

COGEMA PROPOSAL
ABOUT JAPCO DEPLETED URANIUM

1. COGEMA IS READY TO PURCHASE FROM JAPCO 428 METRIC TONS OF DEPLETED U AT AN AVERAGE ENRICHMENT OF 0.45 PER CENT, AT A PRICE OF 50 FRENCH FRANCS PER KG OF U. THIS PURCHASE COULD TAKE PLACE AS SOON AS THE END OF 1978.
2. AS COUNTERPART, COGEMA PROPOSE TO SELL TO JAPCO THE QUANTITY OF ENRICHED U⁶ OBTAINED BY AN ENRICHMENT OF 209 METRIC TONS OF NATURAL U CORRESPONDING TO 428 TONS OF DEPLETED URANIUM AT 0.45 PER CENT, I.E. FOR EXAMPLE 38 TONS AT 3 PER CENT OR 59 TONS AT 2 PER CENT. THE TOTAL DELIVERY COULD TAKE PLACE BEFORE THE END OF 1980. DEPENDING OF THE PRODUCT ASSAY, THE PRICE OF ENRICHED URANIUM IS RELATED TO NATURAL URANIUM AND ENRICHMENT COSTS, THROUGH THE TAILS ASSAY, ACCORDING TO THE FOLLOWING FORMULA :

$$P = AU + BE$$

WHERE - A AND B ARE STRICTLY CONNECTED TO TAILS AND PRODUCTS ASSAY
- U = PRICE OF FEED
- E = PRICE OF ENRICHMENT SERVICES

- FEED

THE PRICE OF FEED IS BASED ON THE PRICE OF CONCENTRATES PU AND ON THE CONDITIONS OF CONVERSION (PRICE AND LOSS)

- CONCENTRATES : $PU = \frac{FPP}{43 - \frac{FPP}{FPP0}}$ US DOLLARS PER LB U 308

WHERE PU = PRICE OF CONCENTRATES AT THE TIME OF DELIVERY
FPP = FRENCH PROCUREMENT PRICE AT THE TIME OF DELIVERY FOR PRODUCING COUNTRY
FPP0 = VALUE AS OF 1978 = 39.40 US DOLLARS

- CONVERSION CONDITIONS : MARKET CONDITIONS AT THE TIME OF DELIVERY.

- ENRICHMENT SERVICES

THE PRICE OF ENRICHMENT SERVICES AT DELIVERY TIME IS DETERMINED BY ESCALATION OF A BASE PRICE. AS OF JANUARY 1976, THE BASE PRICE IS 466.95 FRENCH FRANCS PER KG OF SWU.

3. IN ORDER TO EXAMINE THE ACCEPTABILITY OF DEPLETED U, IT IS NECESSARY TO COGEMA TO KNOW MORE PRECISELY ABOUT THIS PRODUCT AND ESPECIALLY :

- CHEMICAL FORM
- CHEMICAL PURITY
- LEVEL OF TRANSURANIC ELEMENTS, FISSIONS PRODUCTS AND ISOTOPES OF U AS 232.233.236.237.