



DEPARTMENT OF STATE

Washington, D.C. 20520

BUREAU OF OCEANS AND INTERNATIONAL ENVIRONMENTAL AND SCIENTIFIC AFFAIRS

PDR

XCOM0232

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RECORDS

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 June 5, 1981, requesting Executive Branch views as to whether amendment of an export license in accordance with the application hereinafter described 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, 1981 to December 31, 1991. The license authorizes export to Spain of reactor control drive mechanisms, internals, and other specially designed or prepared parts and components, valued at \$9,000,000, 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 Mr. Nosenzo's 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 110 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,

John P. Boright

John P. Boright
Acting Deputy Assistant Secretary



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*Copy to PDR and ACC 7-21-81

Mr. Shea, Kesler/Cohen, M. Peterson