**—Armenia's Metsamor nuclear power station is expected to continue to be operational after 2004, despite its government's earlier pledge to the European Union to close the plant by that date. A spokeswoman for the Armenian Energy Ministry said the deadline for decommissioning the Soviet-designed plant—which produces 40 percent of the country's annual electrical output—is “no longer realistic.” She added that Armenia no longer believes it is possible to find alternative energy sources in the next three years.

Armenian authorities made sure that a reference of 2004 was removed from a clause on Metsamor in a statement adopted by an Armenian-EU joint parliamentary committee. This was an obvious effort to water down its earlier promise to close the facility within 39 months' time. The bilateral statement adopted by the Armenian and EU parliamentarians after their meeting calls for Metsamor's eventual closure, but mentions no specific date. Armenian authorities expect an EU commitment both to assist in the planned construction of a strategic gas pipeline linking Armenia to neighboring Iran and to seek the lifting of Turkish and Azerbaijani blockades resulting from the unresolved Nagorno-Karabakh conflict.

## NEWS BRIEFS cont...

### Task force sees plan for new nuclear plants—

The Task Force on New Plant Development, sponsored by the Nuclear Energy Institute, held its first meeting earlier this month and concluded that it is feasible to develop new nuclear power plants in the U.S. and internationally to serve competitive electricity markets. According to NEI's Joe Colvin, the task force is trying to develop a business plan for building "a series of new nuclear plants" designed to capture economies of scale from standardized designs and new plant designs. While Colvin conceded the industry is not yet ready to build a new nuclear plant in the U.S., he cited polling and focus group data indicating the public is receptive to building new, emissions-free nuclear plants. Task force members view Asia as the most desirable region for building new nuclear plants, but see other areas with high potential due to the Kyoto climate treaty. NEI said the task force involves about a dozen industry representatives.

### France, U.S. sign advanced nuclear reactor agreement—

According to the French Atomic Energy Commissariat (CEA), France and the U.S. signed an agreement on September 18 on scientific and technological cooperation for developing an advanced type of nuclear reactor. The agreement was signed by U.S. Secretary of Energy Bill Richardson and CEA Administrator Pascal Colombani at the annual conference of the IAEA in Vienna, Austria. Under the agreement, the two countries will cooperate in developing an advanced type of nuclear reactor, establishing research programs in materials and combustibles for future reactors and in developing medical and industrial uses for radioisotopes.

### BNFL seeks new reprocessing contracts in Japan—

BNFL executives are scheduled to meet in Japan this week to drum up new orders and regain confidence from Japanese customers. BNFL has stated that without the new Japanese business, the company's MOX fuel business is doomed. The MOX trade between Great Britain and Japan halted last year after it was disclosed that BNFL workers falsified quality assurance data on two consignments of fuel ordered by Kansai Electric Power Co. A company spokeswoman said the BNFL delegation "will be laying the foundations for the future rather than actually coming home with signed and sealed contracts." She said the talks would involve existing reprocessing customers, including Kansai Electric, adding that Japanese nuclear plant operators remain committed to the idea of recycling spent fuel to create MOX fuel.

**U.S. power deregulation uncertain—**A new report released on Tuesday said efforts to deregulate

North American electric markets has been a prolonged and confusing transition for the \$230 billion power industry. The report from Arthur Andersen Consulting and the Cambridge Research Associates (CRA) said recent problems in the California electricity system and extremely volatile energy prices have raised public concern about the industry's ability to deliver reliable service at affordable costs.

"The most important case in point is California, where recent system failures are not a surprise because the trends indicated a reliability crisis would happen, the only question was when," said Larry Makovich, CRA senior director for electrical power. The report warned that doubling of natural gas prices in the last year displayed a "surprising disconnect" between the amount of new gas fired generation plants that are planned and the lack of new natural gas discoveries to fuel the plants.

Even with natural gas being the popular fuel of choice, the report said high gas prices might encourage

### Ux Price Definitions

*The Ux Prices indicate, subject to the terms listed, the most competitive spot offers available for the respective product or service, of which The Uranium Exchange Company (Ux) is aware. The Ux U<sub>3</sub>O<sub>8</sub> price includes conditions for quantity, delivery timeframe, origin and location considerations while the Ux CIS U<sub>3</sub>O<sub>8</sub> price is the most competitive price for deliveries up to six months forward without regard to specific quantity or location. Both U<sub>3</sub>O<sub>8</sub> prices are published weekly. The Ux Conversion price considers spot offers for delivery up to twelve months forward. The Ux UF<sub>6</sub> value represents the sum of the conversion and U<sub>3</sub>O<sub>8</sub> components as discussed above and, therefore, does not necessarily represent the most competitive UF<sub>6</sub> offers available. The Ux SWU price considers spot offers for deliveries up to twelve months forward. The Conversion, UF<sub>6</sub> and SWU prices are published the last Monday of each month.*

*The Ux Prices represent neither an offer to sell nor a bid to buy the products or services listed.*

*The Ux Weekly is published every Monday by The Ux Consulting Company, LLC (UxC). The information contained in The Ux Weekly is obtained from sources the company believes to be reliable. Accuracy cannot be guaranteed; therefore, UxC makes no warranties, express or implied, nor assumes any liabilities for the accuracy or completeness of the information contained in The Ux Weekly.*

**The Ux Consulting Company, LLC**  
**10927 Crabapple Road, Suite 201**  
**Roswell, GA 30075-5825**

Phone: **(770) 642-7745**

Fax: **(770) 643-2954**

Internet: **<http://www.uxc.com>**

© 2000 The Ux Consulting Company, LLC

## NEWS BRIEFS cont...

plants to switch to other less expensive fuels. The report iterated that, "Coal and nuclear power, commonly thought to be on the decline...are surprisingly viable." The report's authors warned against lawmakers overreacting to California's power price crisis this summer by re-regulating competitive markets that are still in their infancy.

**PRI scales back production at Highland**—Power Resources Inc. (PRI) announced last week that it will suspend development activities at its Highland in-situ leach uranium project in Wyoming, beginning October 1. PRI will scale back production over the next three years from 700,000 pounds U<sub>3</sub>O<sub>8</sub> in 2001, to 500,000 pounds U<sub>3</sub>O<sub>8</sub> in 2002, and to 300,000 pounds U<sub>3</sub>O<sub>8</sub> in 2003. PRI acknowledged that it makes more sense to leave the uranium reserves in the ground given current market conditions. The company has the ability to quickly ramp-up production when the market turns around.

As a result of the plan, PRI will layoff three employees working in the development and review office in Casper, Wyoming, which will be moved to the Highland site. Currently, PRI is working on reclamation of the Highland well field A and will start on well field B in the near future.

**No Rio decision yet on North assets**—Rio Tinto has commented that a decision on the future of several assets acquired through its recent US\$3.6 billion takeover of North Limited are still several weeks away. Rio Tinto has said that North's forest products division will likely be sold, while some have speculated that the suite of copper, gold and uranium assets might also be sold.

**Canadian Monthly Uranium Shipments**  
(million lbs U<sub>3</sub>O<sub>8</sub>)

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
<b>J</b>	1.31	1.80	0.76	2.41	1.85	2.36	2.53	2.55	1.31	0.65
<b>F</b>	1.75	1.70	2.12	2.28	2.13	2.29	2.51	2.02	1.95	2.83
<b>M</b>	1.66	1.72	2.24	2.50	2.49	2.82	2.81	1.68	2.26	2.61
<b>A</b>	1.57	1.74	1.71	2.42	1.85	2.36	2.37	1.72	2.22	2.13
<b>M</b>	2.36	2.30	2.28	2.97	2.10	2.57	2.57	2.99	2.72	3.06
<b>J</b>	1.79	2.73	2.48	2.33	3.28	1.96	1.63	2.41	2.77	1.92
<b>J</b>	0.42	1.05	1.26	1.13	0.25	0.67	1.32	0.66	2.01	0.77
<b>A</b>	1.53	2.53	1.44	3.25	2.66	3.53	3.18	3.15	1.82	
<b>S</b>	2.46	2.89	2.86	3.01	3.03	3.60	3.22	2.09	1.65	
<b>O</b>	2.70	2.86	1.93	2.01	2.49	2.74	3.03	2.59	2.74	
<b>N</b>	2.58	1.57	2.48	2.82	2.70	2.59	2.40	1.72	2.87	
<b>D</b>	1.09	0.65	1.63	2.06	1.92	2.12	1.45	2.39	2.10	
	<b>21.22</b>	<b>23.54</b>	<b>23.19</b>	<b>29.18</b>	<b>26.76</b>	<b>29.60</b>	<b>29.03</b>	<b>25.98</b>	<b>26.41</b>	<b>13.97</b>

Note: Values reported are of mine shipments and do not reflect deliveries to end users.

Source: Natural Resources Canada

Canadian Uranium Statistics					
	1995	1996	1997	1998	1999
"Known" U Resources ('000 tU)	454	490	430	419	433
Total Ore Processed ('000 t)	1,559	1,332	1,022	925	702
Ave. Grade of Ore Processed (kgU/t)	6.9	9	14.1	14	12
Total Primary Production (tU)	10,473	11,706	12,031	10,922	8,214
Share of World Output (%)	31%	32%	33%	32%	27%
Exports of Canadian-Origin U (tU)	8,180	11,223	10,255	8,274	7,146
Total Producer Shipments (tU)	10,293	11,396	11,127	9,984	10,157
Value of Shipments (\$C Mil)	\$534	\$624	\$554	\$500	\$500
Spot Sales Proportion (%)	2%	1%	<1%	<2%	<1%
Ave. Price of Deliveries under Export Contracts (\$C/kgU, \$US/lb U <sub>3</sub> O <sub>8</sub> )	\$47	\$53.60	\$51.30	\$51.10	\$49.10
	\$13	\$15.10	\$14.20	\$13.30	\$12.70
U Exploration Expenditures (\$C mil)	\$44	\$39	\$58	\$60	\$51
"Grassroots" Explor in Sask (\$C mil)	\$12.5	\$17	\$27	\$22	\$14
Employment as of Dec. 31	1,350	1,155	1,105	1,134	1,076

Source: NRCan, *Canadian Uranium Statistics Fact Sheet*, Sept. 2000.

North owned 68.4% of Energy Resources of Australia (ERA), which owns the Ranger and Jabiluka uranium mines in Australia.

**NRCan releases update on Canadian uranium industry**—In its annual update on the Canadian uranium mining industry, Natural Resources Canada (NRCan) reported Canadian uranium production amounted to 8,214 tU (about 21.4 million lbs U<sub>3</sub>O<sub>8</sub>) in 1999, more than a quarter of total world uranium output. The average price of 1999 uranium deliveries under export contracts declined by almost 4% to C\$49.10 kgU. Meanwhile, after NRCan's estimates of Canada's total "known" recoverable uranium resources increased as of Jan. 1, 1999 to 433,000 tU, the latest estimates puts the number back down to 417,000 tU as of Jan. 1, 2000.

**Minatom plans to increase uranium mining and exports**—In a recent interview with ITAR-TASS news agency, Russia's Ministry of Atomic Energy (Minatom) confirmed its plans for intensive development of the nuclear industry, including the development of uranium deposits, which it prescribed as "a promising area of the country's economy." An article entitled "Stocks and production of uranium in the world" in the Russian journal 'Yadernaya Bezopasnost' [Nuclear Safety] notes that nuclear power generation will continue to develop because of the exhaustion of "world supplies of organic fuel" and the existence of serious ecological problems arising from its use. The article suggests an increase in uranium prices and growing demand for uranium are anticipated during 2003-2005, which will result in economic benefits for Russia and other former CIS countries as leading uranium producers.

# THE MARKET

**Uranium**—Only one spot transaction has been reported this month, a U.S. utility that was looking for about 250,000 pounds U<sub>3</sub>O<sub>8</sub> equivalent as UF<sub>6</sub>. New to the market is a U.S. utility seeking a quantity of EUP valued at up to \$5.5 million (roughly 200,000 pounds U<sub>3</sub>O<sub>8</sub>e) with delivery by February 1, 2001. Offers are due by October 4<sup>th</sup>. Both a U.S. and non-U.S. utility received offers recently, the U.S. utility for 250,000 pounds as U<sub>3</sub>O<sub>8</sub> or UF<sub>6</sub> and the non-U.S. utility for over 320,000 pounds U<sub>3</sub>O<sub>8</sub>.

The Ux U<sub>3</sub>O<sub>8</sub> Price moves down \$0.10 for the week to \$7.45 per pound, and is down \$0.35 for the month. The Ux CIS U<sub>3</sub>O<sub>8</sub> Price is unchanged for the week at \$6.70 per pound, but down \$0.05 for the month. Price remains under downward pressure as sellers wait for the next demand to appear. When this demand will appear is a good question, as several sellers are “stealing” demand off the spot market by courting potential buyers with unsolicited offers.

**Conversion**—Up until now, UxC has reported one spot conversion price, which pertained to the North American market. Starting with the current (September) month-end price reporting, UxC is adding a second indicator to reflect spot conversion prices in Europe. This new indicator is called the Ux European (EU) Conversion Price. We are renaming the Ux Conversion Price the Ux North American (NA) Conversion Price. This introduc-

tion comes in a month where spot activity was present in both markets as three U.S. utilities selected multiple suppliers for a total of over half a million kgU. A U.S. utility selected suppliers late last week based on a request involving 130,000 kgU of conversion services, bringing the annual conversion volume to 3.7 million kgU. Another U.S. utility entered the market during the month seeking about 96,000 kgU as conversion services.

For the month, the Ux NA Conversion Price registered its second monthly increase, rising \$0.05 to \$2.35 per kgU. Based on recent activity, the initial Ux EU Conversion Price is set at \$3.85 per kgU.

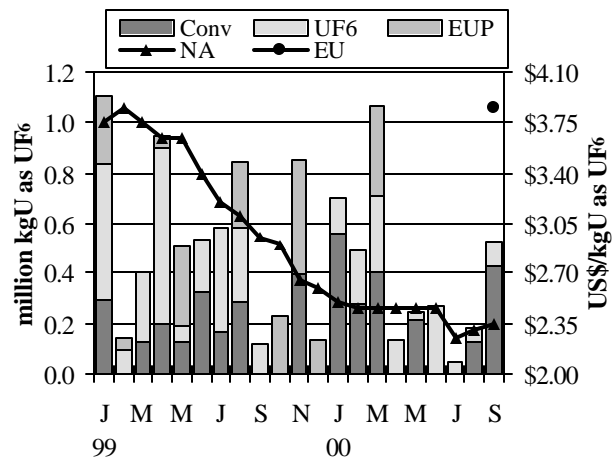
**Enrichment**—Only one spot deal was recorded during the month in enrichment. A U.S. utility selected a supplier based on a March request involving 150,000 SWU. Little other activity has occurred over the last couple of months, and, as a result, the Ux SWU and Ux CIS SWU Prices remain unchanged at \$81 and \$79 per SWU, respectively. New to the market is a U.S. utility that submitted a request last week seeking \$5.5 million as EUP (roughly 45,000 SWU).

Ux Spot Prices	
<i>Month-end (9/25/00)</i>	
U <sub>3</sub> O <sub>8</sub>	<b>\$7.45</b>
CIS U <sub>3</sub> O <sub>8</sub>	<b>\$6.70</b>
NA Conv.	<b>\$2.35</b>
EU Conv.	<b>\$3.85</b>
UF <sub>6</sub>	<b>\$21.81</b>
CIS UF <sub>6</sub>	<b>\$19.85</b>
SWU	<b>\$81.00</b>
CIS SWU	<b>\$79.00</b>

Industry Spot Prices									
	NuclearFuel		NUKEM		TRADE TECH	Ux	Avg.		
	Low	High	Low	High					
<b>Weekly (9/25/00)</b>									
U <sub>3</sub> O <sub>8</sub> (\$/lb)	(9/18)				(9/22)				
Restricted	7.20	7.60	—	—	7.50	7.45	7.45		
Non-restr.	6.50	6.90	—	—	6.80	6.70	6.73		
<b>Month-end (8/31/00)</b>									
U <sub>3</sub> O <sub>8</sub> (\$/lb)	(8/21)					(8/28)			
Restricted	7.50	7.90	7.90	8.00	7.70	7.80	7.79		
Non-restr.	6.60	6.90	6.70	7.00	6.80	6.75	6.79		
Conv. (\$/kgU)									
N.American	—	—	2.35	—	2.45	2.30	2.37		
European	—	—	—	3.85	3.75	—	3.80		
UF <sub>6</sub> (\$/kgU)									
Restricted	—	—	—	—	22.50	22.68	22.59		
Non-restr.	—	—	—	—	21.50	19.94	20.72		
SWU (\$)									
Restricted	—	—	—	79.00	81.00	81.00	80.33		
Non-restr.	—	—	78.00	—	79.00	79.00	78.67		

*Note: Definitions of these prices vary among companies. They are listed strictly for comparison purposes and are in U.S. dollars. Nukem's Conversion and SWU price shows limits on their price range.*

**Ux Spot Conversion Prices vs. Volume by Form**



### Wishful Thinking

A guy stood over his tee shot for what seemed an eternity, looking up, looking down, measuring the distance, figuring the wind direction and speed. Driving his partner nuts.

Finally his exasperated partner says, “What in the world is taking so long? Hit the stupid ball!”

The guy answers, “My wife is up there watching me from the clubhouse. I want to make this a perfect shot.”

“Man, you don’t stand a snowball’s chance in hell of hitting her from here!”