

GENERAL ELECTRIC

NUCLEAR ENERGY
PROJECTS DIVISION

GENERAL ELECTRIC COMPANY, 175 CURTNER AVE., SAN JOSE, CALIFORNIA 95125

BDW-79124

May 8, 1979

Mr. James R. Shea, Director
Office of International Programs
Export/Import and International Safeguards
U. S. Nuclear Regulatory Commission
Washington, D.C. 20555

Subject: XSNM 1341 - Kuo Sheng, Taiwan, fuel

Dear Mr. Shea:

Supplementing my April 18, 1979 letter to you on this subject (copy enclosed), immediate issuance of XSNM 1341 is now urgently requested.

General Electric's commitment to Taiwan Power Company requires exports under the license to be completed by July 1, 1979. Compliance with recently disclosed shipping requirements however, imposes a formidable series of interacting problems, and arrangements to solve those problems can't be made until the license is granted or known to be imminent.

The major shipping constraints faced by GE after licensing are:

1. Shipments must go directly to Keelung, Taiwan with no other calls at en-route foreign ports. This requirement, imposed by the customer, is in the interest of physical security in transport.
2. Only U. S. ships may be utilized. Export/import bank financing requires use of U. S. transport vessels. Waivers would require many weeks and are judged unlikely in this case.
3. Multiple shipments must be made in order to acquire adequate property insurance. As many as three separate shipments may be required to minimize risk of loss in transport.

It is at once apparent that even if the license was issued this week, only a very few sailings from now to July meet the requirements to be of U. S. registry and with direct routing.

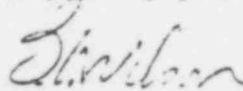
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Please notify promptly the appropriate officials of any agency responsible for continued delays that (1) failure to honor this commitment not only would jeopardize General Electric's commercial credibility but would also further erode U. S. policy toward regaining international standing as a reliable supplier of nuclear fuel for peaceful purposes. (2) One hundred forty-four (144) days have now elapsed since the Executive Branch judgment was documented. Since this is substantially beyond the 120 day statutory maximum, further delay, in our view, would be excessive.

Very truly yours,



B. D. Wilson, Manager
Government Relations & Export Licensing
MC 838 (408) 925-1380

BDW/jj
Enclosure
cc: Louis V. Nosenzo, D. O. S.

bcc: D. J. Brager
C. H. Peterson

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