ACC

XU08451
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DEPARTMENT OF STATE

Washington, D.C. 20520

BUREAU OF OCEANS AND INTERNATIONAL
ENVIRONMENTAL AND SCIENTIFIC AFFAIRS

MAY 25 1979

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U.S. NRC

EXPORT/IMPORT
AND
INTERNAT'L SFGRDS

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 1, 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. XU08451 -- Application by Edlow International Company for authorization to export to either France or the United Kingdom 129,243 kilograms of natural uranium in the form of U_3O_8 for conversion into uranium hexafluoride and return to the U.S. for enrichment and eventual re-export to the Federal Republic of Germany for use in the Stade Nuclear Power Plant.

The proposed export of U_3O_8 for conversion and subsequent export of slightly-enriched UF_6 would take place pursuant to the Additional Agreement for Cooperation Between the United States and the European Atomic Energy Community (EURATOM) as confirmed in a letter from the Delegation of the Commission of the European Communities, a copy of which is enclosed. EURATOM 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 and P.L. 95-242 have been met and that the proposed export of U_3O_8 and subsequent re-export of low-enriched UF_6 will not be inimical to the common defense and security of the United

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States. A detailed analysis for EURATOM was submitted December 8, 1978 (NRC No. XSNM-1241). There has been no material change in circumstances since that submission.

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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DELEGATION OF THE COMMISSION OF THE EUROPEAN COMMUNITIES

EURATOM SUPPLY AGENCY

May 24, 1979

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

Dear Mr. Hudgins:

Subject: Edlow International Co. application on behalf of Urangesellschaft GmbH dated February 21, 1979, for West Germany - XUo8451

We certify that the material mentioned in this application, namely 129,243 kilograms of uranium contained in 152,410 kilograms of U_3O_8, and the transfer of this material will be subject to all terms and conditions of the Additional Agreement for Cooperation, dated July 25, 1960, as amended.

Further, we certify that Comurhex, Pierrelatte, France, and or British Nuclear Fuels, England (for conversion of the U_3O_8 into UF_6), as intermediate consignees, and Urangesellschaft c/o Reederei und Spedition 'Braunkohle' GmbH, Ludwigshafen, West Germany, as ultimate consignee, are authorized by EURATOM to receive and possess this material pursuant to the aforementioned Agreement for Cooperation.

This material will be stored by Urangesellschaft for return to the U.S. for enrichment and eventual reexport to West Germany for use as fuel at the Stade Power Station - West Germany.

Sincerely,

Michael Goppel

M. Goppel

JM/ajs

cc: Mr. Robert DeLabarre, State Department
Ms. Betty Wright, NRC
Mr. Jack Edlow, Edlow International Co.

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