

**Department of Energy**
Washington, DC 20585

November 4, 1996

*XS NM 02943
Withdrawal
request*

Ronald D. Hauber
Director
Office of International Programs
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

SUBJECT: Withdrawal of Application for License to Export Nuclear
Material and Equipment--Docket No. 11004909, License
No. XSNM 02943

Dear Mr. Hauber:

On July 11, 1996, the Department of Energy (DOE) and Los Alamos National Laboratory (Los Alamos) filed an application for a license to export plutonium-uranium dioxide fuel pellets for testing in the NRU research reactor at Chalk River, Ontario, Canada. DOE and Los Alamos hereby withdraw that application.

On October 3, 1996, the Nuclear Control Institute, National Resources Defense Council, Inc. and Greenpeace petitioned the Commission for leave to intervene as parties in opposition to the license application, contending that Commission action should be deferred pending completion of a review of plutonium disposition options being conducted by the Department of Energy (DOE) under the National Environmental Policy Act (NEPA). DOE and Los Alamos do not believe there is any legal impediment to pursuing the export license application prior to issuance of DOE's "Storage and Disposition of Weapons-Useable Fissile Materials Final Programmatic Environmental Impact Statement" (PEIS) and the Record of Decision (ROD) based on the PEIS, as the petitioners have suggested. However, because DOE expects to issue the Final PEIS this year, followed by a ROD, DOE and Los Alamos have decided to withdraw the application in order to avoid any unnecessary expenditure of resources in litigating that issue. We reserve the right to renew the application in the future.

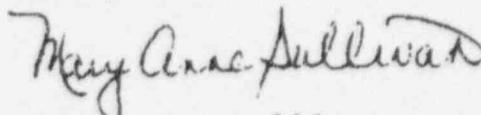
OS: WD H- AON 9661

RECEIVED OIP

2

If you have any questions regarding this matter, please feel free to contact me at (202) 586-6732.

Sincerely,



Mary Anne Sullivan
Counsel for DOE

cc: Eldon V.C. Greenbert
GARVEY, SCHUBERT & BARER

Barbara A. Finamore
NATURAL RESOURCES DEFENSE
COUNCIL, INC.

1996 NOV -4 PM 4:50

RECEIVED OIP