

DEPARTMENT OF STATE

Washington, D.C. 20520

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BUREAU OF OCEANS AND INTERNATIONAL ENVIRONMENTAL AND SCIENTIFIC AFFAIRS

JAN 2 3 1981

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

Dear Mr. Shea:

I refer to the letter from your office dated January 6, 1981, 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 in the Atomic Energy Act, as amended by the Nuclear Non-Proliferation Act of 1978:

NRC No. XCOM0232 — Application by Westinghouse Electric Corporation to extend the validity of license XCOM0232 from December 31, 1980 to December 31, 1981. The license authorized export to Spain of reactor control drive mechanisms, internals, and other specially designed or prepared parts and components for the Zorita Nuclear Power Plant.

It is the judgment of the Executive Branch that the export contemplated will not be inimical to the common defense and security of the United States, and that this export is consistent with the provisions of the Atomic Energy Act of 1954, as amended by the Nuclear Non-Proliferation Act of 1978.

As stated in my letter to you dated January 31, 1979, it is the view of the Executive Branch that the generic assurances provided by the Spanish Government by letter to U.S. Embassy, Madrid, January 23, 1979 meet the criteria under Section 109 b. for exports of reactor components by confirming that the items specified in Appendix A of 10 CFR 10 will be included under the definition, "material including equipment and devices" cited in Article X of the 1974 U.S.-Spain Agreement for Cooperation, and are therefore subject to the guarantees in that article, including: 1) IAEA safeguards; 2) no nuclear explosive use; and 3) no retransfer without prior U.S. consent.

On the basis of the foregoing, the Executive Branch recommends that the validity of the license be extended as requested.

Sincerely.

Louis V. Nosenzo

Deputy Assistant Secretary

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