

ADVANCED NUCLEAR FUELS CORPORATION

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March 5, 1987

CORPORATE LICENSING

ISNM 87005

ISNM 83025

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U.S. Nuclear Regulatory Commission
ATTN: Mr. Marvin R. Peterson, Assistant Director
Export/Import and International Safeguards
Office of International Programs
Washington, D.C. 20555

Dear Mr. Peterson:

This is in response to your letter dated February 4, 1987 on the subject of importing uranium of South African origin.

At the outset, please let me remind you that our company name has been changed as stated in my letter to you dated January 23, 1987.

Advanced Nuclear Fuels Corporation ("ANF") will abide by the Comprehensive Anti-Apartheid Act of 1986, including Section 309(a) which states, among other things, that no "uranium ore" or "uranium oxide" that is produced or manufactured in South Africa may be imported into the United States after December 31, 1986.

As you know, ANF has applied to the NRC for a specific license to import enriched UF₆ of South African origin that would subsequently be exported from the U.S. in another form. In our application for a specific license, we requested a timely review because a shipment is currently scheduled to arrive early in April.

If we should need to utilize our existing license No. ISNM083025 to import South African uranium, we will, as you requested, advise you of our plans before the import is made.

Your February 4 letter states that, although the December 31, 1986 revision to 10CFR110.27 did not directly affect our existing import license, "the provisions of the Anti-Apartheid Act may nevertheless require modification to this license." As discussed at the February 26 meeting with representatives of ANF, it is ANF's position and its understanding that prior to any modification of its existing license by the NRC, the Commission must afford ANF the opportunity for a hearing on the proposed modification.

Sincerely,

C. W. Malody

C. W. Malody, Manager
Corporate Licensing

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PDR XPORT
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CWM:jrs

AN AFFILIATE OF KRAFTWERK UNION

