



**Global Nuclear Fuel**

A Joint Venture of GE, Toshiba, & Hitachi

SUPPORT OPERATION  
Licensing & Traffic

August 21, 2000

U.S. Nuclear Regulatory Commission  
Office of International Programs  
1 White Flint North  
11555 Rockville Pike  
Rockville, MD 20852

XSNM02673  
Amend. 04  
11004563

Attention: Ms. Betty Wright  
Export/Import Licensing Officer

Subject: NRC License XSNM02673, Request for Amendment No. 04

Dear Ms. Wright:

Global Nuclear Fuel – Americas, L.L.C. (GNF-A) request that Amendment No. 04 to License XSNM02673 be issued to cover the following item:

**ADD TO: “Ultimate Consignee in Foreign Country”**

**COGEMA PIERRELATTE  
B.P. 16  
26700 PIERRELATTE CEDEX  
FRANCE**

This amendment is required to export natural to enriched uranium as UF<sub>6</sub> to COGEMA as “heels” in cylinders. All other conditions remain unchanged. Balance remaining on the license: 118.91139 KGS U-235 and 2990.1871 KGS Uranium enriched up to 5.0 %. Enclosed is GNF-A’s check number 0015452719 in the amount of \$210.00 payable to the U.S. Nuclear Regulatory Commission for the processing of this request as required by law.

Your prompt assistance is appreciated. Upon issuance of the amendment, please forward to the undersigned.

Sincerely,

M. J. LaRue  
Licensing & Traffic, M/C 200  
175 Curtner Avenue  
San Jose, CA 95125  
Phone 408-925-3120  
FAX 408-925-2570

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THIS LICENSE EXPIRES 31 December 2001

**United States of America**  
Nuclear Regulatory Commission

**XSNM02673**  
Amendment No. 03  
Page 1 of 2

Pursuant to the Atomic Energy Act of 1954, as amended, and the Energy Reorganization Act of 1974 and the regulations of the Nuclear Regulatory Commission issued pursuant thereto, and in reliance on statements and representations heretofore made by the licensee, a license is hereby issued to the licensee authorizing the export of the materials and/or production or utilization facilities listed below, subject to the terms and conditions herein.

<p style="text-align: center;"><b>LICENSEE</b></p> <p><b>Global Nuclear Fuel - Americas, L.L.C.</b> Wilmington Nuclear Energy Production Facility 3901 Castle Hayne Road Wilmington, NC 28401</p> <p><b>Attn: M.J. LaRue</b> <b>M/C 200</b></p>	<p style="text-align: center;"><b>ULTIMATE CONSIGNEE IN FOREIGN COUNTRY</b></p> <p><b>See page 2 for list of consignees</b></p> <p style="text-align: center;"><b>(Return of UF6 "heels" in cylinders)</b></p>
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<p style="text-align: center;"><b>INTERMEDIATE CONSIGNEE IN FOREIGN COUNTRY</b></p> <p style="text-align: center;"><b>NONE</b></p>
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<p style="text-align: center;"><b>OTHER PARTIES TO EXPORT</b></p> <p style="text-align: center;"><b>NONE</b></p>
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APPLICANT'S REF. NO. Ltr. dtd. 11/11/99

COUNTRY OF ULTIMATE DESTINATION EURATOM

<p style="text-align: center;"><b>QUANTITY</b></p>
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<p style="text-align: center;"><b>DESCRIPTION OF MATERIALS OR FACILITIES</b></p> <p>The licensee is authorized to export 120.0 kilograms of Uranium-235 contained in 3,000.0 kilograms natural uranium and uranium enriched to 5.0 w/o maximum, as uranium hexafluoride (UF6) "heels".</p> <p style="text-align: center;"><b>XSNM02673, Amendment No. 03, continued on Page 2</b></p>
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Neither this license nor any right under this license shall be assigned or otherwise transferred in violation of the provisions of the Atomic Energy Act of 1954, as amended and the Energy Reorganization Act of 1974.

This license is subject to the right of recapture or control by Section 108 of the Atomic Energy Act of 1954, as amended and to all of the other provisions of said Acts, now or hereafter in effect and to all valid rules and regulations of the Nuclear Regulatory Commission.

THIS LICENSE IS INVALID UNLESS SIGNED BELOW BY AUTHORIZED NRC REPRESENTATIVE

*Ronald D. Hauber*  
RECEIVED  
AUG 22 2000  
Ronald D. Hauber, Deputy Director  
Office of International Programs

DATE OF ISSUANCE January 11, 2000





United States Department of State

Washington, D.C. 20520

October 15, 1999

Ms. Janice Dunn Lee  
Director  
Office of International Programs  
United States Nuclear Regulatory Commission  
Rockville, Maryland

Dear Ms. Lee:

I refer to past discussions with EURATOM regarding implementation of Administrative Arrangements pursuant to the U.S.-EURATOM Agreement for Cooperation and in particular to the EURATOM request that the U.S. consider exempting exports of natural, depleted and enriched uranium heels from the Agreement. EURATOM has now confirmed agreement to this exemption (Enclosure 1).

It is the judgment of the Executive Branch that exemption of natural and low-enriched uranium heels exports from the terms and conditions of the U.S. - EURATOM Agreement for Cooperation will not be inimical to the common defense and security of the United States, and is consistent with the provisions of the Atomic Energy Act of 1954, as amended by the Nuclear Non-Proliferation Act of 1978.

In considering this recommendation, the Executive Branch took into account the following factors. Exports of special nuclear material can be exempted from the requirement of a Section 123 agreement under Section 57d of the Atomic Energy Act. Exports of source material can similarly be exempted under Section 64. Although typical heel amounts per cylinder exceed current NRC General License amounts for export to non-restricted and non-embargoed countries, heels do not represent a proliferation risk. Heels do not accumulate into larger significant amounts except in inventories of emptied cylinders. Each time a cylinder with heels is refilled, sent to a customer and emptied, approximately the same quantity of heels remains. The only time heels are actually recovered and returned to fuel cycle use is when cylinders are cleaned.

In view of the foregoing, the Executive Branch recommends that exports to EURATOM of natural and low-enriched uranium heels in emptied cylinders not be made subject to the U.S.-EURATOM Agreement for Cooperation. The Executive Branch also recommends that the NRC consider amending 10 CFR Part 110 Export and Import of Nuclear Equipment and Material, Sections 110.21 and 110.22 to permit exports to EURATOM of low enriched special nuclear material and source material in the form of UF6 heels under General License. Enclosed is suggested draft language for such an amendment.

Sincerely,

Richard J. K. Stratford  
Director  
Nuclear Energy Affairs

Enclosures:

1. EURATOM letter to DOE dated October 14, 1999;
2. Draft amendment to NRC 10 CFR Part 110 Regulations.

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EUROPEAN COMMISSION

EURATOM SAFEGUARDS OFFICE  
Accounting and Auditing

*Chimisme*  
EURA RESTRICTED

14. 10. 99

ESO-3 JB/jb - E/36/1390/99

<b>To:</b> Mr. Jack CARAVELLI Acting Director  US DOE / NN-43	<b>Fax N°:</b>  +202 586 1348
<b>From:</b> J. SANTOS BENTO, Head of Unit Euratom, Luxembourg, ESO-3 Tel. (352) 4301-34860	<b>Fax N°:</b>  + 352 4301 33545

**SUBJECT:** EURATOM/USA cooperation agreements  
US Export Licenses XSNM 3101  
Returns of UF6 cylinders containing Heels

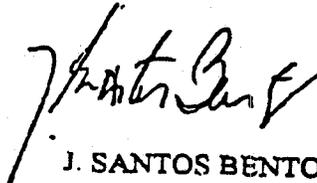
Dear Mr. Caravelli,

Regarding the above-mentioned license, I take the opportunity to come back to the subject of the Euratom acknowledgement for the return of UF6 cylinders containing heels.

I remind you that this question was previously raised with our letter dated 17/03/97 to Mrs. Dedik (cf. XSOU-8750) and that, during the meeting held in Washington on 16-17 June 1997, the US representatives proposed to exclude heels from the scope of the Agreement provided that the material is not more than 5 percent enriched and the total amount of material per cylinder is less than 25kg.

We are now in a position to confirm our agreement to the above proposal, and expect that the US authorities will not involve the Agreement in future returns to Europe of cylinders containing heel quantities of depleted, natural or low enriched uranium.

Yours sincerely,

  
J. SANTOS BENTO

Copy: - Mrs. Betty Wright, NRC (+301 415 2395)  
- Euratom Supply Agency (Mme Flingou)

Bâtiment Cube - Plateau du Kirchberg - L-2920 Luxembourg  
Telephone: direct line (+352)4301.34798 exchange 43011. Fax: 4301.33545  
Telegraphic address: EURDOC LU 2752

**DRAFT AMENDMENT TO 10 CFR PART 110**  
**Sections 110.21 and 110.22**  
**Additions**

**Section 110.21 (b)(3) Special nuclear material enriched to less than 20 percent in U-235 in the form of UF6 heels in cylinders being returned to suppliers in EURATOM.  
(INSERT AS NEW SUBPARA FOLLOWING 110.21(B)(2))**

**Section 110.22(c) A general license is issued to any person to export uranium in the form of UF6 heels in cylinders being returned to suppliers in EURATOM.  
(INSERT AS NEW SUBPARA (c) AND REORDER EXISTING SUBPARAS (c) THROUGH (f))**