

public

XR169

NOTE TO COMMISSIONER ASSISTANTS		
Distribution: OCM/ND <input checked="" type="checkbox"/> Lopez-Otin, Maria <input type="checkbox"/> Davis, Roger <input type="checkbox"/> Holahan, Gary <input type="checkbox"/> Croteau, Rick <input type="checkbox"/> Jackson, Chris <input type="checkbox"/> Haney, Kathy <input type="checkbox"/> Flack, Diane <input type="checkbox"/> McConnell, Keith <input type="checkbox"/> Bolling, Vicki <input type="checkbox"/> Jackson, Kia <input type="checkbox"/> Herr, Linda OCM/EM <input checked="" type="checkbox"/> Sharkey, Jeffrey <input type="checkbox"/> Winsberg, Kathryn <input type="checkbox"/> Beall, James <input type="checkbox"/> Astwood, Heather <input type="checkbox"/> Lewis, Linda <input type="checkbox"/> Waller, Antoinette OCM/JM <input checked="" type="checkbox"/> Doane, Margie <input type="checkbox"/> Thoma, John <input type="checkbox"/> Droggitis, Spiros <input type="checkbox"/> Zimmerman, Jacob <input type="checkbox"/> Kipfer, Lorna <input type="checkbox"/> Fortune, Tojuana	FROM: Janice Dunn Lee, Director Office of International Programs	
	DATE: March 4, 2004	
	SUBJECT: WESTINGHOUSE SUBMITS APPLICATION TO EXPORT FOUR REACTORS TO CHINA (XR169)	
	COMMENT: A request from Westinghouse for a license to export 4 PWRs rated from 900 to 1500 MWe to China was received on February 26, 2004. Two reactors are proposed for Phase 2 of the existing Ling Ao site, which is located at Daya Bay, Dapeng Town, Shenzhen, China and owned by Ling Dong Nuclear Power Co. Ltd., which is majority owned by China Guangdong Nuclear Power Corp. (CGNPC). The 2 other plants are proposed for a new site named San Men, which is located in San Men County, Zhejiang Province, China and currently owned by Zhejiang Nuclear Power Project Preparatory Office, which is majority owned by China National Nuclear Corporation (CNNC). Interested Executive Branch personnel support this deal as part of a broader effort to improve the balance of trade between the US and China. Westinghouse hopes that if successful, this would be the first of several additional reactors that China plans to order in the future. Contact: Janice Owens (415-3684)	
Please check one of the following, if applicable: ATTACHMENT CONTAINS: <input checked="" type="checkbox"/> Internal Use Only -- Not for Public Disclosure <input type="checkbox"/> Pre-decisional Information <input type="checkbox"/> Official Use Only (NRC Form 190B) Green Striped <input type="checkbox"/> Proprietary Information (NRC Form 190) Yellow <input type="checkbox"/> Sensitive Allegation Information (NRC Form 461) Green <input type="checkbox"/> Attorney Client Information <input type="checkbox"/> Do not put in ADAMS - Why? _____		
cc w/ attachments: W. Travers, EDO C. Paperiello, DEDMRS W. Kane, DEDH P. Norry, DEDM W. Dean, AO S. Collins, DEDRP	NMSS - Virgilio RES - Thadani NRR - Dyer NSIR - Zimmerman OIP, CFO, CIO	cc w/o attachments:

Version: February 2, 2004

Information in this record was deleted in accordance with the Freedom of Information Act.
 Exemptions 715
 FOIA/PA 2010-0618

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Distribution:

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- Schlueter, Janet
- Davis, Roger
- Holahan, Gary
- Croteau, Rick
- Jackson, Chris
- Thadani, Ashok
- Kasputys, Clare
- Bolling, Vicki
- Jackson, Kia
- Herr, Linda

OCM/EM

- Sharkey, Jeffry
- Jones, Bradley
- Beall, James
- Astwood, Heather
- Lewis, Linda
- Waller, Antoinette

OCM/JM

- Droggitis, Spiros
- Coggins, Angela
- Thoma, John
- Skeen, David
- Kipfer, Lorna
- Fortune, Tojuana

FROM: Janice Dunn Lee, Director
Office of International Programs

Margaret Doane

DATE: December 13, 2004

SUBJECT:
REVIEW SCHEDULE FOR WESTINGHOUSE APPLICATIONS TO EXPORT REACTORS AND LEU FUEL TO CHINA (XR169 AND XSNM03034Rev)

COMMENT:

Attached for your information is the current list of milestones and schedule projections for NRC's review of the Westinghouse applications for licenses to export up to 4 PWRs to China (XR169), along with LEU fuel for the initial cores and one reload for each of the four reactors (XSNM03034Rev). Since it is rumored that the Chinese may award the contract for these facilities in early February 2005, OIP is consulting with NSIR and the Executive Branch to identify and, if possible, pro-actively address issues that otherwise might delay or complicate completing the license reviews.

The Chinese Government has not yet provided the required assurances and continues to pose probing questions about the U.S. export license review and approval process. The Department of State has been careful to explain U.S. requirements, while at the same time, trying to promote the view that the U.S. is a trustworthy trading partner. Framatome, the major competitor and incumbent foreign reactor vendor in China, is known to portray the U.S. as an unreliable supplier always imposing new groundrules. Some believe that processing the two exports as a package deal will be viewed as evidence of U.S. reliability and good faith.

Contact: Janice Owens, OIP, 415-3684

Please check one of the following, if applicable:

ATTACHMENT CONTAINS:

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- Official Use Only (NRC Form 190B) Green Striped
- Proprietary Information (NRC Form 190) Yellow
- Sensitive Allegation Information (NRC Form 461) Green
- Attorney Client Information
- Do not put in ADAMS - Why? _____

cc w/ attachments:

L. Reyes, EDO
M. Virgilio, DEDMRS
W. Kane, DEDH
P. Norry, DEDM
W. Dean, AO
E. Merschoff, DEDR
I. Schoenfeld, EDO

K. Cyr, OGC
J. Strosnider, NMSS
C. Paperiello, RES
J. Dyer, NRR
R. Zimmerman, NSIR
OIP, CFO, CIO

Version: November 17, 2004

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May be exempt from public release under the Freedom of Information Act (5 U.S.C. 552)

Exemption number 4, 5
Nuclear Regulatory Commission review required before public release.

Stephen Deimbek
Name and organization of person making determination.

Date of Determination 12/10/04

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PROPOSED LEU FUEL EXPORTS TO CHINA (XSNM03034 Rev)

XSNM03034Rev - LICENSE REVIEW SCHEDULE		
(Initial Core & 1 Refpad For XR169 Reactors - 26,558 kg U, 296 lb 542,000 kg U)		
Milestones	Schedule Date	Actual Date
Revised application received		8/31/2004
Revised application posted in ADAMS	9/3/2004	9/8/2004
Ltr sent to DOS revising initial request for assurances from Govt of China & judgments of interested Executive Branch (EB) agencies on statutory export licensing criteria	9/9/2004	9/21/2004
FRN public notice published	Not Required	
NSIR notice of need to extend review pending receipt of DOS response. Question approving proposed fuel export before reactor export license issued		10/15/2004
DOS response providing Chinese Govt assurances & EB judgments on exports received by OIP	TBD	
NSIR views on int'l safeguards & physical security conformance with INFCIRC/225/Rev 4 received	w/in 7 days of DOS response	
SECY Paper drafted & circulated for internal (OGC, NSIR, & EDO) review & concurrence	w/in 10 days of DOS response & NSIR Views	
Upon receipt of internal concurrences, SECY Paper signed by OIP Director & transmitted to SECY for Commissioner action	TBD	
SRM on Commissioner action received. Export license prepared & signed by OIP Director	w/in 10 days of SRM	
If license not issued w/in 60 days of DOS response, letter to applicant explaining reasons for delay signed by OIP Director	TBD	
Notes: (b)(2),(b)(5)		

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 PROPOSED REACTOR EXPORTS TO CHINA (XR169)

XR 169 - LICENSE REVIEW SCHEDULE (San Men Units 1 & 2 and Yang Jiang Units 1 & 2)		
Milestones	Schedule Date	Actual Date
Application received		2/26/2004
Application posted in ADAMS	3/2/2004	3/1/2004
Ltr sent to DOS requesting assurances from Govt of China, judgments of interested Executive Branch (EB) agencies on statutory export licensing criteria & concise environmental review	3/5/2004	3/8/2004
FRN public notice published		3/17/2004
NSIR views received -- No int'l safeguards concerns (physical security review not required for equipment exports)	3/26/2004	3/18/2004
DOS response providing Chinese Govt assurances, EB judgments on proposed exports & concise environmental review of reactor export received	TBD	
SECY Paper drafted & circulated for internal (OGC, NSIR, & EDO) review & concurrence	10 days from DOS response & NSIR Views on XSNM03034	
Upon receipt of internal concurrences, SECY paper signed by OIP Director & transmitted to SECY for Commissioner action	TBD	
SRM on Commissioner action received. Export license prepared & signed by OIP Director	w/in 10 days of SRM	
If license not issued w/in 60 days of DOS response, letter to applicant explaining reasons for delay signed by OIP Director	TBD	

Notes:

(b)(2),(b)(5)

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(b)(2),(b)(5)

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(b)(2),(b)(5)

**PROPOSED WESTINGHOUSE EXPORT OF FOUR PWRs (AP1000 DESIGN) TO CHINA
(San Men Units 1&2 and Yang Jiang Units 1&2)**

Milestones	Schedule Date	Actual Date
Application received		2/26/2004
Application posted in ADAMS	3/2/2004	3/1/2004
Ltr sent to DOS requesting assurances from Govt of China, judgments of interested Executive Branch (EB) agencies on statutory export licensing criteria & concise environmental review	3/5/2004	3/8/2004
FRN public notice published		3/17/2004
NSIR views received -- No int'l safeguards concerns (Physical security review not required for equipment exports)	3/26/2004	3/18/2004
DOS response received -- Chinese Govt assurances, EB judgments & concise environmental review provided	TBD	
SECY Paper drafted & circulated for internal (OGC, NSIR, & EDO) review & concurrence	w/in 10 days of DOS response	
Upon receipt of internal concurrences, SECY paper signed by OIP Director & transmitted to SECY for Commissioner action	TBD	
SRM on Commissioner action received. Export license prepared & signed by OIP Director	w/in 10 days of SRM	
If license not issued w/in 60 days of DOS response, letter to applicant explaining reasons for delay signed by OIP Director	TBD	

Notes:

(b)(2),(b)(5)

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