



United States Department of State

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Washington, D.C. 20520

XM08561
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BUREAU OF OCEANS AND INTERNATIONAL
ENVIRONMENTAL AND SCIENTIFIC AFFAIRS

February 25, 1983

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

RECEIVED
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Dear Mr. Shea:

This letter is in response to the letter from your office dated December 28, 1982 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. XU08561 — Application by Transnuclear, Inc. for authorization to export to EURATOM member states 1,200,000 kilograms of natural uranium in the form of uranium ore concentrate or uranium hexafluoride, thorium and depleted uranium to be used as feed material for enrichment in EURATOM. The low-enriched uranium produced from the export will be used as fuel for various light-water moderated power reactors in the European Community.

The proposed export of natural uranium would take place pursuant to the Additional Agreement for Cooperation Between the United States and the European Atomic Energy Community (EURATOM) as confirmed in a letter from the Delegation of the Commission of the European Communities, a copy of which is enclosed. EURATOM has adhered to the provisions of its Agreement for Cooperation with the United States.

Export of this natural uranium for enrichment is subject to Section 402(a) of the Nuclear Non-Proliferation Act. Pending conclusion of negotiations to amend the U.S.-EURATOM Additional Agreement for Cooperation, export for enrichment in any of the member states of the European Community may take place pursuant to the present Agreement with the approval of the United States. The procedures for such approval are identical to those for subsequent arrangements as set out in Part E of the Executive Branch Procedures published in the Federal Register on June 9, 1978.

The Department of Energy as the lead agency for preparation of subsequent arrangements has initiated the necessary actions for approval under Section 402(a).

The Executive Branch has reviewed this application and concluded that the requirements of the Atomic Energy Act, as amended, have been met and that the proposed export will not be inimical to the common defense and security of the United States. A detailed analysis for EURATOM

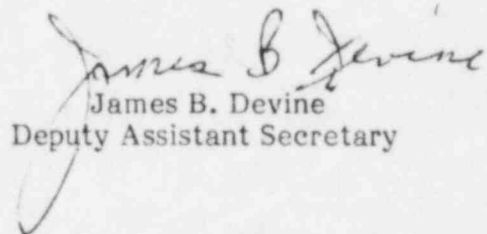
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"Copy to PDR and AFO 3-1-83."
WMS, ELD, Shea, Zimmerman, Cohen, Peterson, Moore, Upshaw

was submitted November 22, 1979 for NRC application XU08427. In view of Executive Order 12351 extending the duration of the period specified in the first proviso to section 126 a(2) of the Atomic Energy Act, as amended, to March 10, 1983, that detailed analysis remains valid. There has been no other material change in circumstances since that submission.

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

Sincerely,


James B. Devine
Deputy Assistant Secretary

Enclosure:
Assurance letter

DELEGATION OF THE COMMISSION OF THE EUROPEAN COMMUNITIES

EURATOM SUPPLY AGENCY

Washington D.C., January 28, 1983
JM/ck.

Mr. John A. GRIFFIN
Director, Div. of Politico-
Military Security Affairs
US DOE

Forrestal Building, Room 4 B 044
1000 Independence Ave. S.W.
WASHINGTON D.C. 20585

Subject: Transnuclear Inc., - application Mis-427 of
December 21, 1982, for export of natural uranium
to the Community

Refer.: XMO-8561

Dear Mr. Griffin,

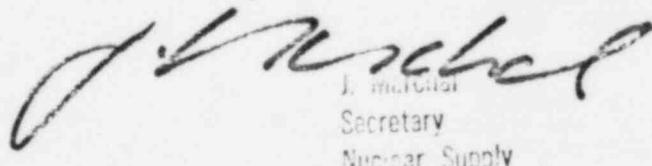
We certify that the material mentioned in this application, namely 1,200,000 kg of natural uranium and the transfer of this material will be subject to all terms and conditions of the Additional Agreement for Cooperation dated July 25, 1960, as amended.

Further, we certify that 1. RBU, FRG. 2. FBFC, Belgium 3. BNFL, UK 4. Fabbricazioni Nucleari, Italy 5. FBFC, France 6. Exxon, Lingen FRG. 7. URENCO, FRG. 8. URENCO, UK 9. URENCO, Netherlands 10. EURODIF, France 11. Comurhex, France 12. Urananlage Ellweiler, FRG. 13. RSB, Wesseling, FRG. as intermediate consignees are authorized by Euratom to receive and possess this material pursuant to the aforementioned Agreement for Cooperation.

The above mentioned material will be used for the fueling of various Euratom power reactors.

cc.: Mr. R. De LaBarre
Department of State
Ms. Betty Wright,
N.R.C.
Ms. Barbara Hannett
Transnuclear Inc.

Sincerely


J. Macdonald
Secretary
Nuclear Supply