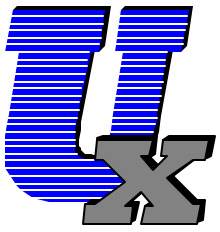


The

UxC.com – New Design, New Content



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The Ux Consulting Company’s public website debuted in late 1995, offering industry insiders and the general public one of the first comprehensive sites related to the nuclear fuel market. Ours was the first website to publish spot prices for uranium, conversion and enrichment, and still remains the only public website with extensive price information. We are pleased to announce a major re-design of the site as a service to our customers and the general public.

In late 1997, we redesigned the website using a “frames” layout structure, which aided navigation and allowed numerous content pages to be added. The UxC Subscriber Services site initially went live in mid-1998 (*The Ux Weekly*, June 8, 1998). Over the years, as the content expanded, we have collected a number of excellent comments and suggestions from site visitors and subscribers. Based on this feedback, UxC has just completed an extensive redesign of both its Public and Sub-

scriber Services websites. Below is a brief summary of some of these changes, as well as a glimpse of the new content. (Although we focus on the Subscriber Services site below, all of the design changes also apply to the Public site as well.)

New Layout and Features – The new Subscriber Services site features a number of layout, design, and content changes. This site is updated on a regular basis, and when combined with our Public site, can serve as your portal to the nuclear fuel industry and a compendium of all information pertaining to the nuclear fuel market. The changes are evident on the redesigned home page (see figure on next page), which includes recent news headlines, current price tables and graphs, links to various publications, and Quick Links to popular pages and reference information. All of this is presented in a clear, legible format. Another important change is the removal of the frames structure (with the exception of the News Index Search pages). Instead, a user-friendly menu system along the top enhances navigation (discussed below). An additional benefit of the non-frames design is that now you can easily bookmark your favorite pages for quicker access.

Menu Navigation – A new “rollover” menu system is used to access the majority of pages on both websites. The menu bar is available on all standard format pages

with the exception of the News Index Search pages. To use the menu, simply move your mouse cursor over the menu area and a dropdown menu will automatically appear. A number of menu items have additional cascading menus that pop out to the side. On most later-version web browsers, the menu bar will automatically remain at the top of the window as the page is scrolled. This feature allows quick access to other areas of the site when viewing pages with extensive content. All of the links contained in the menus are also available on the expanded site map.

Daily Updates – Not only has the site content been greatly expanded, but we now provide daily updates via the *UxC News Headlines* service. This service was tested last year and officially began in January 2002. Subscribers have the option of receiving daily e-mails containing nuclear-related news headlines along with Internet links to the related articles. (A form is available on the site to request your e-mail address be added to the *UxC News Headlines* distribution list.) These links are also updated daily on the Subscriber Services website, with the most recent 12 headlines available on the home page, and the past 30 days of headlines appearing in the Archive pages. Two pages are available: one sorted by the date of the UxC e-mail, and the other by the date of the original source date. (Please note that although we provide 30 days of news links, a number of news sources may change their links or delete/archive the stories after 14 days.)

New links, documents, and information will be added to the site each week as they become available. We are pleased to note that we have received many favorable comments from subscribers who enjoy the easy access and “library” of various documents, especially the Industry Letters section.

In addition, weekly and monthly Ux Price updates will be posted on the Subscriber Services site each Monday evening. As part of our continued focus on the international aspects of the nuclear fuel market, and in recognition of the increasing importance of the euro to the European market, our main price page now includes all Ux Prices in both US dollars and euros (€). We also provide the Ux Price page with current prices in both US dollars and Japanese yen (¥). In addition, this price page has been translated into Japanese.

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(Unch.)

UxC.com – New Design, New Content cont...


Quick Links – In addition to the menu navigation bar, a new set of “quick links” appear in a box along the right column of the screen. This box allows easy access to some of the more popular pages on the site, such as information on the USEC trade case and the Russian HEU deal. The Subscriber Services site contains an additional box with direct links to popular pages within the Public site.

New Public Site Features – Along with information regarding UxC products and services, the public site offers enhanced information covering the nuclear fuel cycle, such as an industry calendar, tables and graphs of uranium production and requirements around the world, links to location maps of nuclear reactors, information about conversion and enrichment capacity, and an extensive nuclear fuel cycle-related links database.

Search – Below the Quick Links box is a new and more comprehensive search function, allowing for the searching of words contained in all pages on the website, including  Adobe Acrobat PDF documents. In addition to the quick search box, a separate advanced search

capability is available to provide additional search options. From this page, you can specify whether to search for keywords in the Subscriber Services web pages, the Public web pages, and even the last two year’s worth of *The Ux Weekly* issues.

The Ux Weekly – A number of subscribers have indicated the desire to download issues of *The Ux Weekly* directly from the website. Each week, the latest issue of the Weekly will be available on the website. Currently about two and a half years worth of issues are available for download. (And as mentioned above, you can use the new search feature with these issues as well.)

Printing – A new print  **Format** link is now available in the top right hand corner on all pages. This option displays the page without the top menu area and the side and bottom banners. This format is better suited for most printers. To return to the normal format, a **Std Format** link is available or you can simply use your back button. (Printing Hint: If you turn on “Print background colors and images” under the Advanced tab on the Internet Options dialog box in Internet Explorer,

then the highlight boxes will print properly.)

A wealth of new content and information has been added to the sites, and more pages are planned for the future. Please visit the sites and do not hesitate to provide us with feedback, since your feedback is important to us and is largely reflected in the new design. The public site can be found at

www.uxc.com and the subscriber site can be found at **www.uxc.com/subscriber**.

The Subscriber Services site is password protected. If you do not have or have forgotten your password, a password request form is available on the Public website. In order to qualify for access to the UxC Subscriber Services website, your company must be a paid subscriber to one of UxC’s many publications or services. We hope you enjoy the new sites and find them useful, and happy surfing.

NEWS BRIEFS

NRC to decide whether repair of Davis Besse reactor will take weeks or years

– In a meeting with the U.S. Nuclear Regulatory Commission (NRC), FirstEnergy suggested that it could repair a hole in the Davis Besse reactor by installing a stainless steel plug. The repair would cost between \$16 and \$20 million and take about three or four weeks to complete. However, the NRC still must decide if the repair suggested by FirstEnergy is an acceptable way to fix the problem. If it decides against the fix, the reactor would have to remain idle for up to two years while a new reactor head is fabricated. If this were to occur, FirstEnergy may have to spend hundreds of millions of dollars to buy replacement electricity while Davis-Besse is offline. The NRC says that it will take as much time as it needs to make its decision.

No widespread corrosion found at U.S. nuclear plants

– A U.S. government-ordered review of more than five dozen nuclear power plants has not found any corrosion in reactor caps similar to that of the Davis Besse facility in Ohio. Last month, the NRC launched an investigation after a corroded cavity was found in the reactor vessel head of the 25-year old Davis Besse plant owned by FirstEnergy Corp. Officials at First Energy said they have concluded that cracks that caused major leaks of water in one of the reactor nozzles were the root cause of the accumulation of boric acid that ate into the top of the 6-inch thick steel vessel containing the reactor fuel. Steve Loehlein, leader of the company's team investigating the accident, said the nozzle probably had been leaking since 1994, at times leaking as much as 12 gallons of water per hour. Boric acid had accumulated at the top of the reactor vessel where the leaking nozzle was situated, and the corrosion had probably been under way for at least four years.

The NRC ordered 68 other similar reactors to look for similar problems. A NRC spokeswoman said, "Thus far, there haven't been any surprises or safety issues in the nuclear plant review." U.S. Department of Energy (DOE) Undersecretary Robert Card said his department feared that if serious corrosion had been detected, some of these reactors could have been shut down for up to a year. Additionally, he said DOE was worried that shutting down nuclear plants would have caused a spike in natural gas prices, as utilities would be forced to ramp up generation at natural gas plants.

After Nevada veto, U.S. Congress to decide future of Yucca Mountain – On April 8, Nevada governor Kenny Guinn signed a veto of President Bush's decision to approve the Yucca Mountain spent

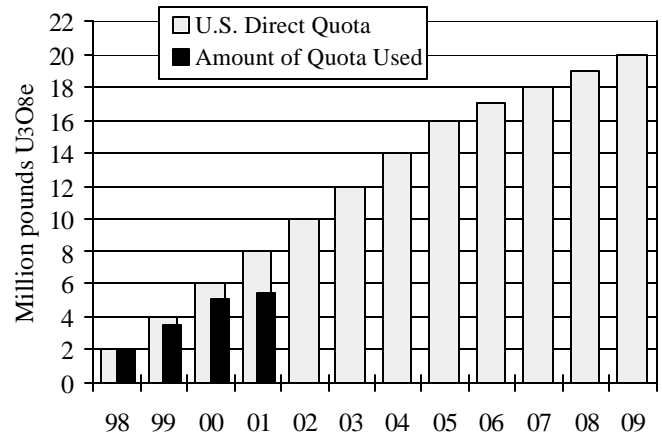
fuel repository. The U.S. Congress now has 90 days in which to override the governor's veto. Senator Jeff Bingaman, who chairs the Energy & Natural Resources Committee, has submitted a resolution to move forward with the Yucca Mountain issue.

Energy Secretary Abraham has urged Congress to move forward on the issue. However, it could be 60 days before the issue moves forward, and Congress may postpone Yucca Mountain while it debates other issues. The Senate's minority leader, Trent Lott, has predicted that Yucca Mountain will pass in the Senate and receive at least 60 votes. Moreover, it is also likely that the Republican controlled House of Representatives will vote to override the Yucca Mountain veto.

French union plans April 16 nuclear power cuts

– French CGT union leaders plan to reduce electricity output from all of Electricité de France's nuclear power plants on April 16 in a one-day strike to protest against worsening work conditions. The CGT said, "The condition of operating and of maintenance of installation have deteriorated seriously, so much so that we doubt that the safety and the security can be guaranteed today." The strike by nuclear industry workers is expected to coincide with the first round of presidential elections on April 21 and will include a demonstration of about 3,000 workers outside the National Assembly in Paris. A CGT official said the objective of the strike is "to have a reduction (in production) at all EDF's nuclear plants," and added that the exact cuts will only be known on the day of the strike itself. EDF declined to

U.S. Direct Use Quota for Russian HEU Feed



Russian HEU Feed U.S. Quota Status (Mill lbs U₃O_{8e})				
As of Apr 2002	1998	1999	2000	2001
Quota	2	4	6	8
Delivered	2.00	3.52	5.03	5.44
Percentage Used	100%	88%	84%	68%

NEWS BRIEFS cont...

comment on the potential impact of the strike on its 62,360 megawatts of nuclear power output.

The union, which last organized a strike a month ago to protest energy deregulation, fears that several thousand jobs in the nuclear industry could be eliminated as a result of cost-cutting measures stemming from deregulation. The new action is also expected to include workers from nuclear research institute CEA and state-owned Areva and Cogema.

Russia to loan money to the Ukraine for the completion of two nuclear reactors – In an April 10 statement, Russian Prime Minister Mikhail Kasyanov said that Russia would loan \$45 million to Ukraine in 2002 to help finish the Khmelniisky 2 and Rovno 4 nuclear reactors. However, according to Platts, the Ukraine is hoping to receive up to \$115 million from Russia this year, including \$70 million in cash and \$45 million worth of supplies. Talks between the Ukraine and the European Bank for Reconstruction and Development (EBRD) continue, and Ukraine's Prime Minister met with the EBRD's president on April 9. However, if negotiations between the Ukraine and EBRD fail, the nation should be able to finish the two nuclear reactors with the money loaned from Russia.

Minatom may be close in deal for British spent fuel – Russia's minister for nuclear energy Alexander Rumyantsev said last Thursday that Minatom intends to sign a contract next year giving a British nuclear research facility rights to import high-level, spent nuclear fuel, including plutonium, to Russia for reprocessing. Rumyantsev would not specify the amount of fuel that would be imported, the price Britain would pay Russia to accept the spent fuel, nor what plant the spent fuel would originate from. There is some speculation that the spent fuel may come from Britain's recently closed Dounreay facility in Scotland, though Rumyantsev would not confirm this.

Minatom releases 2001 results – In 2001, Russian nuclear power plants generated 136.4 TWh of electricity, up 4.7% on 2000. For 2002, Minatom plans to generate 144 TWh of electricity, up 5.6% on 2001. Minatom and the Leningrad nuclear power plant ended 2001 with a net profit of US\$160 million. Exports from Minatom totaled \$2.51 billion in 2001, up 9.9% from 2000. Technical participation in construction projects abroad increased 250% from 2000, as Minatom continues building nuclear stations in China, Iran and India.

In Bulgaria, Minatom signed a contract for upgrading Kozloduy 5 and 6 that will commence on July 1, 2002. Meanwhile, Minatom plans to take part in the tender for

the construction of a new 1,000-1,500 MW nuclear reactor in Finland as soon as a decision on its construction is made at the political level. Also, in Hungary, Atomstroyexport agreed to take part in Paks NPP modernization. Minatom made little note of the U.S.-Russian HEU agreement, saying "deliveries are made in accordance to the agreement between Russian and U.S., so it cannot be considered a technological or commercial achievement of Minatom."

Bulgaria holds negotiations with EU on shutdown of Kozloduy 3 & 4 – On April 11, Bulgarian officials held negotiations with EU energy commissioner Loyola de Palacio regarding the closure of the third and fourth reactors at the Kozloduy nuclear power plant. Bulgaria has already agreed to close the first and second reactors at the plant by the end of 2002. The EU wants Bulgaria to close the third and fourth reactors by 2006; however, Bulgaria could possibly wait until 2008 or 2010 to close them. Fearing that the planned reactor closures could lead to higher prices and a loss of Bulgaria's electricity export revenue, several thousand people held a demonstration in favor of keeping the reactors open.

Bulgaria's president has insisted that the reactors must be closed as part of the nation's agreement with the EU. However, he said that after they have been closed, there is a possibility they could be modernized to meet international safety standards and then reopened.

Belgian union warns of higher electricity bills if nuclear power is phased out – The Federation of Flemish Employers (VEW) has warned that households in Belgium will face a €100 rise in their electricity bills if plans by the government to ban nuclear energy go ahead. Belgian federal authorities want to phase out nuclear energy production beginning in 2015, but the VEW maintains that nuclear energy is the cheapest way to produce electricity.

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THE MARKET

Uranium – With the previous week’s entry of two buyers seeking over 1.1 million pounds U₃O₈ equivalent, current active spot market demand is about 2.8 million pounds U₃O₈e. A non-U.S. utility with offers due April 16th is seeking August 2002 delivery of 390,000 pounds U₃O₈e as UF₆. A non-U.S. producer is awaiting offers due April 29th for up to 750,000 pounds equivalent as either U₃O₈ or UF₆ with delivery in November 2002. A U.S. utility is evaluating offers for 100,000 pounds equivalent as either U₃O₈ or UF₆ with delivery on or after June 2002. Another U.S. utility is evaluating offers for June delivery of nuclear fuel totaling \$15.5 million. A non-U.S. buyer is evaluating offers for about 33,000 pounds contained in EUP with delivery in December 2002. Offers to a U.S. utility seeking 615,000 pounds U₃O₈e contained in EUP have expired without a decision. The Ux U₃O₈ Price remains unchanged for the week at \$9.90 per pound.

In the term market, a U.S. utility entered the market last week looking for up to 3.9 million pounds U₃O₈ with delivery between 2003 and 2009. Offers are due May 2nd. This utility will also consider UF₆. Another U.S. utility evaluating offers for 4.8 million pounds U₃O₈e as UF₆ has selected conversion services only.

Conversion – While there are no formal spot conversion-only requests active, a number of buyers are now awaiting or evaluating offers for sizeable quantities of

UF₆. A U.S. utility out for 1.8 million kgU of conversion services or UF₆ with delivery in 2003-2006 has made its selection, taking conversion only. Another U.S. utility has entered the term market looking for 1.5 million kgU as conversion services or UF₆ with delivery in 2003-2009. A non-U.S. utility is awaiting offers for conversion services totaling 2.2 million kgU per year from 2003 through 2005.

Enrichment – In addition to the uranium components discussed above, a U.S. utility has also entered the market for term enrichment demand of up to one million SWU with delivery starting between January 2003 and January 2005 and ending by January 2009. Offers are due May 2nd. This utility is also evaluating spot offers for up to \$15.5 million of fuel supply including options for SWU and EUP. The validity dates on offers to another U.S. utility for over 108,000 SWU with January 2003 delivery have elapsed. This utility is expected to acquire this material later this year. A non-U.S. buyer is evaluating spot offers for a small quantity of EUP. A non-U.S. utility is awaiting term offers due May 31st for up to 840,000 SWU with delivery in 2003 through 2007.

Ux Spot Prices	
Weekly (4/15/02)	
U ₃ O ₈	\$9.90
Quantities:	1-300,000
Delivery:	6 months
Month-end (3/25/02)	
U ₃ O ₈	\$9.90
RU Disc.	\$0.30
NA Conv.	\$5.15
EU Conv.	\$5.60
NA UF ₆ Val	\$31.02
EU UF ₆ Val	\$31.47
SWU	\$107.00
RU SWU	\$86.00

UxC Market Statistics				
Monthly (Apr)	Spot		Term	
	Volume	# Deals	Volume	# Deals
U ₃ O ₈ e (million lbs)	1.2	1	0	0
Conv. (thousand kgU)	0	0	1,837	2
SWU (thousand SWU)	0	0	0	0
2002 Y-T-D				
	Spot		Term	
	Volume	# Deals	Volume	# Deals
U ₃ O ₈ e (million lbs)	6.19	20	2.13	2
Conv. (thousand kgU)	975	7	2,654	4
SWU (thousand SWU)	352	7	0	0

Key: N/A – Not available. W – Withheld due to client confidentiality.

UxC Leading Spot Price Indicators

Three-month forward looking spot price indicators, with publication delayed one month. Readings as of March 1, 2002.

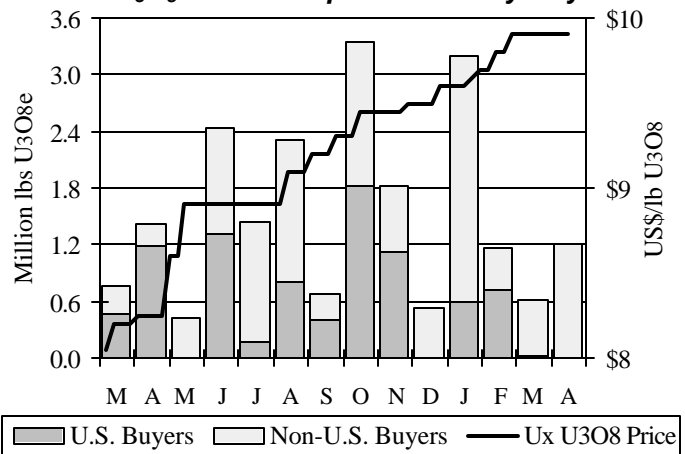
Uranium (Range: -17 to +17)	+4 [down 2 points]
Conversion (Range: -16 to +16)	+2 [down 1 point]
Enrichment (Range: -18 to +18)	+5 [up 1 point]

NuclearFuel Price Ranges

Two-week forward looking prices (US\$/lb) as of Apr. 15, 2002.

Significant open-market transactions: **\$9.70-\$10.10**

Ux U₃O₈ Price vs. Spot Volume by Buyer



Spy vs. Spy

A college graduate applied for a job as an industrial spy. Together with several other applicants, he was given a sealed envelope and told to take it to the fourth floor.

As soon as the young man was alone, he stepped into an empty hallway and opened the packet. Inside, a message read: “You’re our kind of person. Report to the fifth floor.”