



Mastering Nuclear Fuel Markets:

A COMPREHENSIVE TRAINING PROGRAM FOR UTILITY PERSONNEL

NAC Worldwide Consulting and its Stoller Nuclear Fuel Division (NAC/Stoller) offer training programs in Nuclear Fuel Procurement and Nuclear Fuel Cycle Economics that assist utilities in minimizing fuel cycle costs and achieving top decile fuel cost performance.

BASES AND BENEFITS OF THE PROGRAM

Over the past decade, nuclear fuel markets have become increasingly complex. At every step of the cycle, consolidation among the suppliers has resulted in relatively few vendors dominating the marketplace. On the other hand, uranium, conversion and enrichment markets have been significantly influenced by the emergence of Russia as a major international supplier and, more importantly, by the flow of nuclear material recovered from U.S. and Russian weapons into the commercial market place. Government intervention in the markets has added an additional degree of complexity.

While the markets have become more complicated, many utilities are operating with fewer personnel than in years past. Therefore, fuel managers and their staffs must perform their duties more efficiently and effectively than ever before if the company's costs are to be kept to a minimum and its nuclear power plants are to remain competitive in today's increasingly deregulated environment.

To achieve the lowest possible fuel cycle costs, utility fuel managers must:

- ◆ Develop a comprehensive understanding of how the various markets operate, the participating suppliers and the factors that drive the markets today and will influence them in the future
- ◆ Effectively utilize this knowledge in the formulation and execution of effective procurement programs for each of the fuel cycle commodities and services

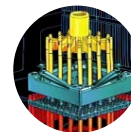
Through its regularly scheduled semi-annual Nuclear Fuel Management Seminars in the United States and Europe, NAC/Stoller has—for more than 20 years—provided a training program that covers the structure of the nuclear fuel industry, the markets for the various commodities and services as well as related topics. We are now adding a more advanced program, to be conducted at your offices, to assist in applying this knowledge to your specific procurement requirements.

Utilities may opt for any or all of the modules comprising this program and NAC/Stoller will customize each module to address your specific needs.

OBJECTIVES OF THE PROGRAM

The objectives of this program are to:

- ◆ Assist the utility in minimizing its fuel cycle costs through creative approaches to nuclear fuel procurement
 - ◆ Provide specific guidance to the utility staff in formulating and executing effective procurement strategies for each of the fuel cycle commodities and services based on NAC/Stoller's 40 years of experience in nuclear fuel markets
 - ◆ Provide recommendations for the preparation of bid specifications and draft contracts in each market
 - ◆ Provide recommendations on techniques and procedures for effectively and efficiently evaluating proposals and in negotiating contracts favorable to the utility customer
 - ◆ Provide an understanding of fuel cycle economics and the factors that ultimately determine fuel cycle costs
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- ◆ Assist the utility staff in achieving and improving their qualifications in fuel procurement and related areas

UTILITY POPULATION TO BENEFIT

- ◆ Executives With Fuel Responsibilities
- ◆ Utility Fuel Managers and their staffs
- ◆ Contract Administrators
- ◆ Legal, finance and accounting personnel with nuclear fuel responsibilities

PROGRAM MODULES

The program consists of the following modules:

- ◆ Procurement of Uranium Concentrates and Uranium Conversion Services
- ◆ Procurement of Uranium Enrichment Services
- ◆ Procurement of Nuclear Fuel Fabrication Services
- ◆ Nuclear Fuel Cycle Economics

The focus of each module will be to prepare the utility staff to plan and execute its procurement activities effectively and efficiently. This will result in enhanced staff knowledge and performance in the subject areas leading to substantial potential cost savings. Each module will include a review of the procedures and practices that NAC/Stoller has found to be the most effective in achieving fuel supply contracts at low prices and on favorable terms and conditions. Specific examples from NAC/Stoller's four decades of experience will also be included.

To enhance the benefits to the utility, each module includes, as appropriate, visual aids, models, etc., and allows for interaction between the instructor and the attendees as well as discussion of questions raised during each session.

A more detailed description of the contents of each module is also enclosed.

PROGRAM CRITERIA

All NAC/Stoller training programs follow the Systematic Approach to Training so as to be:

- ◆ Performance based
- ◆ Built upon utility experience
- ◆ Effective utilizers of economies of scale
- ◆ Designed specifically for the intended population
- ◆ Customized to address the utility's specific procurement concerns
- ◆ Consistent with the five-step ADDIE (Analyze, Design, Develop, Implement and Evaluate) model

Stoller Nuclear Fuel offers a wide variety of services to nuclear utilities, utility organizations, and government agencies around the world in the procurement, design, manufacturing and performance of nuclear fuel and core components. **NAC Worldwide Consulting**, a division of Atlanta-based NAC International, is a leading management consultancy for the energy and technology community specializing in strategic, performance, energy resource and information management.