



United States Department of State

Washington, D.C. 20520

BUREAU OF OCEANS AND INTERNATIONAL ENVIRONMENTAL AND SCIENTIFIC AFFAIRS

August 27, 1990

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DCS / DF02  
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T. Hart, DDE

Mr. James R. Shea  
Director of International Programs  
United States Nuclear Regulatory Commission  
Rockville, Maryland

Dear Mr. Shea:

I refer to the letter from your office dated July 6, 1990, requesting Executive Branch views as to whether issuance 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. XMAT0348** — Application by Cambridge Isotope Laboratories to authorize export to Canada of 8,000 kilograms of heavy water over a five year period for upgrading by Ontario Hydro's La Prade Heavy Water Plant and return to the U.S. The upgraded heavy water is used in nuclear magnetic resonance (NMR) solvent production.

It is the judgment of the Executive Branch that the proposed export 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 an NPT party, Canada has committed itself to maintaining IAEA safeguards on all of its peaceful nuclear activities and has pledged not to produce or otherwise acquire any nuclear explosive device. It is therefore the judgment of the Executive Branch that Criteria (1) and (2) for exports of nuclear components, substances and items under Section 109 of the Atomic Energy Act, as amended, are met. The remaining criterion, agreement not to retransfer any U.S.-supplied component, substance or item without prior U.S. consent, has been satisfied by the receipt of generic assurance letters from the Embassy of Canada dated July 7, 1978 and December 15, 1978, the subject of our letter to you dated February 5, 1979.

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

Sincerely,

Richard J. K. Stratford  
Deputy Assistant Secretary  
Nuclear Energy & Energy Technology Affairs

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