UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

May 10, 2000

CHAIRMAN

The Honorable Bill Richardson
Secretary of Energy
1000 Independence Avenue, S.W.
Washington, D.C. 20585

Dear Secretary Richardson:

I am writing in response to your inquiry about an article which appeared in The Washington Times on May 9, 2000, on a proposed transfer of nuclear technology to China. The article quotes an internal informational memorandum from the Nuclear Regulatory Commission Director of International Programs, Ms. Janice Dunn Lee, as stating, among other things, that the Department of Energy's (DOE) action in approving a license under Title 10 of the Code of Federal Regulations, Part 810 to export certain nuclear technology to China "may raise congressional and media questions." Although not a significant policy change, this particular Part 810 approval was done outside interagency procedures.

I have looked into the matter and have learned that, although NRC requested that DOE obtain certain assurances from the Chinese before the NRC would complete review of the Part 810 export application, DOE's approval of the license was subject to the receipt of adequate case-specific assurances from the Chinese, rather than generic assurances. Thus, as I understand the facts, no export of nuclear technology to China will occur pursuant to this Part 810 license in the absence of adequate case-specific assurances. Moreover, I understand that the Department of State approved the approach that DOE took in this matter, and is seeking assurances from the Chinese Government.

Please contact us if you have any questions. We look forward to the opportunity to be consulted on the adequacy of the assurances that must be provided by the Chinese.

Sincerely,

Nils J. Diaz
Acting Chairman