



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

March 28, 2000

Mr. Robin DeLaBarre
Non-Proliferation/Nuclear Energy Affairs (NP/NEA)
Department of State
Washington, DC 20520

Dear Mr. DeLaBarre:

Enclosed for your information is a letter from Carpenter Special Products Corporation, dated March 21, 2000, requesting an amendment to export license XCOM1027 to change the ultimate consignee name from Comision Nacional de Energia Atomica (CNEA) to Nucleoeléctrica Argentina Sociedad Anónima (NASA).

Since Executive Branch views are not required for the requested amendment, we intend to issue the amendment after the required waiting period.

Sincerely,

Ronald D. Hauber, Deputy Director
Office of International Programs

Enclosure: Ltr. Dtd. 3/21/00
(XCOM1027/03 - Argentina)

cc w/enclosure: M. Krupa, DOE
A. Welichozkiy, DOE
W. Witter, DOD
S. Clagett, DOC

Template OIP-002

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Doc #

XCOM1027/03
11004209



CARPENTER
Special Products Corporation

Carpenter Special Products Corporation
P.O. Box 609036
San Diego, CA 92160-9036

Main: 619.448.1000
Fax: 619.562.5776

March 21, 2000

Ms. Betty Wright
U. S. Nuclear Regulatory Commission
Office of International Programs
Washington, D.C. 20555

Subject: Amendment to NRC License XCOM1027 Amendment No. 02

Dear Ms. Wright:

Further to our telephone conversation and the enclosed letters from ARN and NASA in Argentina, Carpenter Special Products Corporation requests an amendment to the NRC license referenced above to change the Ultimate Consignee in Foreign Country from:

Comision Nacional de Energia Atomica (CNEA)
Lima, Argentina

to:

Nucleoeléctrica Argentina Sociedad Anónima (NASA)
2806 LIMA
ARGENTINA

(For use in Atucha I and Atucha II)

Please find enclosed our check payable to the U. S. Nuclear Regulatory Commission in the amount of \$210.00. Please give me a call if you have any questions.

Kind Regards,

R. W. Hockman
Sales Manager

RWH/jmm
Enclosures

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NRC FORM 250
(9-94)

NRC LICENSE NO.

THIS LICENSE EXPIRES 31 July 2004

United States of America
Nuclear Regulatory Commission

XCOM1027
Amendment No. 02

Pursuant to the Atomic Energy Act of 1954, as amended, and the Energy Reorganization Act of 1974 and the regulations of the Nuclear Regulatory Commission issued pursuant thereto, and in reliance on statements and representations heretofore made by the licensee, a license is hereby issued to the licensee authorizing the export of the materials and/or production or utilization facilities listed below, subject to the terms and conditions herein.

| | |
|---|--|
| <p style="text-align: center;">LICENSEE</p> <p>Carpenter Special Products Corporation 1717 Cuyamaca Street El Cajon, CA 92020</p> <p>Attn: R. W. Hockman</p> | <p style="text-align: center;">ULTIMATE CONSIGNEE IN FOREIGN COUNTRY</p> <p>Comision Nacional de Energia Atomica (CNEA) Lima, Argentina</p> <p>(For use in Atucha-1 and Atucha-2)</p> |
| <p style="text-align: center;">INTERMEDIATE CONSIGNEE IN FOREIGN COUNTRY</p> <p>Siemens/KWU Postfach 3220 D-8520 Germany</p> <p>(Shipping)</p> | <p style="text-align: center;">OTHER PARTIES TO EXPORT</p> <p style="text-align: center;">NONE</p> |

| | |
|---|--|
| APPLICANT'S REF. NO. Ltr dtd 10/1/97 | COUNTRY OF ULTIMATE DESTINATION Argentina |
|---|--|

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|---|---|
| <p style="text-align: center;">QUANTITY</p> <p>1,000 120 2</p> | <p style="text-align: center;">DESCRIPTION OF MATERIALS OR FACILITIES</p> <p>The licensee is authorized to export the following:</p> <p style="padding-left: 40px;">Zircaloy alloy welded shroud tube assemblies Zircaloy welded tube test spools Hafnium control rod drive tubes</p> <p>The license is being amended to extend the expiration date from 24 July 1999 to 31 July 2004 and to reflect the licensee's name change from Carpenter Technology Corporation to Carpenter Special Products Corporation.</p> <p style="text-align: right;">//////////////////////END//////////////////////////////////////</p> |
|---|---|

Neither this license nor any right under this license shall be assigned or otherwise transferred in violation of the provisions of the Atomic Energy Act of 1954, as amended and the Energy Reorganization Act of 1974.

This license is subject to the right of recapture or control by Section 108 of the Atomic Energy Act of 1954, as amended and to all of the other provisions of said Acts, now or hereafter in effect and to all valid rules and regulations of the Nuclear Regulatory Commission.

THIS LICENSE IS INVALID UNLESS SIGNED BELOW
BY AUTHORIZED NRC REPRESENTATIVE

Ronald D. Hauber
Ronald D. Hauber, Director
Division of Nonproliferation, Exports
and Multilateral Relations
Office of International Programs

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MAR 27 1998

DATE OF ISSUANCE October 30, 1997

FROM : ENREN-SALLIAGUARDIAS

PHONE NO. : 54 11 4704 1478

Mar. 17 2000 04:09PM PT



Dr. Jorge...
Report...
4/11/00

Secretariat of Energy
SECRETARÍATO DE ENERGÍA
MINISTERIO DE LA PRESIDENCIA DE LA NACIÓN

C-02/00.-

Ms. Betty WRIGHT
License Officer
U.S. NUCLEAR REGULATORY COMMISSION
Washington D.C., 20555
UNITED STATES OF AMERICA

STATEMENT

BUENOS AIRES, March 17th 2000.-

I am glad to refer to the NRC License Nº XCOM 1027 - Amendment Nº 02 (issued October 30, 1997), by virtue of which Carpenter Special Products Corporation is authorized to export zircaloy alloy welded shroud tube assemblies; zircaloy welded tube test spools and hafnium control rod drive tubes.

As requested by Siemens/KWU of Germany, the Nuclear Regulatory Authority of the Government of Argentina hereby confirms that "Nucleoeléctrica Argentina Sociedad Anónima" (NASA) is a state-run company under the aegis of the Secretariat of Energy of Argentina, and is the utility responsible for the operation of Atucha-I NPP and for the construction of Atucha-II NPP. As such, NASA should be identified as the "Ultimate Consignee in Foreign Country" for the exports authorized under XCOM 1027.

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| ARN |
| HLW |
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[Signature]
LICENCIADO GABRIEL ENRIQUE TERIGI
Head, External Relations Division

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NUCLEOELECTRICA ARGENTINA S.A.

Arribeños 3619 Buenos Aires Código Postal C 1429 BKQ
Teléfono/Fax 54-11- 4702 8452 Fax 54-11 4701 8671

NOTA NASA - 77100

BUENOS AIRES, 20 MAR 1990

MESSRS.
CARPENTER SPECIAL PRODUCTS CORPORATION
1717 CUYAMACA STREET
EL CAJON, CA 92020

Attn. R.W.HOCKMAN

REF. NRC LICENSE No. XCOM 1027, AMENDMENT No. 02

Dear Sirs,

In connection with the license of reference, we are pleased to report that, after Decree # 1540/84 of the Argentine Executive Power, the National Atomic Energy Commission was reorganized, followed by the creation of the Ente Regulador Nuclear (Nuclear Regulatory Agency) currently Autoridad Regulatoria Nuclear (Nuclear Regulatory Authority)--- and of a corporation named Nucleoeléctrica Argentina S.A. (NASA).

NASA's objective is the performance of nuclear generation activities related to the Atucha I and Embalse de Río Tercero Nuclear Power Plants and the construction, startup and operation of the Atucha II Nuclear Power Plant, in compliance with the regulations in force regarding nuclear and radiological safety, with those established by the Nuclear Regulatory Authority and with the ones regulating the Wholesale Electrical Market.

Referring specifically to NASA, the aforementioned decree states that .

- NASA shall comply with all the commitments made by the Argentine Republic concerning safeguards and shall be liable for the responsibilities established by the Vienna Convention for nuclear power station operators with regard to Civil Responsibility for Nuclear Damage, as ratified by Law 17048.
- The Nuclear Regulatory Authority, while performing its surveillance functions, shall have free access to NASA's facilities.
- 99% of NASA's shares shall belong to the National State and 1% shall belong to Energía Eléctrica Sociedad del Estado.

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NUCLEOELECTRICA ARGENTINA S.A.

Arribeños 3619 Buenos Aires Código Postal C. 1429 BKQ
Teléfono/Fax 54-11-4702 8452 Fax 54-11-4701-8621

- CNEA's assets and contracts related to the performance of nuclear generation activities, as well as those corresponding to the Atucha II Nuclear Power Plant, are transferred to NASA

For the above reasons, it is mandatory to adequate the Ultimate Consignee in Foreign Country, as indicated below:

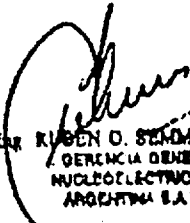
| |
|---|
| <p>ULTIMATE CONSIGNEE IN FOREIGN COUNTRY</p> <p>Nucleoeléctrica Argentina Sociedad Anónima (NASA) 2806 LIMA. ARGENTINA</p> <p>(For use in Atucha I and Atucha II)</p> |
|---|

We are also pleased to report that we have informed the Nuclear Regulatory Authority of the difference existing in the license of reference and such Authority has sent a "Statement" to the US Nuclear Regulatory Commission —dated March 17, 2000 and addressed to Ms. Betty Wright, License Officer— reporting which is the current condition of the nuclear power plants arisen from Decree 1540/94.

It is our understanding that this communication, along with that from the Authority to the NRC, shall be enough to clarify the current situation concerning the ultimate consignee in Argentina and shall allow for an immediate modification of the latest version of the license issued by the NRC, in turn, preventing any alteration of the delivery terms that were originally established.

Meanwhile, we remain,

Yours sincerely,


 DR RUBEN O. SEMOLONI
 GERENCIA GENERAL
 NUCLEOELECTRICA
 ARGENTINA S.A.

200 MAR 27 AM 6 54

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Encl: Copy of the Nuclear Regulatory Authority's Statement C-02/00, March 17, 2000.