June 1, 2007

MEMORANDUM TO: Luis A. Reyes
Executive Director for Operations

FROM: Michael F. Weber, Director
Office of Nuclear Material Safety /RA/
and Safeguards

SUBJECT: APPROVAL OF MEMORANDUM OF UNDERSTANDING BETWEEN THE U.S. NUCLEAR REGULATORY COMMISSION AND THE U.S. DEPARTMENT OF ENERGY FOR THE GLOBAL NUCLEAR ENERGY PARTNERSHIP

BACKGROUND:

The U.S. Department of Energy (DOE) is developing the Global Nuclear Energy Partnership (GNEP) to provide the framework for an international plan to manage spent nuclear fuel, enhance the nuclear energy option, and provide safe and secure nuclear power to foreign countries. As part of the domestic GNEP effort, DOE plans to pursue three types of facilities that would support a proliferation-resistant, closed U.S. nuclear fuel cycle -- (1) a nuclear fuel recycling center, to separate the components of spent fuel [also referred to as the Consolidated Fuel Treatment Center (CFTC)]; (2) an advanced recycling reactor, to burn the actinide-based fuel, to transform the actinides in a way that makes them easier to store as waste and to produce electricity [also referred to as the Advanced Burner Reactor (ABR)]; and (3) an advanced fuel cycle research facility, to serve as a research and development Center of Excellence, for developing transmutation fuels and improving fuel cycle technology [also referred to as the Advanced Fuel Cycle Facility (AFCF)]. Currently, DOE's implementation strategy relies on the involvement of private companies to commercially construct and operate the CFTC and ABR facilities. Such private facilities would be subject to the U.S. Nuclear Regulatory Commission's (NRC's) regulatory authority. However, the AFCF would likely be a DOE-controlled and operated facility that would not be subject to NRC licensing.

DOE is requesting NRC assistance in the development of GNEP, to facilitate effective and efficient development of information on facility design, technology, safety, security, and other relevant considerations that support the GNEP objectives of development and deployment of advanced recycling technologies licensable by NRC. To that end, staff personnel from DOE and NRC have jointly developed a Memorandum of Understanding (MOU) to establish the framework and principles for interactions on GNEP activities. This MOU is enclosed. Subsequently, a separate Interagency Agreement (IA) and Statement of Work (SOW) will be developed for specific activities, under the MOU. This MOU and any implementing agreements and SOW under this MOU will be used solely to develop information that may serve as the basis for the NRC's regulation of any GNEP facility.

CONTACT: Yawar Faraz, NMSS/FCSS
(301) 415-8113

ACTION:

It is requested that you approve and sign this MOU.

RESOURCES:

Actual NRC activities will be identified in the IA and SOW and will be funded by a reimbursable agreement with DOE.

COORDINATION:

The Office of the General Counsel has no legal objections concerning this paper. The Office of the Chief Financial Officer has reviewed this paper for resource implications and has no objections.

Enclosure:
MOU Between NRC and DOE for GNEP

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