



DEPARTMENT OF STATE

Washington, D.C. 20520

BUREAU OF OCEANS AND INTERNATIONAL  
ENVIRONMENTAL AND SCIENTIFIC AFFAIRS

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U.S. NRC

1979 JAN 19 PM 1 34

January 17, 1979

EXPORT/IMPORT  
AND  
INTERNAT'L SFGRODS

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

XSNM01285  
70-2829

Dear Mr. Shea:

This letter is in response to your letter dated March 15, 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:

NRC No. XSNM01285 -- Application by the Mitsubishi International Corporation for authorization to export to Japan 52 kilograms of uranium-235 contained in 1,897 kilograms of uranium enriched to 3.8 percent. The material in the form of uranium hexafluoride will be shipped to the Sumitomo Metal Mining for conversion into uranium dioxide, then transferred to the Japan Nuclear Fuel Company, Ltd. for fabrication into fuel assemblies. The assemblies will be used for reload of Unit 2 of the Hamaoka Nuclear Power Plant in Japan.

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 dated November 20, 1978. 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 and P.L. 95-242 have been met and that the proposed

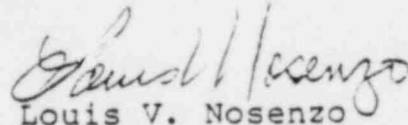
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- 2 -

export will not be inimical to the common defense and security of the United States. A detailed analysis was submitted for Japan on December 12, 1978 for NRC license applications nos. XSNM-1291, 1300, 1301, 1304, 1315 and 1365. 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,

A handwritten signature in cursive script, appearing to read "Louis V. Nosenzo".

Louis V. Nosenzo  
Deputy Assistant Secretary

Enclosure:  
Assurance letter

# EMBASSY OF JAPAN

2520 MASSACHUSETTS AVENUE, N.W.

WASHINGTON, D.C. 20008

(202) 234-2266

November 20, 1978

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:

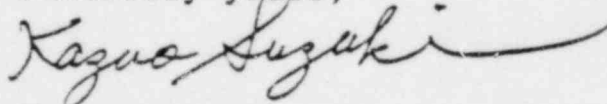
Concerning import of the special nuclear material for the facility noted below, this will confirm that the Government of Japan appointed the Chubu Electric Power Company, Inc. as an authorized person under the terms and conditions pursuant to Article VI of the Agreement for Cooperation between the Government 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 Hamaoka Nuclear Power Station Unit No. 2: 52 kgs  
of U-235 contained in 1,897 kgs of uranium (3.85 % maximum enrichment)

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 S-954 stated in  
your letter dated March 22, 1978.

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