



DEPARTMENT OF STATE

Washington, D.C. 20520

BUREAU OF OCEANS AND INTERNATIONAL
ENVIRONMENTAL AND SCIENTIFIC AFFAIRS

MAY 21 1980

XSNM01045

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 your office dated September 18, 1978, requesting Executive Branch views as to whether amendment 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. XSNM01045 -- Application by Westinghouse Electric Corporation for amendment to license XSNM01045 to increase the amount of nuclear material authorized for export to Spain by 635 kilograms of U-235 contained in 17,600 kilograms of uranium enriched to 3.6 percent. This low enriched uranium in the form of fabricated fuel assemblies will be shipped to Spain for reload of the Jose Cabrera Nuclear Power Plant at Zorita.

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

The Executive Branch has reviewed the application and concluded that the requirements of the Atomic Energy Act

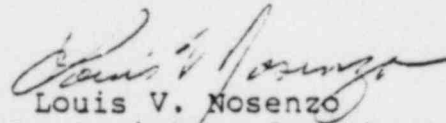
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as amended by P.L. 95-242 have been met with the exception of Section 128. The Spanish Government by note No. 88/6 dated March 8, 1980, have informed the U.S. that Spain has decided to initiate immediately the necessary arrangements with the IAEA for the application of safeguards to all nuclear facilities in Spain.

The Executive Branch has concluded that upon the completion of that action Spain will be in compliance with Section 128 and that the proposed export will not be inimical to the common defense and security of the United States. A detailed analysis for Spain was submitted for NRC application no. XSNM01477 on September 19, 1979. There has been no material change in circumstances since that submission other than the developments relating to the application of IAEA safeguards to all Spanish nuclear facilities.

On the basis of the foregoing, the Executive Branch recommends that the NRC review and process this license request with a view to issuing the license as soon as the Executive Branch notifies the NRC that the necessary arrangements are completed for the application of IAEA safeguards to all Spanish facilities.

Sincerely,



Louis V. Nosenzo
Deputy Assistant Secretary

Enclosure:
Assurance letter



EMBASSY OF SPAIN
WASHINGTON

INDUSTRY AND ENERGY OFFICE

1875 CONNECTICUT AVE. NW - #1020
WASHINGTON, D.C. 20009
Tel. (202) 332-9060

Ref. No. 361

October 25, 1978

Mr. Vance H. Hudgins
International Security Affairs
Department of Energy
Washington, D.C. 20545

Re: XSNM-1045 Amendment

Dear Mr. Hudgins:

In response to your letter of October 5th, regarding Westinghouse Electric Corporation's request to amend License SXNM-1045, I am pleased to inform you that confirmation has been received from the Spanish Junta de Energia Nuclear about the following particulars:

1. The transfer of the material, as identified on the license application, will be subject to all the terms and conditions of the current Agreement for cooperation concerning civil uses of atomic energy between the United States and Spain;
2. The ultimate consignee, as identified on the application, is authorized by the Spanish Government to receive and possess the material;
3. Physical Security measures will be maintained with respect to this material so as to provide, at a minimum, a level of protection comparable to that set forth in IAEA INFCIRC/225/Rev.1.

Sincerely,

Martin Gallego
Industry and Energy Counselor