



United States Department of State

Washington, D.C. 20520

June 18, 1999

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NMSS
DOE/OR
NAC/NMSS

Ms. Janice Dunn Lee
Director, International Programs
United States Nuclear Regulatory Commission
Rockville, Maryland

XCOM 1124
mexico

Dear Ms. Lee:

I refer to the letters from your office dated February 12, and March 23, 1999, requesting the views of the Executive Branch 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. XCOM1124 - General Electric Company has applied for authorization to export to Mexico over a ten year period up to \$50 million worth of nuclear components, listed in 10 CFR Part 110 Appendix A, items (5) through (9), for the following purposes: 1) replacement and warranty parts for use in Units 1 and 2 of the Laguna Verde Nuclear Power Station; 2) testing; 3) qualification; 4) use as models; and 5) training.

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 is consistent with the provisions of the Atomic Energy Act of 1954, as amended by the Nuclear Non-Proliferation Act of 1978.

As a party to the NPT, Mexico has committed itself to maintain LAEA safeguards on all of its peaceful nuclear activities and has pledged not to produce or otherwise acquire any nuclear explosive device, therefore satisfying criteria (1) and (2) of Section 109b of the Atomic Energy Act, as amended, for exports of nuclear components, substances and items. 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 a written assurances dated June 17, 1999 from the Federal Electricity Commission of Mexico (Comision Federal de Electricidad), a copy of which is enclosed.

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

Sincerely,

Alex Burkart, Acting
Director
Nuclear Energy Affairs

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Enclosure: as stated.

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PDR XPORT
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INFORMAL TRANSLATION

FEDERAL ELECTRICITY COMMISSION
CENTRAL NUCLEAR ENERGY DIRECTORATE

File JFTR/789/99
Mexico, D.F. 17 June 1999

Mr. Laurence M. Kerr
Counselor for Environmental, Scientific and Technology Affairs
Embassy of the United States of America
Mexico, D.F.

Subject: Certification of no retransfer for the export of nuclear components from the United States to Mexico

I hereby confirm that the components to be exported by General Electric from the United States to Mexico are for use in the Laguna Verde Nuclear Power Plant and for testing, qualification, use as models and training in this nuclear plant, and will not be retransferred to the jurisdiction of any other nation or group of nations without the prior consent of the United States.

Sincerely,

[signed]

Engineer Jose Francisco Torres Ramirez
Director Nuclear Power Center

cc. Dr. Jorge Chavez Presa, Assistant Secretary Political and Energy Development
Engineer Oswaldo Gangiti Ruiz, Director of Operations CFE
Dr. Lourdes Melgar Palacios, Director General of International Affairs

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COMISION FEDERAL DE ELECTRICIDAD
GERENCIA DE CENTRALES NUCLEOELECTRICAS

OFICIO JFTR/ 789 /99
México D.F. a 17 de Junio de 1999

SR. LAURENCE M. KERR
Consejero para Asuntos Ambientales
Científicos y Tecnológicos
EMBAJADA DE LOS ESTADOS UNIDOS
DE AMERICA
México D.F.

Asunto: Declaración de no retransferencia para la exportación de componentes nucleares de los Estados Unidos a México.

Por medio de la presente, confirmo que los componentes que serán exportados por General Electric de los Estados Unidos a México, son para uso en la Planta Nuclear de Laguna Verde, así como para pruebas, adecuaciones, modelos y capacitación en esta planta nuclear, y no serán retransferidos a la jurisdicción de cualquiera otra nación o grupo de naciones sin el previo consentimiento de los Estados Unidos.

Atentamente

ING. JOSE FRANCISCO TORRES RAMIREZ
GERENTE DE CENTRALES NUCLEOELECTRICAS

c.c.p. Dr. Jorge Chavez Presa, Subsecretaría de Política y Desarrollo de Energéticos
c.c.p. Ing. Oswaldo Gangoiti Ruiz Director de Operación CFE.
c.c.p. Dr. Lourdes Melgar Palacios, Director General de Asuntos Internacionales.