

EXPLANATION OF COMMISSION DETERMINATION ON ADEQUACY

in

Uranium from Russia, Inv. No. 731-TA-539-C (Second Review)

On October 4, 2005, the Commission determined that it should conduct a full review in the subject five-year review pursuant to section 751(c)(5) of the Tariff Act of 1930, as amended, 19 U.S.C. § 1675(c)(5).¹

The Commission received responses to its notice of institution from: (i) USEC, Inc and its wholly-owned subsidiary, the United States Enrichment Corporation (a domestic producer of natural uranium and low enriched uranium); (ii) Power Resources, Inc. (a domestic producer of natural uranium); (iii) Crow Butte Resources, Inc. (a domestic producer of natural uranium); (iv) the United Steel, Paper, and Forestry, Rubber, Manufacturing, Energy, Allied-Industrial and Service Workers International Union, AFL-CIO, CFC (a labor union with members employed in the domestic production of uranium); (v) RWE Nukem, Inc. (an importer of uranium from Russia); and (vi) the Ad Hoc Utilities Group (“AHUG”) (a coalition of U.S. industrial users of uranium).

The Commission determined that all of the responses described above (except that of AHUG, which is not an “interested party” within the meaning of 19 U.S.C. §1677(9), and with respect to which the Commission’s regulations do not contemplate an adequacy determination) were individually adequate. The Commission also determined that the domestic interested party group response was adequate, and that the respondent interested party group response was inadequate.

In light of a desire to further examine conditions of competition for this industry, including changes to the U.S.-Russia HEU Agreement, the Commission found that circumstances warranted conducting a full review.

A record of the Commissioners’ votes is available from the Office of the Secretary and the Commission’s web site (<http://www.usitc.gov>).

¹ Vice Chairman Okun did not participate in this determination.