

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

July 30, 1990

MEMORANDUM FOR: James R. Shea, Director, IP

FROM: Samuel J. Chilk, Secretary

SUBJECT: SECY-90-233 - PROPOSED RETRANSFER OF
PLUTONIUM FROM FRANCE TO SWITZERLAND

This is to advise you that the Commission (with all Commissioners agreeing) has approved the staff's position. You should forward the proposed response to DOE with the changes as indicated on the attached draft.

Commissioner Remick believes that due to the demonstrated feasibility of routine operations with mixed oxide fuel, this practice may be adopted by increasing numbers of European commercial power reactors in the future. Given the important ramifications of our approval of this retransfer, and the Swiss Embassy's concerns about the timeliness of future retransfers, the government should take care to ensure all the requisite security measures are in place to permit routine transfer of plutonium on a wider scale.

Concern has been raised in that while we have the needed agency assurances about the national governments involved, we do not have official assurance about the adequacy of measures against subnational terrorist groups. It should therefore be clearly communicated in our response to DOE that such formally stated assurances from DOD are a necessary prerequisite to NRC approval.

cc: Chairman Carr
Commissioner Rogers
Commissioner Curtiss
Commissioner Remick
OGC
EDO
GPA

NOTE: THIS SRM AND THE SUBJECT SECY PAPER WILL BE MADE PUBLICLY

AVAILABLE IN 10 WORKING DAYS FROM THE DATE OF THIS SRM.

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Mr. Salvador N. Ceja
Acting Director
Nuclear Nonproliferation Policy
Office of International Affairs
U.S. Department of Energy
Washington, DC 20585

Dear Mr. Ceja:

This is to advise you that the Nuclear Regulatory Commission has reviewed the request to transfer 132 kilograms of plutonium derived from U.S.-origin material from France to Belgonucleaire, Dessel, Belgium, for fabrication of mixed uranium-plutonium oxide fuel and subsequent retransfer of the fuel to Switzerland for use in the Beznau light-water power reactors (RTD/SD(EU)-56, 56, and 58).

The Commission understands that the Department of Defense has completed a Preliminary review under Section 133 of the Atomic Energy Act and has no objection to the approval of the subsequent arrangement, but has not yet communicated formal comments to this effect. The Commission also understands that this subsequent arrangement will not be approved until the Secretary of Defense or his designee has made this communication. Based on this understanding, the commission does not object to the proposed transfer.

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We would like to be notified, however, if the Department of Defense identifies any threat to the Proposed transfer.

Sincerely,

Marvin R. Peterson, Assistant Director
for International Security, Exports,
and Material Safety
International Programs
Office of Governmental and Public Affairs