

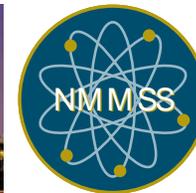
**NMMSS Users Annual Training Meeting
Atlanta, Georgia—May 22-24, 2007**

OBLIGATIONS

**RE-OCCURRING 741
CORRECTIONS**

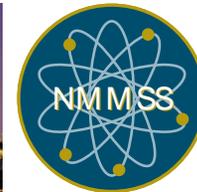
Re-occurring 741 Corrections

- **Pellet Fabrication Facility ships pellets to Fuel Bundle Fabrication Facility**
 - 741 generated without obligations
- **Bundle Fabrication Facility ships fuel bundles to Power Reactor Site**
 - 741 generated without obligations
- **Pellet Fabrication Facility receives “Transfer Notice” to assign obligations**
 - 741 corrections generated by Pellet Fabrication Facility to Bundle Fabrication Facility



Reoccurring 741 Corrections

- **Bundle Fabrication Facility now has to communicate to the Customer that 741 corrections are necessary**
 - In some cases up to 100 lines or more to be corrected per 741 transaction
 - Very time consuming for all parties
 - Room for error
 - Creates uncomfortable relationship between fabricators and customers



Questions?

- What is the process for obligations?
- This problem only started over the last 2 years, what changed?
- Is this customer driven due to uranium hold time?
- If this cannot be resolved, how can we communicate that this is now “normal practice” and should be expected?

