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| 1. <u>Secy - 90-235</u> | 11. <u>Secy - 90-296</u> |
| rem on 90-235 | " 90-298 |
| 2. <u>dtd 8/23/90</u> | 12. _____ |
| Com. Rogers' note | 13. " 90-302 |
| 3. <u>sheet on 90-235</u> | 14. " 90-303 |
| Com. Curtiss' note | 15. " 90-304 |
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| Com. Remicki note | 17. _____ |
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POLICY ISSUE
(Information)

August 27, 1990

SECY-90-303

For: The Commissioners

From: James R. Shea, Director
International Programs
Office of Governmental and Public Affairs

Subject: ISSUANCE OF LICENSE TO EXPORT 500,000 CURIES OF TRITIUM GAS TO SRB TECHNOLOGIES, INC. FOR THE PRODUCTION OF SEALED LIGHT SOURCES BY SAUNDERS-ROE (CANADA) INC. AT THE PEMBROKE, ONTARIO, CANADA FACILITY (XB001280)

Purpose: To inform the Commission of International Programs' (IP) intention to issue an export license to the applicant incorporating restrictive conditions mandated by the State Department. Copies of the license application and supporting correspondence are attached (Attachment 1).

Background: On April 13, 1990, NRC issued export license XB001277 to Shield Source, Inc. in the U.S. to export 200,000 curies of tritium to Shield Source, Inc. in Canada (see SECY-90-125), pending the beginning of commercial production in Canada (as a byproduct of decontaminating heavy water from Canadian power reactors). The license was issued with two restrictive conditions. The effect of these conditions was to preclude the sale of airport runway lights to any country outside of Canada and the United States. They reflected the Executive Branch's (Department of State) concern about the widespread export of large (greater than 40 curies) runway light sources.

Discussion: The present application, XB001280, is for the export of 500,000 curies of tritium in bulk gaseous form over a two year period to Canada for the production of sealed light sources. SRB Technologies, Inc. (SRBT), the applicant, is in the process of setting up a tritium light manufacturing facility in Canada similar to their other manufacturing facility in England (Saunders-Roe Developments Ltd.).

CONTACT:
R. Auluck, IP
x20743
B. Wright, IP
x20342

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License XB001272, issued on June 12, 1989, authorized SRBT to export 1,000,000.0 curies of tritium to the United Kingdom (U.K.) for use by Saunders-Roe Developments, Ltd. for the production of sealed light sources.

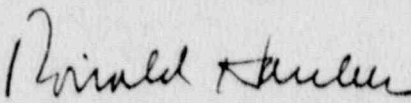
The Executive Branch has reviewed the new application and has recommended issuance of the license (Attachment 2) provided that two restrictive conditions are met, namely:

- (1) that tritium authorized for export under this license is not re-exported from Canada in bulk gaseous form without prior U.S. Government consent; and,
- (2) that no light sources larger than 25 curies each produced from this exported tritium are re-exported without prior U.S. Government consent, except to the United States.

The applicant has stated that if larger light sources (>25 curies) are to be manufactured, they probably will be manufactured at their U.K. facility.

Conclusion:

Based on our review of the Executive Branch's assessment of this case and other relevant information provided by the applicant, the staff concludes that the applicable export licensing criterion (i.e., that it is not inimical to the common defense and security) is met. The staff intends to issue the license on August 31, 1990.


for James R. Shea, Director
International Programs
Office of Governmental and Public Affairs

Attachments:
As stated

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APPLICATION FOR LICENSE TO EXPORT NUCLEAR
MATERIAL AND EQUIPMENT (See Instructions on Reverse)

1. APPLICANT'S USE		a. DATE OF APPLICATION 11th May, 1990		c. APPLICANT'S REFERENCE -		2. NRC USE		a. DOCKET NO. 11004302		b. LICENSE NO. XB001280		
3. APPLICANT'S NAME AND ADDRESS a. NAME Brian G. Pullen SRB Technologies, Inc. b. STREET ADDRESS 2580 Landmark Drive c. CITY Winston-Salem STATE NC ZIP CODE 27103 d. TELEPHONE NUMBER (Area Code - Number - Extension) (919) 659-2610						4. SUPPLIER'S NAME AND ADDRESS (Complete if applicant is not supplier of material) U.S. Department of Energy Oak Ridge Laboratory E G + G b. STREET ADDRESS P.O. Box X c. CITY Oak Ridge STATE TN ZIP CODE 37831						
5. FIRST SHIPMENT SCHEDULED July 1990		6. FINAL SHIPMENT SCHEDULED N/A		7. APPLICANT'S CONTRACTUAL DELIVERY DATE N/A		8. PROPOSED LICENSE EXPIRATION DATE June : 92		9. U.S. DEPARTMENT OF ENERGY CONTRACT NO. (If Known) N/A				
10. ULTIMATE CONSIGNEE a. NAME Saunders-Roe (Canada) Inc. b. STREET ADDRESS Boundary Road c. CITY - STATE - COUNTRY Pembroke, Ontario, Canada						11. ULTIMATE END USE (Include plant or facility name) For use in the production of sealed light sources. 11a. EST. DATE OF FIRST USE July 1990						
12. INTERMEDIATE CONSIGNEE a. NAME N/A b. STREET ADDRESS c. CITY - STATE - COUNTRY						13. INTERMEDIATE END USE N/A 13a. EST. DATE OF FIRST USE						
14. INTERMEDIATE CONSIGNEE a. NAME N/A b. STREET ADDRESS c. CITY - STATE - COUNTRY						15. INTERMEDIATE END USE N/A 15a. EST. DATE OF FIRST USE						
16. NRC USE		17. DESCRIPTION (Include chemical and physical form of nuclear material, give dollar value of nuclear equipment and components)				18. MAX. ELEMENT WEIG. IT		19. MAX. WT. %		20. MAX ISOTOPE WT.		21. UNIT
		Tritium, H ₃ Bulk gaseous form				500,000 curies		N/A		N/A		N/A
22. COUNTRY OF ORIGIN - SOURCE MATERIAL USA			23. COUNTRY OF ORIGIN-SNM WHERE ENRICHED OR PRODUCED USA			24. COUNTRIES WHICH EACH SAFEGUARDS (If Known) EXP. INFO. INT'L SAFEGUARD						
25. ADDITIONAL INFORMATION (Use separate sheet if necessary) --												
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 President					

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SRB Technologies, Inc.

P.O. Box 25267
Winston-Salem, NC 27114-5267
Tel: (919) 659-2610
FAX: (919) 768-7720

XB001280
11004302

May 11, 1990

Ms. Betty L. Wright
U.S. Nuclear Regulatory Commission
Office of Internal Programs
Washington, D.C. 20555

Dear Ms. Wright:

Following today's telephone conversation, please find enclosed application for a license to export Nuclear material.

As I explained, we are in the process of setting up a tritium light manufacturing facility in Canada similar to our facility at Saunders-Roe Developments in England. The tritium gas will be used solely in the manufacture of sealed light sources.

If you require further information, please do not hesitate to contact me.

Sincerely yours,

Brian Pullen
President

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U.S. NRC



United States Department of State

Washington, D.C. 20520

BUREAU OF OCEANS AND INTERNATIONAL ENVIRONMENTAL AND SCIENTIFIC AFFAIRS

DCS / DF02
J. Becker, OGC
G. Sanslow, OROO
B. Stout, MM

July 16, 1990

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 May 17, 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. XB001280 — Application by SRB Technologies, Inc. to authorize export to Canada of 500,000 curies of tritium in bulk gaseous form over a two year period for the production of sealed light sources by Sauders-Roe (Canada) Inc.

It is the opinion of the Executive Branch that the proposed export may be made without being subject to the terms of an Agreement for Cooperation since foreign distribution of byproduct material may be licensed under Section 82 b. and c. of the Atomic Energy Act without the prerequisite of a Section 123 Agreement. The Executive Branch has concluded 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. Further, it is the judgment of the Executive Branch that the byproduct material export contemplated will not be inimical to the common defense and security of the United States, provided that: 1) the tritium exported under this license is not re-exported from Canada in bulk gaseous form without prior U.S. consent; and 2) that no light sources larger than 25 curies each produced from this exported tritium are re-exported without prior U.S. consent, except to the United States.

On the basis of the foregoing, the Executive Branch recommends that the license be issued conditioned with the privisos listed above.

Sincerely,

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

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