DUF6 Update

Ken Collier

Manager Piketon Plant **Tom Robinson**

Manager Paducah Plant

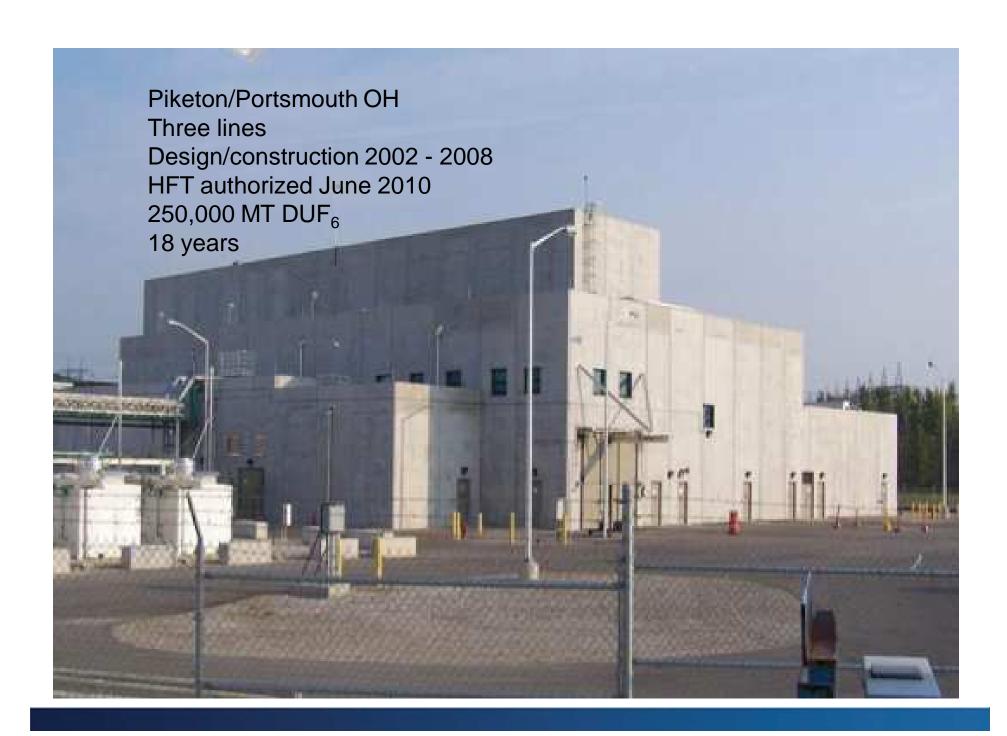
Feb. 29, 2012 Waste Management Symposium

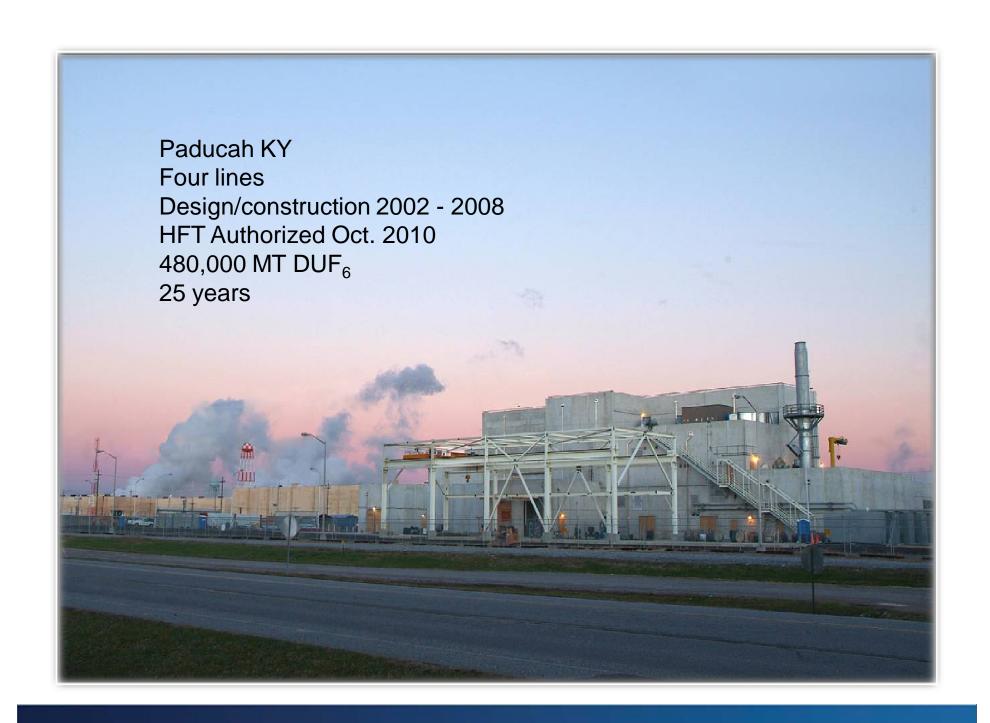


We are the big dogs

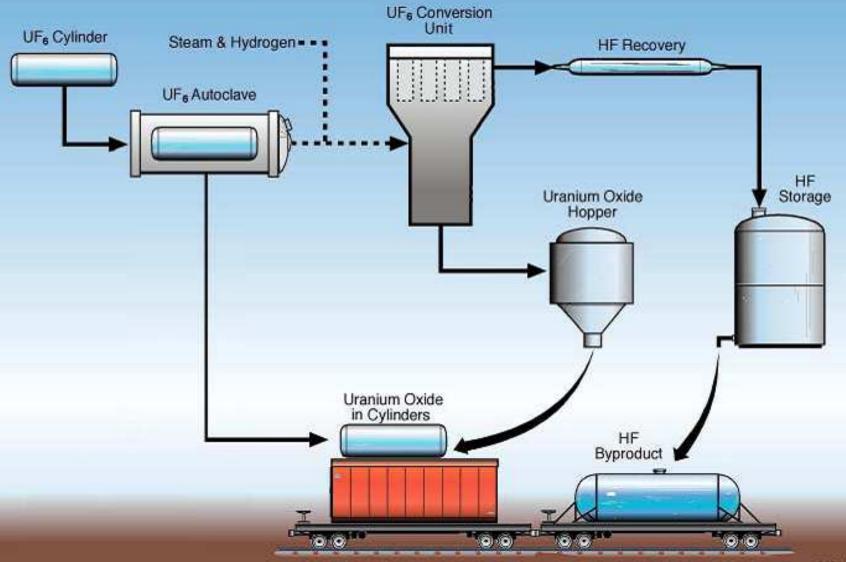




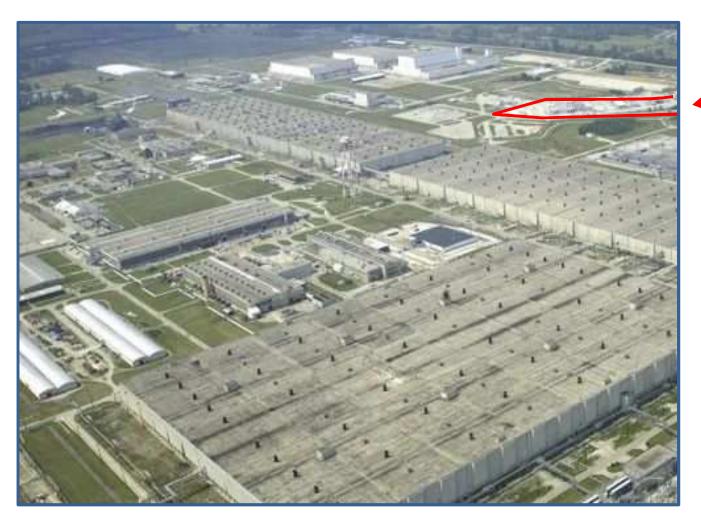




DUF₆ Conversion Process







Our plants occupy a small portion of the larger DOE sites.

We have 382 employees at three locations.

Plant status at transition

- Accepted status of completion
 Operational Readiness
 Reviews completed
 Hot Functional Testing started
- Day of involvement President's ES&H Forum Site meetings with team
- Began operations risk assessment
 Not repeating previous efforts
 External expert
 Transition Readiness
- Initiated Phased Restart
 Operations of integrated systems
 Safety-driven schedule





A fair description

We are a startup, first of a kind manufacturing operation, building a long-term sustainable future.

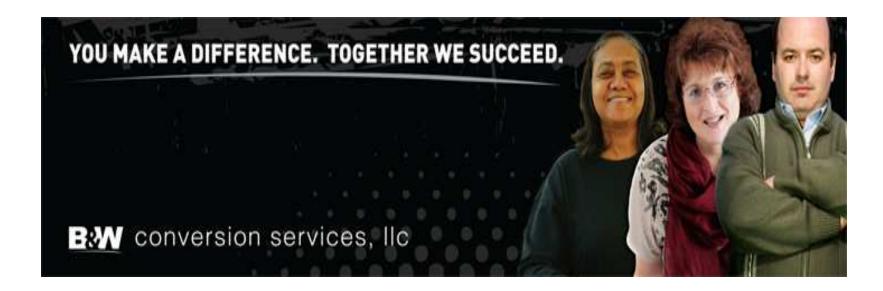




The Main Thing:

Operate the plants to convert DUF₆ and disposition HF

- Safely
- In compliance
- Cost-effectively
- Reliably



Building a success culture is also important to us.

Transition day
President's ES&H Forum
Responsible empowerment presentations
Senior leadership presence at sites
High Performing Organization survey
Nuclear Safety Culture survey

Our core values:

- Safety
- Integrity
- Accountability
- Teamwork
- Excellence
- Leadership

Phased Restart

- Integrate and operate each line's equipment
- Bring each line to operational status
- Bring each line to fully operational (converting)
- Move to the next line



Inherent challenges:

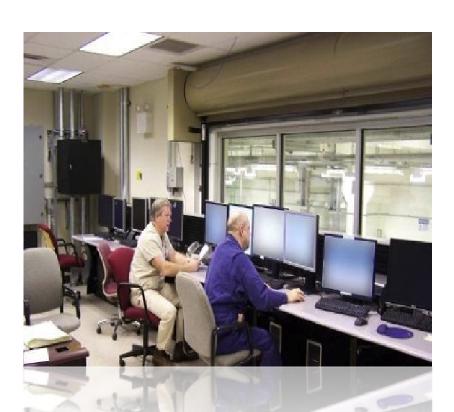
- Workforce accustomed to construction and testing
- Plants had never been fully operated
- New manufacturing operation/ typical startup issues
- Many processes to integrate
- No steady state commercial experience
- Bench to production scale
- Integrating three cultures



Startup Challenges

- Equipment failures
- Spare parts

 Inventory was thin
 Quality issues
 Lines had been
 cannibalized
- Plant support systems were unreliable
- Training operators and teams for production and preventive maintenance
- Design enhancements



Things no one knew or anticipated) . . .





... slowed us down.





... problems that are typical in manufacturing startups.



Our Task:

Bring both plants to full commercial production at design throughput by the end of FY 2012.

We are currently in partial conversion operational mode:

Integrate all lines and support systems

Run as long as possible

Keep learning

