



American Centrifuge Plant

NRC/USEC Inc. Senior Management Meeting

July 9, 2007

Rockville, Maryland



Opening Remarks

Victor Lopiano



Agenda

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| • Licensing Status | Peter Miner |
| • Organizational Changes | Victor Lopiano |
| • Manufacturing Status | Victor Lopiano |
| • Lease Status | Daniel Rogers |
| • Construction Status | Daniel Rogers |
| • 6-Month Look Ahead | Daniel Rogers |
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Licensing Status

- License to construct and operate the American Centrifuge Plant (ACP) issued on April 13, 2007
- USEC Inc. submitted cost estimate to fulfill License Condition #15 for Phase I construction activities
 - NRC determined that USEC Inc. met requirements of License Condition for Phase I activities
- Information to meet License Condition #14 relating to liability insurance submitted for NRC review
- Plan to consolidate Lead Cascade and ACP Security Programs and Quality Assurance Programs
- NRC Region II has scheduled a Quality Assurance Program inspection for July 16-20

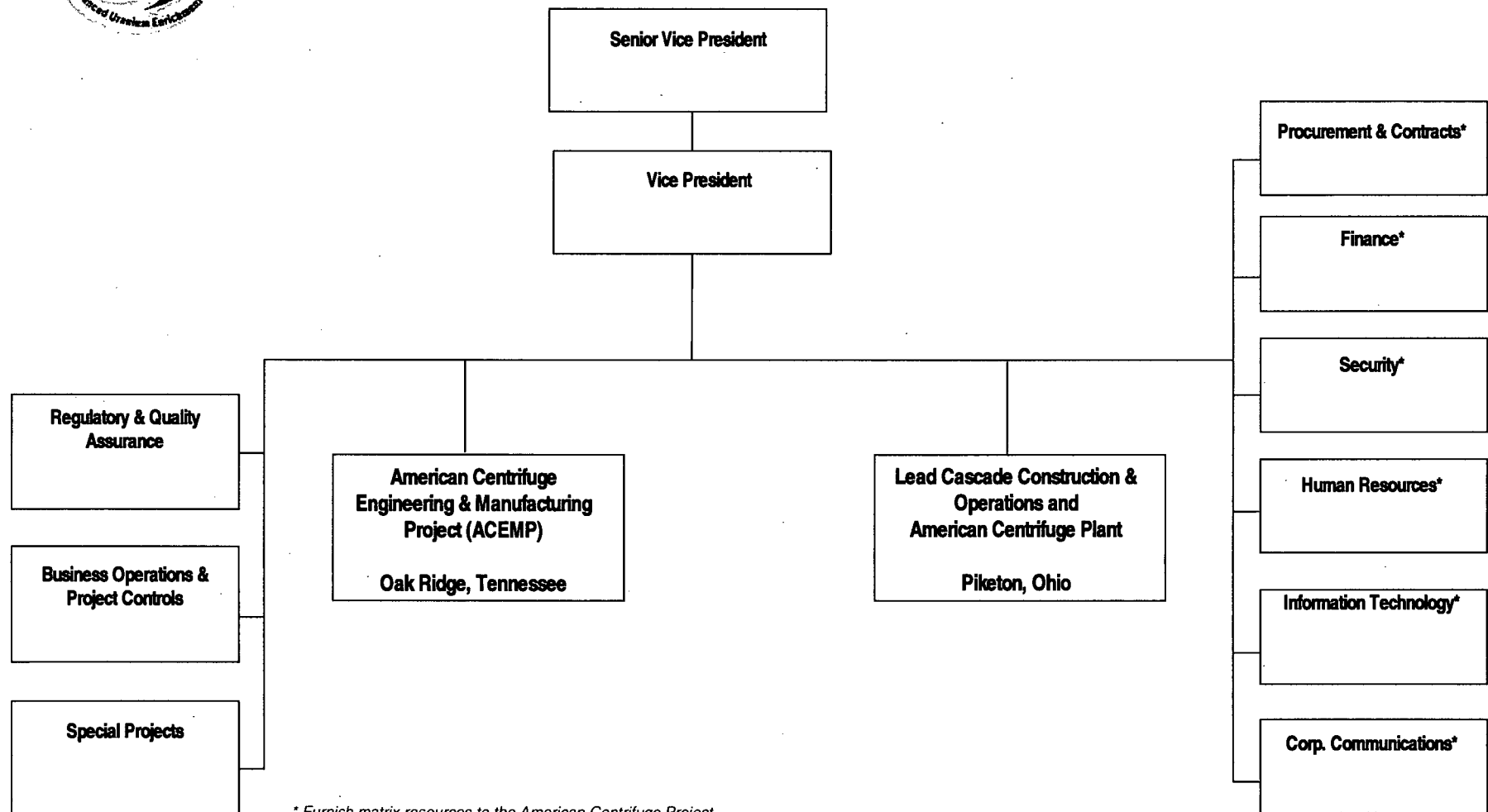


Organizational Changes

- To better support the upcoming critical activities, several changes are planned
- Move from location-centered (geographic) to function-based organization
- The reorganization will:
 - Help ensure more effective integration of centrifuge and uranium processing technology across project locations
 - Better align talent and resources to project requirements

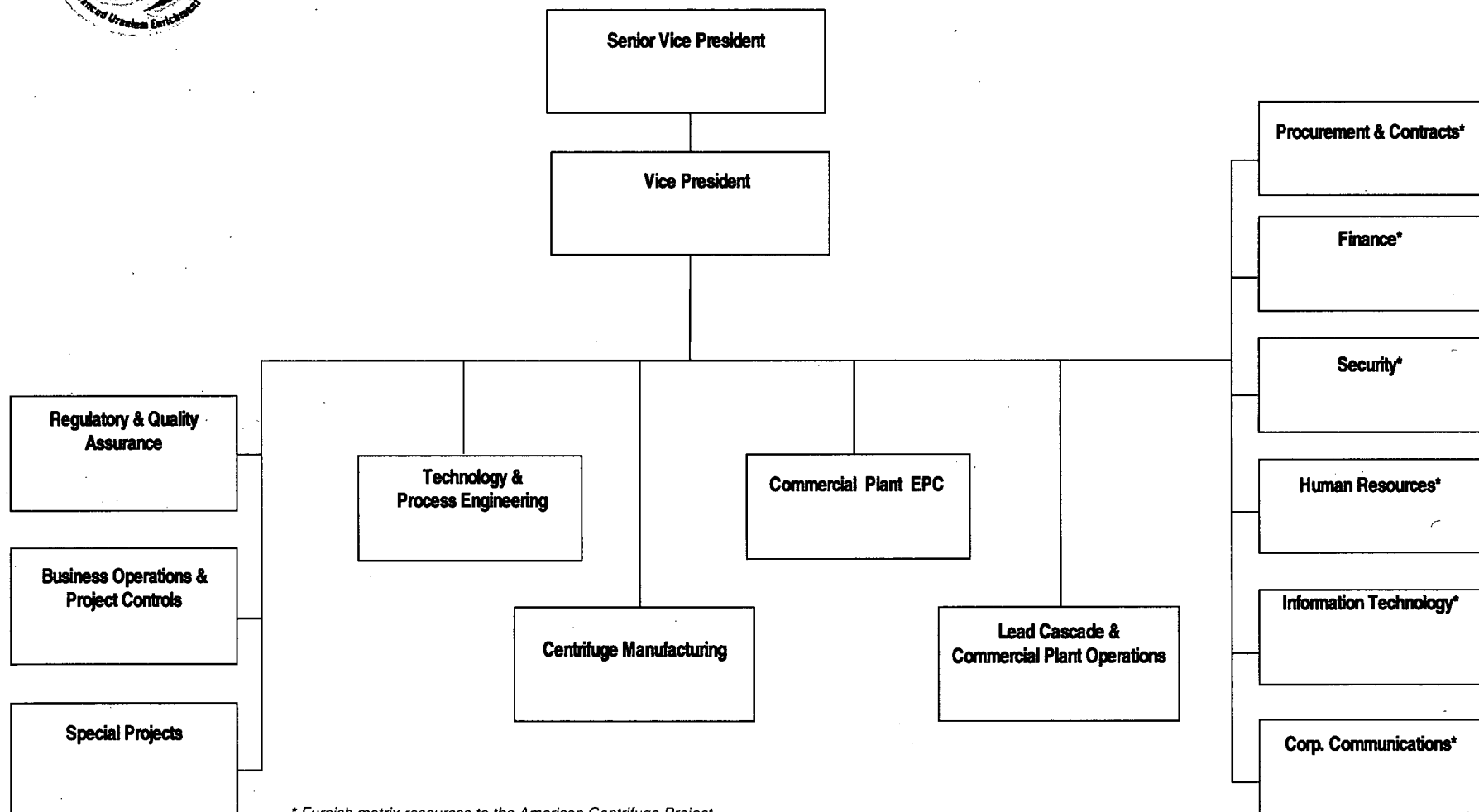


American Centrifuge Program Current Organization



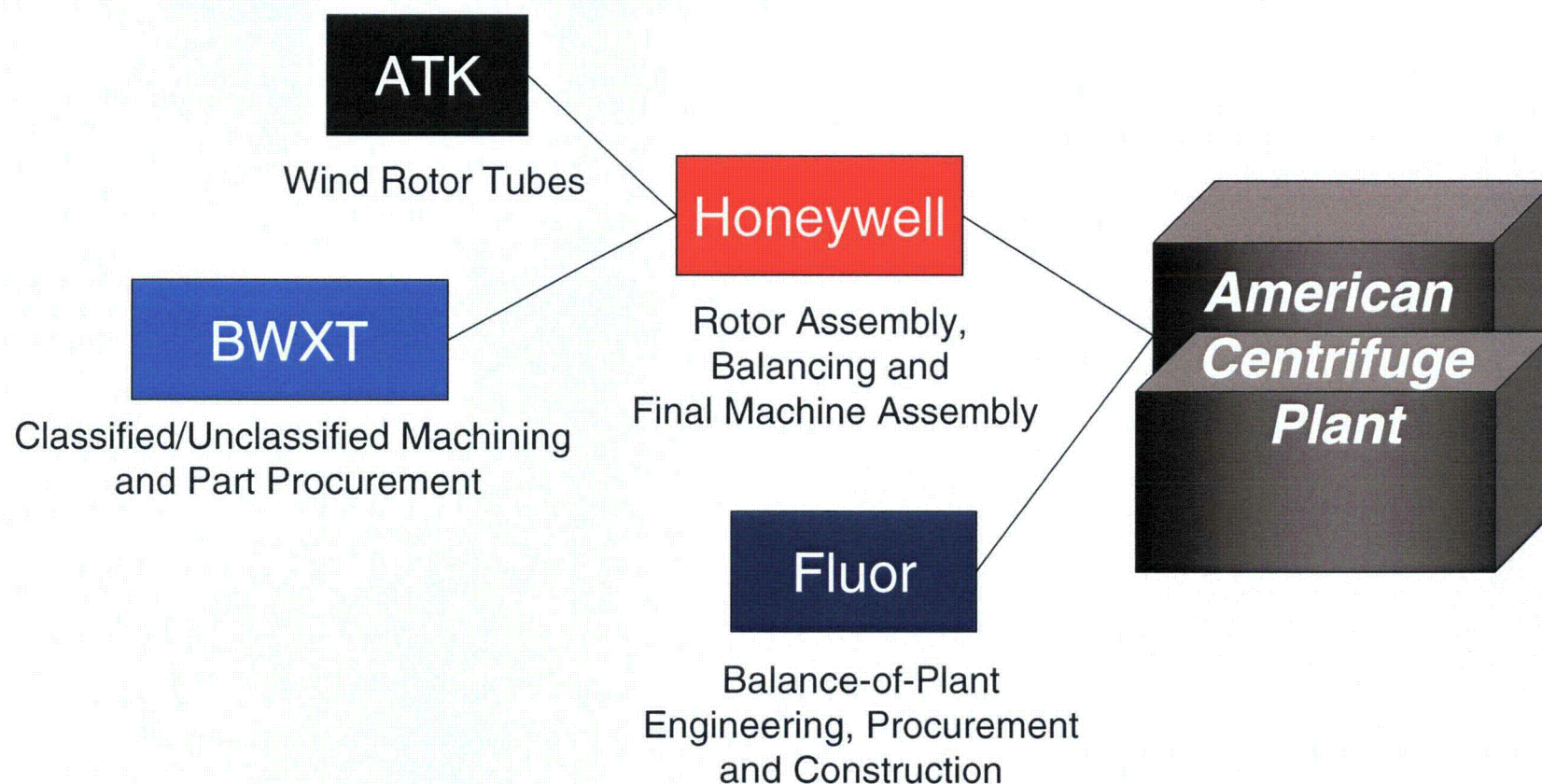


American Centrifuge Program Planned Organization





Major Manufacturing and Construction Contractors





Manufacturing Status

- Boeing certified to fabricate certain centrifuge components in their Oak Ridge, Tennessee manufacturing facility
 - These components will initially be used in the Lead Cascade
- BWX Technologies, Inc. to replace Boeing as manufacturer of centrifuge components
- ATK has made several prototype rotor tubes in Clearfield, Utah and has commenced upgrading existing facility in Rocket City, West Virginia for future high volume manufacturing
- Honeywell is working with Fluor to establish the design requirements for the machine assembly areas at Piketon and has mobilized their core assembly management team



The American Centrifuge Plant

Piketon, Ohio





Lease Status

- Facilities needed for near-term construction of the ACP have been leased/sub-leased from the U.S. Department of Energy
 - All major facilities have been leased
 - Lease activities will continue until all required facilities are fully leased
- Lease and regulatory oversight maps updated to reflect status



Construction Status

- Established organization and implemented necessary infrastructure programs
 - Applicable Lead Cascade procedures utilized
- Developed License Application Implementation Plan and Construction Management Implementation Plan
 - Approach is to gradually and deliberately increase the scope of construction activities
- Numerous assessment and audit activities were conducted prior to declaring construction readiness
 - Independent audit of Piketon Quality Assurance Program implementation
 - Audit of Fluor Corporate Quality Assurance Program
 - Fluor conducted construction readiness assessment with USEC Inc. observation



Construction Status

- Construction commenced on May 31, 2007
 - Phase I activities on or ahead of schedule
 - Contaminated valves and piping removed from feed building; transitioned to NRC regulatory oversight
 - Purchase orders placed for a number of key materials and components (e.g., structural steel)
- Feed and withdrawal process undergoing value engineering design review





6-Month Look Ahead Project Activities

- Complete Phase I construction activities
 - Finalize scope and cost estimates for next phase
- Continue with detailed designs and development of Items Relied On For Safety boundaries
- Continue to facilitate manufacturing
- Continue procurement and contracting for components and equipment with long lead time
- Commence Lead Cascade operations



Closing Remarks

Victor Lopiano