November 30, 1979

UNITED STATES NUCLEAR REGULATORY COMMISSION WASHINGTON, D. C. 20555

SECY-79-640

INFORMATION REPORT

For:

The Commissioners

From:

James R. Shea, Director

Office of International Programs

Thru:

Executive Director for Operations THE for L.V.G.

Subject:

EXECUTIVE BRANCH RESPONSE ON PENDING EXPORT APPLICATION

DATED 7/26/78, XU08427, NATURAL URANIUM TO FRANCE

Purpose:

To inform the Commission of the above subject.

Discussion:

Enclosed for the information of the Commission are copies of the Executive Branch response dated November 27, 1979 on a pending export license application. Copies of the Executive Branch comments have been placed in the Public Document Room. A Commission Action Paper will be

forwarded soon.

Commissioners are requested to advise the staff of any particular issues or information which they can identify at this stage and which they wish included in the staff's analysis. The staff notes that this is the first proposed license received by NRC for the export of source material

for enrichment abroad.

James R. Shea, Director Office of International Programs

Enclosures: As stated

Contact:

M.R. Peterson (492-8155) J.D. Lee (492-7984)

DISTRIBUTION:

Commissioners Commission Staff Offices Exec. Dir. for Operations Secretariat

> 1742 285 8001140 98



DEPARTMENT OF STATE

Washington, D.C. 20520

BUREAU OF OCEANS AND INTERNATIONAL ENVIRONMENTAL AND SCIENTIFIC AFFAIRS

NOV 2 7 1979

NOV 27 PM 5 31

X408427

MEMORANDUM FOR JAMES R. SHEA
NUCLEAR REGULATORY COMMISSION

Enclosed is an Executive Branch analysis covering a license aplication (XU08427) for the export of natural uranium to France for enrichment at COGEMA's Pierrelatte (EURODIF) facility. The low enriched uranium produced will be returned to the United States for fabrication into fuel elements by General Electric Corporation in San Jose, California. The fuel elements are intended for export to Switzerland for fueling of the Kernkraftwerk Kaiseraugst power reactor. In accordance with the requirements of Section 126 a.(1) of the Atomic Energy Act, as amended, the analysis addresses the extent to which the specific criteria in Section 127 and 128 are met, as well as certain additional factors envisaged by Section 126 a.(1).

Export of this natural uranium for enrichment is subject to Section 402 (a) of the Atomic Energy Act, as amended by the Nuclear Non-Proliferation Act of 1978. It is the view of the Executive Branch that pending conclusion of negotiations to amend the U.S.-EURATOM Additional Agreement for Cooperation, export for enrichment in France may take place pursuant to the present Agreement with the approval of the United States. The procedures for such approval are to be identical to those for subsequent arrangements, as set out in Part E of the Executive Branch Procedures published in the Federal Register on June 7, 1978.

The Department of Energy as the lead agency for preparation of subsequent arrangements has initiated the necessary procedures for approval under Section 402 (a) and also under 10 CFR 810.

The Executive Branch, on the basis of its review of this export application, has concluded that the requirements of the Atomic Energy Act, as amended by the Nuclear Non-Proliferation Act of 1978 (P.L. 95-242), have been met and it is the Executive Branch judgment that the proposed export would not be inimical to the common defense and security of the United States. Switzerland and the members of

1742 286

EURATOM have adhered to the provision for cooperation with the United Stat Branch recommends issuance of the re

DUPLICATE DOCUMENT

Entire document previously entered into system under:

ANO

No. of pages: