

June 20, 1980

SECY-80-301

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## COMMISSIONER ACTION

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For: The Commissioners

From: James R. Shea, Director  
Office of International Programs

Thru: Acting Executive Director for Operations *TAR for W.S.D.*

Subject: PROPOSED LICENSE TO EXPORT COMPONENTS TO FINLAND  
(XCOM0057)

Purpose: Commission review of proposed issuance of component export license to General Electric Company. This license request is being forwarded for Commissioner review in accordance with 10 CFR §110.40(b)(5) because the proposed export of equipment is destined to a country to which the Commissioners have not previously authorized an export pursuant to the NNPA of 1978.

Review Dates: 60-day period expires on July 22, 1980.  
120-day period expires on September 22, 1980.

Discussion: By letters dated September 13, 1978 and January 30, 1980, General Electric applied for a license to export specially designed parts and components, valued at less than \$100,000, to Finland for installation in the monitoring and electrical penetration systems of Units 1 and 2 of the TVO nuclear power plant located at Olkiiuoto (Appendix A). TVO's Units 1 and 2 are 620-megawatt boiling water reactors utilizing slightly enriched uranium.

It is the view of the staff that Finland meets the three export licensing criteria in Section 109b of the Atomic Energy Act of 1954, as amended, for the export of nuclear equipment. The first two criteria, (1) application of IAEA safeguards to the equipment and (2) no nuclear explosive use of the equipment, are met by Finland's adherence to the Non-Proliferation Treaty and therefore, its commitment to maintain IAEA safeguards with respect to all of its peaceful nuclear activities and its pledge not to produce or otherwise acquire any nuclear explosive device. The third criterion, agreement not to retransfer any U.S.-supplied components without prior U.S. approval, is met by Finland as confirmed in a letter dated May 16, 1980 from the Embassy

Contact:  
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M. Peterson, IP (49-28155)

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of Finland which was forwarded by the Executive Branch (Appendix B). Although Executive Branch review was not required for the proposed export as it falls within the categories of materials not normally reviewed by the Executive Branch (less than \$100,000 in value), the Executive Branch concluded that Finland meets the applicable licensing requirements in Section 109b for the export of nuclear equipment in its review of a prior proposed export of components to Finland's TVO 1 and 2 nuclear power stations (XCOMO121). The staff has found that there are no material changed circumstances associated with the subject export license application from those existing at the time of issuance of XCOMO121 to Finland on September 19, 1979.

In view of the above considerations and as required by Section 109b of the Atomic Energy Act, the staff has concluded that the proposed export would not be inimical to the common defense and security of the United States.

International  
Safeguards Review:

The nuclear material at the TVO facilities is covered by IAEA safeguards under a facility attachment which is in force under an NPT-type safeguards agreement. Although little information is available on the application of IAEA safeguards in Finland, staff believes that control of and accounting for the reactor fuel elements are within the capabilities of both Finland and the IAEA.

The components themselves, of course, would not be subject to IAEA safeguards since application of safeguards under Article III(2) of the NPT is limited to source or special fissionable material. However, staff believes that Criterion 1 for export of components is met because the nuclear material associated with the reactors in which the components will be utilized is covered by IAEA safeguards.

Recommendation:

That the proposed license be issued to General Electric Company (Appendix C).

Coordination:

ELD has no legal objections. NMSS views are presented in the context of the International Safeguards Review.

  
James M. Shea, Director  
Office of International Programs

JUN 20 1980

Appendices:

Appendix A (Applis. dtd.  
09/13/78 & 01/30/80)

Appendix B (Ltr. fm. Gov't.  
of Finland dtd. 05/16/80)

Appendix C (Proposed  
License)

DISTRIBUTION:

Commissioners  
Commission Staff Offices  
Acting Exec. Dir. for  
Ops.  
Secretariat

Commissioners' comments should be provided directly to the Office of the Secretary by c.o.b. Monday, June 30, 1980.

Commission Staff Office comments, if any, should be submitted to the Commissioners NLT June 26, 1980, with an information copy to the Office of the Secretary. If the paper is of such a nature that it requires additional time for analytical review and comment, the Commissioners and the Secretariat should be apprised of when comments may be expected.

# GENERAL ELECTRIC

NUCLEAR ENERGY  
PROJECTS DIVISION

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

September 13, 1978

BDW-125-78

XCOM0057  
11000188

Mr. Gerald G. Oplinger  
Assistant Director  
Office of International Programs  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555

Subject: APPLICATION FOR EXPORT LICENSE FOR NUCLEAR EQUIPMENT  
COUNTRY: FINLAND

Dear Mr. Oplinger:

Pursuant to 10CFR110, Sections 110.31 and 110.32, General Electric hereby applies for a license authorizing export of equipment, parts and components specially designed or prepared for use in nuclear reactors and as further described below.

Applicant: General Electric Company  
Nuclear Energy Business Group  
175 Curtner Avenue, Mail Code 871  
San Jose, California 95125

Consignee(s): TVO Power Company  
Kutojantie 8 02610 Kilo  
Suomi, Finland

End Use: **I + II**  
Olkiluoto, TVO  
Reactors Modification  
and/or Maintenance

Intermediate: AB ASEA-ATOM  
Vaestraas, Sweden

Purchaser for ultimate  
consignee

Proposed Schedule

First Shipment: December 1, 1978	Final Shipment: December 1, 1980
Contract Delivery: January 15, 1979	Proposed Expiration: Same
Needed Abroad: Same	

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OROD, Reafsmysdr, 10/20/78

(APPENDIX A)

Mr. Gerald G. Oplinger

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September 13, 1978

General Description of Components

Unspecified parts or components, other than those set forth in 10CFR Part 110, Appendix A, Items (a)(1) through (a)(8), specially designed or prepared for repair or replacement of equipment, systems, components, or parts of the nuclear reactor named above not to exceed \$100,000. per export. Examples of equipment to be exported under authority of the license granted pursuant to this application are: signal amplifiers, electrical penetration modules, radwaste drum cappers, wire rope for refueling platform, underwater TV, etc.

Very truly yours,



D. Wilson, Manager  
Government Relations and  
Export Licensing  
Mail Code 871, (408) 925-1380

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