



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

March 28, 1994

Mr. Robin DeLaBarre, Acting Director
Office of Export and Import Control
Bureau of Political-Military Affairs
Room 4333
U.S. Department of State
Washington, D.C. 20520

Dear Mr. DeLaBarre:

Enclosed is a letter dated March 11, 1994 from Siemens Power Corporation (SPC) requesting another amendment to export license application XSNM02763. We forwarded the initial export license application, dated July 23, 1993, and first amendment request, dated January 25, 1994, to the U.S. Department of Energy (DOE) with a request that they obtain from EURATOM a letter of assurance that the material which SPC requested for export would be subject to all of the terms and conditions of the US/EURATOM Agreement for Cooperation.

Due to new developments in the case, Executive Branch review is now required. The latest amendment requests authority for SPC to return the scrap material to the owner, Siemens Brennelementwerk in Hanau, Germany (SBH). The material was originally shipped by SBH to SPC for processing into useable product; however, SBH has now contracted with Techsnabexport Co., Ltd., in Russia for processing of the scrap and to have the processed enriched uranium product (UF6) shipped to SBH for use in LWR fuel fabrication.

Inasmuch as the uranium scrap now carries U.S. safeguards, we advised SPC that, in the absence of an agreement for cooperation between U.S. and Russia, the U.S. could not approve the export to Russia at this time; however, we felt that the U.S. could authorize the return of the material to SPC with the condition that the material not be reexported to Russia until such an agreement is in place.

During a visit to our office on Friday, March 18, James Edgar, of SPC, advised us that SBH was preparing a flag swap of like material to Russia and that the SBH scrap would stay within the EURATOM community. Also, we understand that the EURATOM Safeguards office in Luxembourg has advised the U.S. Department of State (DOS) that since the material has not been treated in the U.S. it should not become subject to the US/EURATOM agreement.

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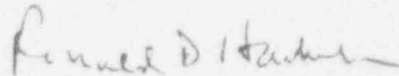
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PDR XPORT
XSNM-2763 PDR

JFOZ
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March 28, 1994

In view of the various aspects of this case that now must be addressed, we would appreciate receiving Executive Branch review and comments before we respond to the applicant. For your convenience in reviewing this case, we are also attaching copies of the original application, the first amendment request and other pertinent correspondence.

Sincerely,



Ronald D. Hauber, Director
Division of Nonproliferation, Exports
and Multilateral Relations
Office of International Programs

Enclosures:

1. NRC Form 7 dtd 7/23/93
2. Amendment No. 01 Ltr. dtd 01/25/94
3. Amendment No. 02 Ltr. dtd 03/11/94

cc w/Enclosure:

- T. Hart, DOE
- R. Goorevich, DOE
- M. Rosenthal, ACDA
- G. Brubaker, DOD
- S. Dhir, DOC

APPLICATION FOR LICENSE TO EXPORT NUCLEAR MATERIAL AND EQUIPMENT

(See Instructions on Reverse)

ESTIMATED BURDEN PER RESPONSE TO COMPLY WITH THIS INFORMATION COLLECTION REQUEST: 1 HOUR. FORWARD COMMENTS REGARDING BURDEN ESTIMATE TO THE INFORMATION AND RECORDS MANAGEMENT BRANCH (BRMS 7714), U.S. NUCLEAR REGULATORY COMMISSION, WASHINGTON, DC 20565, AND TO THE PAPERWORK REDUCTION PROJECT (3180-0027), OFFICE OF MANAGEMENT AND BUDGET, WASHINGTON, DC 20503

1. APPLICANT'S USE		a. DATE OF APPLICATION July 23, 1993		c. APPLICANT'S REFERENCE		2. NRC USE		a. DOCKET NO. 1004669		b. LICENSE NO. XSNM00763		
3. APPLICANT'S NAME AND ADDRESS						4. SUPPLIER'S NAME AND ADDRESS						
a. NAME Siemens Power Corporation						a. NAME						
b. STREET ADDRESS 2101 Horn Rapids Road						b. STREET ADDRESS						
c. CITY Richland			STATE WA		ZIP CODE 99352		c. CITY					
d. TELEPHONE NUMBER (Area Code - Number - Extension) 509-375-8663						STATE		ZIP CODE				
5. FIRST SHIPMENT SCHEDULED September 1993			6. FINAL SHIPMENT SCHEDULED 1995		7. APPLICANT'S CONTRACTUAL DELIVERY DATE September 1993			8. PROPOSED LICENSE EXPIRATION DATE Dec. 31, 1995		9. U.S. DEPARTMENT OF ENERGY CONTRACT NO. (If Known)		
10. ULTIMATE FOREIGN CONSIGNEE						11. ULTIMATE END USE						
a. NAME (See Attachment)						a. NAME (See Attachment)						
b. STREET ADDRESS (Facility Site)						b. STREET ADDRESS (Facility Site)						
c. CITY			d. COUNTRY			11a. DATE REQUIRED						
12. INTERMEDIATE FOREIGN CONSIGNEE						13. INTERMEDIATE END USE						
a. NAME Siemens Brennelementwerk Hanau						a. NAME Feed for Scrap Recovery						
b. STREET ADDRESS (Facility Site) Abt. PV-B, Postfach 11006D Rodenbacher Chaussee 6						b. STREET ADDRESS (Facility Site)						
c. CITY D-6450 Hanau			d. COUNTRY Germany			13a. DATE REQUIRED						
14. INTERMEDIATE FOREIGN CONSIGNEE						15. INTERMEDIATE END USE						
a. NAME						a. NAME						
b. STREET ADDRESS (Facility Site)						b. STREET ADDRESS (Facility Site)						
c. CITY			d. COUNTRY			15a. DATE REQUIRED						
16. COM CODE		17. DESCRIPTION (Include chemical and physical form of nuclear material; give dollar value of nuclear equipment and components)				18. MAX. ELEMENT WEIGHT		19. MAX. WT. %		20. MAX. ISOTOPE WEIGHT		21. UNIT
		Uranium dioxide (UO ₂) ceramic pellets and powder and various other powder oxide of uranium, including U ₃ O ₈ and UO ₃ .				35,000KgU		5%		17,500kg ²³⁵ U		Kgs
22. COUNTRY OF ORIGIN - SOURCE MATERIAL						23. COUNTRY OF ORIGIN - SNM WHERE ENRICHED OR PRODUCED						
Unknown						Unknown						
25. ADDITIONAL INFORMATION ON CONSIGNEES, END USES, AND PRODUCT DESCRIPTION (See Instructions on Reverse)						24. COUNTRIES WHICH ATTACH SAFEGUARDS (If Known)						
Quantities changed from 3500kg U-235 / 175kg U-235 to 35,000kg U-235 / 17,500kg U-235 per instructions from Jim Edgar, Siemens Power Corp on 7/26/93. B. J. Wright												
26. The applicant certifies that this application is prepared in conformity with Title 10, Code of Federal Regulations, and that all information in this application is correct to the best of his/her knowledge.												
27. AUTHORIZED OFFICIAL						a. SIGNATURE			b. TITLE			
									Staff Engineer, Licensing			

XSNM02763

11004669

10. Ultimate Foreign Consignees

Siemens Brennelementwerk Hanau
Abt. PV-B, Postfach 110060
Rodenbacher Chaussee 6
D-6450 Hanau 11
Germany

Advanced Nuclear Fuels GmbH
Pollersand-Industriepark Sud
Postfach 1465
4450 Lingen/EMS
Germany

11. Ultimate End Use

Working stock for LWR fuel fabrication

Working stock for LWR fuel fabrication

INT'L SAFEGUARDS
EXPORT

93 JUL 26 PM 2:57

RECEIVED
U.S.

SIEMENS

XSNM02763
11004669

July 23, 1993

U. S. Nuclear Regulatory Commission
Attn: Mr. Ronald D. Hauber, Assistant Director
Exports, Security, and Safety Cooperation
Office of International Programs
Mail Stop 3H-5
Washington DC 20555

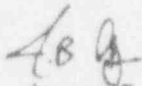
Dear Mr. Hauber:

Siemens Power Corporation (SPC) requests the issuance of an export license to authorize the shipment of uranium scrap to Siemens Brennelementwerk in Hanau (SBH). The uranium is to be recovered and used as working stock in the fabrication of light water reactor (LWR) fuel either at SBH or Advanced Nuclear Fuels GmbH in Lingen, Germany.

A check for \$3100 is enclosed.

If you have questions, please contact me at (509) 375-8663.

Very truly yours,



James B. Edgar
Staff Engineer, Licensing

JBE:pm

9403
~~9308170174~~

EXP. INTL. SAFEGUARDING
93 JUL 26 PM 2:57

Siemens Power Corporation

Nuclear Division - Engineering and Manufacturing Facility

2101 Horn Rapids Road, PO Box 130 - Richland, WA 99352-0130 - Tel: (509) 375-8100 - Fax: (509) 375-8402

SIEMENS

XSNM02763
11 604669

January 25, 1994

U.S. Nuclear Regulatory Commission
Attn: Mr. Ronald D. Hauber, Assistant Director
Exports, Security, and Safety Cooperation
Office of International Programs
Mail Stop 3H-5
Washington, DC 20555

Dear Mr. Hauber:

Re Letter, JB Edgar to RD Hauber, dated July 23, 1993

Per my conversation with you and Betty Wright of your staff on January 19, 1993 and recent conversations with Doris Dubois of Euratom - Brussels, Siemens Power Corporation (SPC) requests that the export license application (XSNM-02763) which accompanied the referenced letter be revised. The requested revisions are:

Ultimate Foreign Consignee - Siemens Brennelementwerk Hanau
Abt. PV-B, Postfach 110060
Rodenbacher Chaussee 6
D-6450 Hanau 11
Germany

Ultimate End Use - Return of scrap for recovery

The results of these revisions are the deletion of Siemens Hanau as the intermediate foreign consignee, of Advanced Nuclear Fuels as an ultimate foreign consignee, and a change in the ultimate end use.

If you require additional information, please call me at 509-375-8663.

Very truly yours,

James B. Edgar
Staff Engineer, Licensing

cc: Doris Dubois,
Euratom - Brussels

INT'L SAFEGUARDS
EXPORT CONTROL
94 FEB -1 P12:58

~~0402030305~~

Siemens Power Corporation

Nuclear Division - Engineering and Manufacturing Facility

2101 Horn Rapids Road, PO Box 130 Richland, WA 99352-0130 Tel: (509) 375-8100 Fax: (509) 375-8402

Faxed copy received on 1/26/94. OK
Copies to DES/DFOR & PDR on 1/26/94 BIC

SIEMENS

XSNM02763

Amendment to
application

March 11, 1994

U.S. Nuclear Regulatory Commission
Attn: Mr. Ronald D. Hauber, Assistant Director
Exports, Security, and Safety Cooperation
Office of International Programs
Mail Stop 3H-5
Washington, DC 20555

Dear Mr. Hauber:

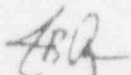
Re: **Export License XSNM-02763 Application**

On July 23, 1993, Siemens Power Corporation (SPC) submitted an application to export scrap consisting of 35 MTU of up to 5% enriched uranium oxide to Siemens Brannelementwerk in Hanau, Germany (SBH). At the time of the submittal, SBH was shown as both the intermediate foreign consignee and, along with the Advanced Nuclear Fuels GmbH Lingen, Germany plant (ANFGmbH), also as an ultimate foreign consignee. By letter dated January 25, 1994, SPC requested that the application be revised (i) to delete SBH as the intermediate foreign consignee, (ii) to delete Advanced Nuclear Fuels GmbH as an ultimate foreign consignee and (iii) to change the ultimate end use.

The purpose of this export is for SPC to return to SBH scrap owned by them. This material was originally shipped by SBH to SPC for processing into usable product. SBH has now contracted with Techsnabexport Co., Ltd. in Russia for such processing of this scrap and to have the processed enriched uranium product (UF₆) shipped to SBH for use in LWR fuel fabrication. This letter is to advise the NRC that it is now planned that this scrap will be processed in Russia.

If you require further information, please call me at (509) 375-8663.

Very truly yours,



James B. Edgar
Staff Engineer, Licensing

JBE:pm

~~0404010170~~

EX-101
INTL SAFETY

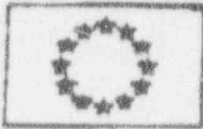
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115

Siemens Power Corporation

Nuclear Division - Engineering and Manufacturing Facility

2101 Horn Rapids Road, PO Box 130 Richland, WA 99352-0130 Tel (509) 375-8100 Fax (509) 375-8402



COMMISSION OF THE EUROPEAN COMMUNITIES
DIRECTORATE GENERAL XVI
NUCLEAR SAFEGUARDS
Accounting and Auditing

08.03.94 XVII-E 01885

Luxembourg
XVII-E-3 DC/nc

EURATOM-RESTRICTED

To : Mr Alex Burkart
U.S. Department of State
FM/NTS - Room 7E29
2301 C Street, N.W.
Washington, DC 20520

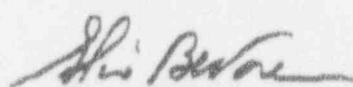
From : E. BEVERE, Head of Division
DG XVII-E-3 - CUBE 221, Luxembourg
Telephone: 4301-32228 (D. CALLEBAUT)
Fax: 4301-33545

- Ref
- Letter from the U.S. Nuclear Regulatory Commission dated 08.02.94 (copy annexed)
 - Letter from SPC Richland to Mr H. Zibulsky (copy annexed)

With reference to the above mentioned letters, we would like to inform you that we can agree with the solution proposed by Siemens Power Corporation. This means resealing the 14 containers which were sampled and leaving intact the seals on the remaining 56 containers.

In addition we would like to draw your attention to the fact that since the nuclear material in question has not been treated in the U.S., it should therefore not become subject to the Agreement Euratom/USA.

Sincerely,


E. BEVERE

Annexes : 2

P.S. Would you please transmit a copy of this letter to Mr Theodore S. SHEER, Chief Regulatory and International Safeguards Branch, Division of Fuel Cycle Safety and Safeguards

