



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

PDR

January 16, 1990

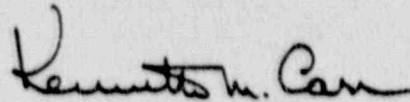
The Honorable John C. Tuck
Under Secretary of Energy
Washington, D. C. 20585

Dear Mr. Tuck:

I have received your letter of December 1, 1989, in which the Department of Energy (DOE) agreed to continue supporting Nuclear Regulatory Commission (NRC) requests to transport strategic quantities of highly enriched uranium (HEU). The Commission appreciates DOE's continued commitment to transport this material. We also agree with your view that the differences between the DOE system and NRC regulatory requirements do not interfere with DOE's providing the services inasmuch as the DOE system is generally more demanding than NRC requirements.

We also recognize the special problems that transport of commercial HEU poses for DOE and your desire to terminate this temporary arrangement at the earliest practicable date. As you realize, shipments of NRC-licensed HEU in these quantities are limited to the four or five exports which DOE makes to foreign customers. Although we have explored commercial alternatives for transporting NRC-licensed HEU, we do not at this time foresee any changes in the U.S. nuclear industry that would make re-emergence of private shipping of HEU economically attractive to shipping firms. However, we shall keep you advised of any promising developments in this regard.

Sincerely,


Kenneth M. Carr

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CORRESPONDENCE PDC

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