



United States Department of State

Washington, D.C. 20520

BUREAU OF OCEANS AND INTERNATIONAL ENVIRONMENTAL AND SCIENTIFIC AFFAIRS

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January 23, 1991

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

Dear Mr. Shea:

This letter is in response to the letter from your office dated April 13, 1990, requesting Executive Branch views as to whether issuance of an export license in accordance with the application hereinafter described meets the applicable criteria of the Atomic Energy Act of 1954, as amended by the Nuclear Non-Proliferation Act of 1978:

NRC No. XCOM1037 -- Application by Carpenter Technology Corporation for authorization to export to Finland up to 400 zircaloy-4 BWR fuel channels, weighing up to 40,974 kilograms, for use in the Teollisuuden Voima Oy (TVO) Nuclear Power Plant Units 1 and 2. The total value of these fuel channels is approximately 2 to 3 million dollars.

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 the 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, Finland 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 reactor components under Section 109 of the Atomic Energy Act, as amended, are met. The remaining criterion, agreement not to retransfer any U.S.-supplied component or material without prior U.S. consent, has been satisfied by Finnish Government assurances reported by telegram from U.S. Embassy Helsinki. A copy of that telegram is enclosed.

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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EXPORT IMPORT  
NITL SAFEGUARDS

RECEIVED  
U.S. H.R.

Enclosure:  
Assurance telegram

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PDR EXPORT  
XCOM-1037 PDR

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