4524

The Nonproliferation Policy Education Center

1718 M Street, N.W., Suite 244, Washington, DC 20036 phone: 202-466-4406 / fax: 202-659-5429 / e-mail: npec@ix.netcom.com / www.wizard.net/~npec

Executive Director

Henry Sokolski

12

Board of Advisors

Victor Gilinsky Energy Consultant

David Kay Vice President, Science Applications International Corporation

Morton Kondracke Editor, <u>Roll Call</u>

James R. Lilley Director, Asian Policy Studies, American Enterprise Institute

Robert L. Pfaltzgraff, Jr. Professor, Fletcher School of Law and Diplomacy

David Rapoport Editor, <u>Journal of</u> <u>Terrorism and</u> <u>Political Violence</u>, Professor, U. of California at Los Angeles

Hon. Stephen Solarz President Solarz Associates

Hon. Paul Wolfowitz Dean, Paul H. Nitze School of Advanced International Studies, The Johns Hopkins University

Roberta Wohlstetter PAN Heuristics, Inc. November 13, 2000

Mr. Richard A. Meserve Chairman U.S. Nuclear Regulatory Commission Washington, DC 20555

Dear Chairman Meserve:

On October 27, 2000 a report was posted on the U.S. Nuclear Regulatory Commission's (NRC) website entitled "North Korea – Interagency Meeting on Issues Related to 10 CFR Part 810 Authorization," (http://www.nrc.gov/NRC/NEWS/WIR/weekly.html), which summarized an October 25 meeting with Department of Energy (DoE) officials concerning a Combustion Engineering request to expand nuclear technology exports to North Korea. This request raises a number of important issues.

To date, Combustion Engineering has exported nuclear technology under a Part 810 authorization made in 1995. Under this authorization, the company could only export nuclear technology to North Korea "necessary for the licensing and safe operation of the reactors and not technology enabling the design or manufacture of nuclear components or fuel." According to the NRC website report, though, the company is concerned that "at the current stage of planning...the technology needed by the North Korean authorities may exceed the limitations of the [1995] Part 810 authorization."

Presumably, the nuclear technology that Combustion Engineering needs to export would allow North Korea to "design or manufacture" nuclear components or fuel. If the company were to attempt to export such nuclear items (as distinct from the nuclear technology needed to design or manufacture them), it would have to secure a NRC license. In fact, the NRC has found these items to be "significant from a nuclear explosives standpoint." Expanding the Part 810 authority to allow such nuclear transfers to North Korea, then, would constitute a truly unique case. In fact, it would be the first time such nuclear exports would be allowed to a state that is still in clear violation of the Nuclear Nonproliferation Treaty and its International Atomic Energy Agency obligations. The significance of the legal and political precedent that allowing such exports would set can hardly be overestimated.

I understand that the U.S. Department of Energy will formally seek the NRC's views on any new or revised Part 810 request the DoE might propose in this case. I know that normally the NRC does not ask for public comment concerning the development of its views on Part 810 authorizations. However, this case is unique. The NRC is the only independent agency involved in this process -- one that will later be called upon to make quasi-legal licensing determinations concerning hardware exports to this project.

NOES ŝ **0** EC'D BY :2

It is critical that the NRC maintain its independence throughout this process and be seen to do so. That's why, in this instance, it would be both appropriate and desirable for the NRC to reach out for public comment on the agency's views concerning Combustion Engineering's request. I urge you and the other commissioners to do so. It will enhance the quality of the advice the NRC finally shares with the DoE, and it will further bolster the credibility and integrity of the NRC in this precedent-setting matter.

Sincerely,

chilsen lerel !

Henry Sokolski Executive Director

Cc: Commissioner Greta Dicus Commissioner Nils Diaz Commissioner Edward McGaffigan Commissioner Jeffrey Merrifield The Honorable Fred Thompson The Honorable Joseph Lieberman The Honorable Joseph Biden The Honorable Joseph Biden The Honorable Benjamin Gilman The Honorable Ed Markey

The Nonproliferation Policy Education Center

1718 M Street, N.W., Suite 244, Washington, DC 20036 phone: 202-466-4406 / fax: 202-659-5429 / e-mail: npec@ix.netcom.com / www.wizard.net/~npec

Executive Director

Henry Sokolski

Board of Advisors

Victor Gilinsky Energy Consultant

David Kay

Vice President,

International

Corporation

2

Ms. Linda Herr Nuclear Regulatory Commission 1 White Flint North

Dear Ms. Herr.

November 13, 2000

Enclosed are letters for the Chairman and each of the Commissioners. If you could see that the other Commissioners receive their copies today I would be most appreciative. If you have any questions, feel free to call me at 202-466-4406.

Science Applications

Morton Kondracke Editor, Roll Call

James R. Lilley Director, Asian Policy Studies, American **Enterprise** Institute

Robert L. Pfaltzgraff, Jr. Professor, Fletcher School of Law and Diplomacy

David Rapoport Editor, Journal of Terrorism and Political Violence, Professor, U. of California at Los Angeles

Hon. Stephen Solarz President Solarz Associates

Hon. Paul Wolfowitz Dean, Paul H. Nitze School of Advanced International Studies, The Johns Hopkins Universitv

Roberta Wohlstetter PAN Heuristics, Inc.

Best. Wariance Olur

Marianne Oliva **Research Coordinator**