August 5, 1998

FOR: The Commissioners

FROM: Carlton R. Stoiber, Director /s/

Office of International Program

SUBJECT: PROPOSED LICENSE TO EXPORT A 10 MEGAWATT TRIGA RESEARCH REACTOR TO THAILAND (XR166)

PURPOSE:

To request Commission review of the proposed issuance of a license to General Atomics authorizing the export of a 10 mW(t) TRIGA research reactor to Thailand. The application is being referred to the Commission in accordance with 10 CFR 110.40(b)(1).

DISCUSSION

On March 7, 1998, General Atomics applied for a license (Attachment 1) to export one light water cooled and moderated, heavy water and beryllium reflected, pool type, low enriched uranium fueled, TRIGA research reactor with a maximum thermal output of 10 megawatts to the Ongkharak Nuclear Research Center in Thailand. The reactor will be used for the production of medical isotopes.

In response to NRC's request for Executive Branch views, the Department of State, in a letter dated July 6, 1998 (Attachment 2), recommends approval of the proposed export which would be subject to the terms and conditions of the Agreement for Cooperation Between the Government of the United States of America and the Government of the Kingdom of Thailand Concerning Civil Uses of Atomic Energy which entered into force on June 27, 1974.

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The Executive Branch concludes that the requirements of the Atomic Energy Act, as amended by the Nuclear Non-Proliferation Act of 1978, have been met and that the proposed export will not be inimical to the common defense and security of the United States. They state that Thailand continues to adhere to the provisions of the 1974 U.S.-Thailand Agreement for Cooperation, a finding confirmed in a letter from the Thailand Office of Atomic Energy for Peace dated July 6, 1998.

With regard to physical protection of nuclear facilities in Thailand, the most recent visit to Thailand of a U.S. nuclear physical protection team was in April 1995. The team found that the physical protection measures maintained in Thailand met the standards for appropriate levels of protection set forth in IAEA document INFCIRC/225/Rev. 3.

Thailand is a party to the Treaty on the Non-Proliferation of Nuclear Weapons and will facilitate IAEA's application of safeguards at the research reactor as required by Article III(2) of the Treaty. Thailand's agreement with the IAEA to maintain safeguards on all its peaceful nuclear activities entered into force in 1974.

CONCLUSION:

The staff concurs with the Executive Branch judgment that the proposed export will not be inimical to the common defense and security of the United States and concludes that all criteria required for the issuance of license XR166 are met. The Office of the Executive Director for Operations concurs. The Office of General Counsel has no legal objection.

RECOMMENDATION:

That the Commission authorize the issuance of export license XR166 to General Atomics.

Carlton R. Stoiber, Director Office of International Programs

Attachments: 1. 3/6/98 General Atomics Application (XR166)

2. 7/6/98 Executive Branch views, R. Stratford to C. Stoiber