



Department of Energy  
Washington, D.C. 20545

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January 22, 1990

U.S. Nuclear Regulatory Commission  
Office of Governmental and Public Affairs  
ATTN: Mr. Marvin Peterson, Director  
International Programs  
International Security  
Washington, DC 20555

Dear Mr. Peterson:

An NRC Form 7, Application for License to Export Nuclear Material and Equipment, is submitted (Enclosure 1) for your consideration and determination if an export license is required for shipment of experimental centrifugal contactors and supporting systems to the United Kingdom Atomic Energy Authority at Harwell, Didcot, England. These items fall under the scope, and fulfill, the USDOE/UKAEA Liquid Metal Fast Breeder Reactor Agreement of September 20, 1976, as extended by letter agreements, and as implemented by the Agreement in Solvent Extraction Centrifugal Contactors of July 5, 1988. A review of the overall fuel cycle program by the USDOE Export Control Working Group resulted in the finding that full exchange under the Agreement would not involve any sensitive nuclear technology (SNT).

A meeting was held with you, Mike Smith, Elaine Hemby and Betty Wright at NRC Headquarters on January 9, 1990, at which time it was decided the Application Form 7 and supporting information would be prepared by DOE and submitted to NRC for consideration of the need for a license.

The exports are government-to-government (or government contractor) shipments under the Agreement between the USDOE and the UKAEA. The objective of the collaborative program is to carry out a joint experimental and analytical program to investigate the performance of centrifugal contactors for the extraction of fissile material and to exchange information derived from the program. The equipment and systems are scientific and developmental in nature and are scheduled for tests in the research and development facilities at Harwell in England and Dounreay in Scotland.

Enclosure 2 provides background on the status of the three 4-stage banks of centrifugal contactors that have been supplied on loan to the UKAEA under the Agreement for test and evaluation. The contactors were shipped on USDOE authority alone since it was concluded at the time that no Department of Commerce or NRC

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export licenses were required on the bases described and in view of the fact that no SNT is being exported. In addition to the contactors that have been shipped to carry out the test program, we need to ship spare housings for the contactors and a plastic model.

Under the Agreement, we are permitted to send "as built" design drawings for the components as well as assign personnel involved in both fabrication and testing of the components. However, in order to retain leverage in the practical utilization of the technology as well as reduce our overall cost in the collaborative program, we want to retain the option to ship completed components. Copies of the relevant Agreements are included for your information as Enclosures 3 and 4.

We would appreciate your early review of the enclosures. If you determine an export license is required, we would appreciate expedited processing of the license application, if possible. If you need additional information, please give me a call (353-4078).

Sincerely,

*David E. Bailey*

David E. Bailey, Director  
Division of Fuels and Reprocessing  
Office of Facilities, Fuel Cycle,  
and Test Programs  
Office of Nuclear Energy

4 Enclosures

cc: w/enclosures  
M. Smith, NRC  
N. Moore, NRC  
E. Hemby, NRC  
E. Wright, NRC  
J. Rooney, DP-323  
K. Horton, NE-14

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