

-----Original Message-----

From: Janice Owens [mailto:JEO@nrc.gov]
Sent: Monday, November 01, 2004 11:09 AM
To: Tatiana.Delorm@nnsa.doe.gov
Cc: Brian Horn; Carlotta Coates; Grace Kim; Gladys Ordaz; Janice Dunn Lee; Patricia Tana; Suzanne Schuyler-Hayes; Stephen Dembek; Trip Rothschild; DeLaBarreR@state.gov
Subject: RE: FW: Steam Generators for China, letter to Mr. McDonough

✓ Dear Tatiana,

(S)

This is to confirm that steam generators (heat exchangers used mainly in pressurized water reactor designs to transfer heat from the primary reactor coolant system to the secondary steam system) would normally be part of the complete "package" of reactor equipment, components, and replacement parts authorized by an NRC nuclear reactor export license (an "XR" license), if such items were manufactured in and/or exported from the U.S. If exported from the U.S. separately (not as part of a complete reactor or major component export), they would be licensed by NRC as a component export (an "XCOM" license), since they are specially designed and prepared for use in a reactor as covered by Appendix A, paragraph (9) of 10 CFR Part 110. To the extent NRC makes the necessary determinations to issue a nuclear reactor or component export license, the technology associated with that reactor or component design is also approved for export. That is why DOE authority for approving proposed technology transfers or assistance to foreign atomic energy activities (10 CFR Part 810.2 (d)) does not apply to exports of nuclear equipment, components or material licensed by the NRC.

However, if a U.S. company applying for an NRC license to export a reactor will not be manufacturing all equipment and components in the U.S., these items would not be covered by the relevant NRC reactor or component export license (as NRC export controls apply only to items manufactured in and/or exported from the U.S. to a foreign country by a U.S. company). If the foreign-manufactured reactor equipment and components are based on U.S. technology, it is NRC's view that their transfer to a third country would be a matter under DOE jurisdiction. Since the U.S. government would have

already approved transfer of the relevant technology to the foreign manufacturer (via an NRC export license or a Part 810 approval), then decision-making authority for the transfer of technology associated with such items to the third country should rest with DOE.

I hope this is helpful and if you have additional questions or thoughts on this please contact me.

Janice

Janice E. Owens
Senior Export/Import Licensing Officer
U.S. Nuclear Regulatory Commission
Phone: 301-415-3684
Fax: 301-415-2395
jeo@nrc.gov

NRC
Response
Can be
released

? 2/10/05
Tatiana

F-8