

## DEPARTMENT OF STATE

Washington, D. 20520



BUREAU OF OCEANS AND INTERNATIONAL ENVIRONMENTAL AND SCIENTIFIC AFEATRS

JUN 2 2 1979

Ission Fubushina I

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 your letter dated March 14, 1979, 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 of 1954, as amended by the Nuclear Non-Proliferation Act of 1978 (P.L. 95-242):

NRC No. XSNM01473 -- Application by the Marubeni America Corporation for authorization to export to Japan 102 kilograms of U-235 contained in 3,799 kilograms of uranium enriched to a maximum of 3.9 percent. After conversion into UO2 by the Sumitomo Metal and Mining Company Ltd., this low enriched uranium is to be fabricated into fuel assemblies by Nuclear Fuel Industries, Inc., Tokai Mura, for reload of Unit 4 of the Fukushima I Nuclear Power Plant.

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 pro-

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posed export will not be inimical to the common defense and security of the United States. A detailed analysis for Japan was submitted April 30, 1979 for NRC license application No. XSNM01435. There has been no material change in circumstances since that submission.

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

Sincerely,

Louis V. Nosenzo
Deputy Assistant Secretary

Enclosure:

Assurance letter

## EMBASSY OF JAPAN

2520 MASSACHUSETTS AVENUE, N.W. WASHINGTON, D.C. 20008 (202) 234-2266

June 15, 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 Co., Inc. (TEPCO) 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, amende by the Protocol on December 21, 1973.

Fuel for the TEPCO's Fukushima I Unit No. 4: 102 kgs of U-235 (3.90 % maximum enrichment) contained in 3,799 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 condition 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,

In Masayasu Miyabayashi

First Secretary (Scientific)

Ref: This is in reference to the case number of XSNM-1473 stated in your letter dated April 6, 1979.

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

Maximum enrichment above include allowance 0.7 7 and contract based maximum enrichment is 3.80 %.

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