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2001, July 30

Mr. Ronald D. Hauber
Deputy Director
Office of International Programs
United States Nuclear Regulatory Commission
11555 Rockville Pike
Rockville, MD 20852

Dear Mr. Hauber:

Subject: **Shipment of HEU Targets pursuant to NRC Export
Licence XSNM03060**

Thank you for your letter of July 20, 2001, concerning the shipments of manufactured HEU targets for the MAPLE reactors at AECL's Chalk River Laboratories, which are scheduled in calendar year 2001.

As you know, the Canadian Nuclear Safety Commission, in renewing the operating licence for the MAPLE reactors, has required that, prior to the resumption of low-power commissioning of the MAPLE 1 reactor or loading fuel in the MAPLE 2 reactor, AECL is to appear before the Commission at a public hearing held on the matter. The earliest date, at which AECL could appear before the Commission, is October 4, 2001. Consequently the start of commercial production of isotopes in the MAPLE reactors, which had been forecasted in early 2002, will be delayed to later in calendar year 2002.

Also, MDS Nordion and AECL stated their belief in the Yearly Status Report for the USNRC on the Progress of the Program and Canadian Cooperation in Developing LEU Targets for the MAPLE Reactors and the New Processing Facility, dated May 2001, it was prudent that HEU target inventory be continually reviewed to optimize inventory for operational requirement. In view of this commitment and considering the above-mentioned delays in starting medical isotope production in the new facilities, shipments of HEU targets for the MAPLE reactors scheduled in February 2002, March 2002 and May 2002, will be delayed to later in calendar year 2002, after the submission of the



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annual report to the Commission, in accordance with Condition 10 of export license XSNM03060.

This action, which will limit the inventory of HEU targets for the MAPLE reactors at Chalk River Laboratories to about a one-year reserve inventory of targets in addition to the one-year on-going production supply of targets, will continue to be assessed based on the projected start date of the facilities and the operational needs of the MAPLE reactors. The USNRC will continue to be advised prior to all shipments authorized under Export Licence XSNM03060.

Yours sincerely,



Jean-Pierre Labrie

- c. J. Mangusi, Transnuclear, Inc.
J.A. Glasgow, Morgan, Lewis & Bockius
G. Malkoske, MDS Nordion