



DEPARTMENT OF STATE

Washington, D.C. 20520

BUREAU OF OCEANS AND INTERNATIONAL
ENVIRONMENTAL AND SCIENTIFIC AFFAIRS

AUG 11 1980

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

Dear Mr. Shea:

*XR-104
amend. 3
Switzerland
add. inter.
Consignee*

This letter is in response to the letter from your office dated May 6, 1980, 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. XR-104 -- Application by General Electric Company to amend license XR-104 authorizing export of a 3012 megawatt thermal, boiling water reactor to Switzerland, to include Fabricazioni Nucleari, S.p.A. in Italy as an intermediate consignee for additional assembly of certain reactor parts prior to delivery at the job site.

The proposed export to the intermediate consignee would take place pursuant to the Additional Agreement for Cooperation Between the United States and 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 as amended by P.L. 95-242, have been met and that the proposed export to the additional intermediate consignee will not be inimical to the common defense and security

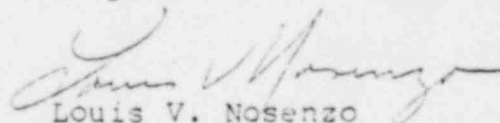
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- 2 -

of the United States. A detailed analysis is believed unnecessary in this case because of the minimal change to the terms and conditions of the original export license.

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

Sincerely,



Louis V. Nosenzo
Deputy Assistant Secretary

Enclosure:
Assurance letter

COPIES 4 - 1

DELEGATION OF THE COMMISSION OF THE EUROPEAN COMMUNITIES

EURATOM SUPPLY AGENCY

July 24, 1980

10:10 AUG 12 PM 2 50

Mr. Vance H. Hudgins
Director, Division of Politico-
Military Security Affairs
Office of International Security Affairs
U.S. Department of Energy
Washington, D.C. 20585

EXPORT
AND
INTERNATIONAL SECURITY

Dear Mr. Hudgins:

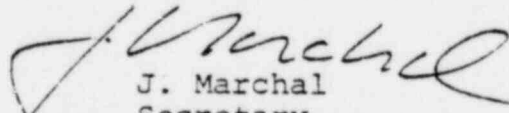
Subject: General Electric Company's application for export
of nuclear equipment for the Leibstadt Nuclear
Power Station in Switzerland - XR-104

We certify that the materials mentioned in this application (as amended), namely nuclear fuel bundle components, excluding special nuclear material, and the transfer of these materials will be subject to all terms and conditions of the Additional Agreement for Cooperation, dated July 25, 1960, as amended.

Further, we certify that Fabbricazioni Nucleari, S.p.A., Bosco Marengo, Italy, as intermediate consignee, is authorized by EURATOM to receive and possess these materials pursuant to the aforementioned Agreement for Cooperation.

The fuel bundle components will be assembled in the Fabbricazioni Nucleari facility and subsequently transferred to Switzerland for final fitting and ultimately irradiation in the Leibstadt Nuclear Power Station.

Sincerely,


J. Marchal
Secretary
Nuclear Supply

JM/ajs

cc: Mr. Robin De LaBarre, U.S. Department of State
Ms. Betty Wright, U.S. Nuclear Regulatory Commission
Mr. B.D. Wilson, General Electric Company