

Fax to Bill Lahe, NL



From Bill Upshaw, IP

United States Department of State

Washington, D.C. 20520

BUREAU OF OCEANS AND INTERNATIONAL  
ENVIRONMENTAL AND SCIENTIFIC AFFAIRS

AB61-2  
PDR

May 22, 1985

Mr. James R. Shea  
Director  
Office of International Programs  
US Nuclear Regulatory Commission  
Washington, DC 20555

Dear Mr. Shea:

The purpose of this letter is to provide you with the Department of State's comments on the draft NRC staff paper for the Commissioners, "Final Action on Proposed Rule to Limit the Use of Highly Enriched Uranium (HEU) in Research and Test Reactors--Recommendation for a Revised Implementation of Commission Policy."

We have only one basic comment which is that we object to the statements made explicitly and implicitly throughout the draft (on pages 6, 8, and 9 of the Summary; page 3 of the main text; and pages 5 and 6 of Appendix B) that the State Department not only strongly endorsed the NRC's 1982 policy statement on HEU but also that our position could be interpreted as an early endorsement of the NRC's 1984 proposed rule to limit the use of HEU in (domestic) research and test reactors. The current draft paper further suggests that the Department changed its position on this issue between 1982 and 1984. I do not believe that a careful reading of the State Department's letters to the NRC on this subject of July 1982 and the various letters we wrote in 1984 supports the suggestion that our views changed. I therefore request that you alter the text of the present staff paper to reflect this.

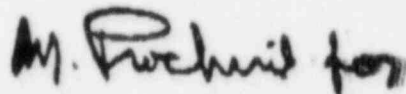
I would like to point out that the views expressed in my letter to you of July 1, 1982 are the views of the Executive Branch, and not those of the State Department alone. More importantly, I do not believe that the present draft paper contains an accurate or reasonable interpretation of my letter of July 1, 1982.

In any case, most of the comments on the draft NRC policy statement in my July 1 letter were made in the context of research and test reactors and HEU inventories abroad. The

principal comment made with respect to conversion of domestic research and test reactors was in the statement on "Commissioner Ahearne's Comments." Although the Executive Branch stated that "there should be a coherent policy respecting the use of HEU fuels in research reactors, both domestically and in foreign facilities," the remainder of the comment clearly reflects a very cautious approach with respect to conversion of domestic research reactors. Furthermore, I do not believe that it is reasonable for the Commission staff to conclude that a general statement by the Executive Branch that there should be a "coherent policy" meant that the Executive Branch would fully support any and all proposals that the Commission might later decide to put forward.

I thank you for the opportunity to comment on the Commission paper and hope that the State Department and other Executive Branch agencies can continue to work with the NRC on the goals of the Reduced Enrichment for Research and Test Reactors program.

Sincerely,

A handwritten signature in dark ink, appearing to read "M. Puchner for".

James B. Devine  
Deputy Assistant Secretary