



DEPARTMENT OF STATE

Washington, D.C. 20520

BUREAU OF OCEANS AND INTERNATIONAL ENVIRONMENTAL AND SCIENTIFIC AFFAIRS

XSNM01426

MAY 23 1979

EXPORT/IMPORT  
AND  
INTERNATIONAL  
SECURITY

1979 MAY 24 PM 1 12

RECEIVED  
U.S. HRIC

Mr. James R. Shea  
Director of International Programs  
United States Nuclear Regulatory Commission  
Room 6714 - MNBB  
Bethesda, Maryland

Dear Mr. Shea:

This letter is in response to the letter from Mr. Gossick dated December 12, 1978, requesting Executive Branch views as to whether issuance of an export license in accordance with the application hereinafter described would be inimical to the common defense and security of the United States and whether the proposed export meets the applicable criteria of the Atomic Energy Act as amended by the Nuclear Non-Proliferation Act of 1978 (P.L. 95-242):

NRC No. XSNM01426 -- Application by Mitsui & Company (U.S.A.) Inc. for authorization to export to Japan 3,511 kilograms of uranium-235 contained in 157,382 kilograms of uranium enriched to 2.55 percent. The material in the form of uranium dioxide and uranium hexafluoride will be shipped to Mitsui & Co., Ltd. for transfer to the Sumitomo Metal Mining Co. for conversion of the UF<sub>6</sub> to UO<sub>2</sub>, then the material will be transferred to the Japan Nuclear Fuel Co. Ltd. for fabrication into fuel assemblies. The assemblies will be used for the initial core of Unit 1 of the Fukushima II Nuclear Power Plant in Japan. Proposed first shipment is scheduled for June 1979. Fukushima II Unit I is a 1100 megawatt electric boiling water reactor owned and to be operated by the Tokyo Electric Power Company.

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ATTACHMENT B

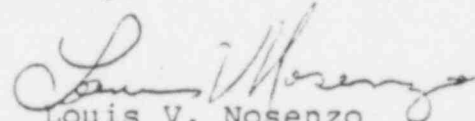
7908130141

The proposed export would take place pursuant to the Agreement for Cooperation Between the United States and Japan as confirmed in a letter from the Embassy of Japan, a copy of which is enclosed. Japan has adhered to the provisions of its Agreement for Cooperation with the United States.

The Executive Branch has reviewed this application and concluded that the requirements of the Atomic Energy Act, as amended by P.L. 95-242, have been met and that the proposed export will not be inimical to the common defense and security of the United States. A detailed analysis was submitted for Japan on April 30, 1979 for NRC license application no. XSNM-1435. There has been no material change in circumstances since the submission of that analysis.

On the basis of the foregoing, the Executive Branch recommends that the license be issued.

Sincerely,



Louis V. Nosenzo  
Deputy Assistant Secretary

Enclosure:  
Assurance letter

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EMBASSY OF JAPAN

2520 MASSACHUSETTS AVENUE, N.W.

WASHINGTON, D.C. 20008

(202) 234-2266

May 10, 1979

Colonel Vance H. Hudgins  
Assistant Director for  
Politico-Military Security Affairs  
Division of International Security Affairs  
Department of Energy  
Washington, D.C. 20545

Dear Colonel Hudgins:

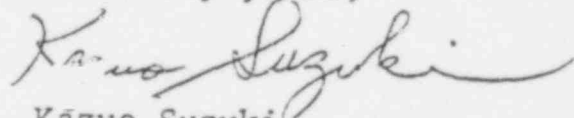
Concerning import of the special nuclear material for the facility noted below, this will confirm that the Government of Japan appointed Tokyo Electric Power Company, Inc. as an authorized person under the terms and conditions pursuant to Article VI of the Agreement for Cooperation between the Government of the United States of America and Government of Japan concerning Civil Uses of Atomic Energy which entered into force on July 10, 1968, amended by the Protocol on December 21, 1973.

Fuel for the Fukushima II Station Reactor No. 1: 3,511 kgs of U-235 (2.50 % maximum enrichment) contained in 157,382 kgs of uranium

Further, it is confirmed that the transfer of the special nuclear material identified above will take place under all the terms and conditions of the Agreement for Cooperation between our Governments, and that the appointee(s) named above have been authorized to receive and possess the material by both Governments.

Also, the Government of Japan confirms that the safeguards and guarantees of the Agreement for Cooperation will always apply to this special nuclear material, except for that material subsequently retransferred with the written approval of the United States.

Sincerely yours,



Kazuo Suzuki  
First Secretary (Scientific)

Ref: This is in reference to the case number of XSNM-1426 stated in your letter dated March 2, 1979.

The intermediate consignee, Sumitomo Metal Mining Co., Ltd. and Japan Nuclear Fuel Co., Ltd. are also authorized to receive and possess the material.

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