Nuclear Control Institute Natural Resources Defense Council Greenpeace

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## ENERGY DEPARTMENT WITHDRAWS LICENSE APPLICATION FOR EXPORT OF WEAPONS PLUTONIUM TO CANADA

## Groups Gratified by DOE Decision Not to Take First Step In Plan to Fuel Canada's Civil Reactors with Bomb Material

Washington---Three public-interest organizations today announced they have been notified by the Department of Energy (DOE) that DOE has withdrawn its application for a license to export U.S. military plutonium to Canada to test its potential as reactor fuel in Canada's civilian nuclear electricity program.

"We are delighted with this decision and hope it means that the Energy Department will weigh fully the severe proliferation implications of any plan to dispose of U.S. warhead plutonium in Canadian reactors," said the three groups in a joint comment. The DOE decision came in response to a letter sent by the Nuclear Control Institute, Natural Resources Defense Council and Greenpeace to Secretary of Energy Hazel O'Leary last month.

In the letter, they asserted that the export of bomb material as civilian fuel would prejudice the outcome of an ongoing DOE environmental review of options for disposing of surplus plutonium from the U.S. nuclear arsenal. These options include directly disposing of the plutonium as nuclear waste, as well as combining it with uranium for use as a mixed-oxide (MOX) fuel in reactors that produce electricity.

The groups asked O'Leary to withdraw an export-license application, filed by Los Alamos National Laboratory with the Nuclear Regulatory Commission (NRC), until DOE's environmental review of plutonium disposal options is completed and she issues her decision. They said the application was "premature and inappropriate" because it appeared to prejudge her decision or at least to leverage it in favor of the MOX option.

<u>The letter received from DOE</u>, the original of which was sent Nov. 4 to NRC, said the department had decided to withdraw the license application to export MOX fuel pellets to a test reactor at Atomic Energy of Canada Ltd. (AECL)'s Chalk River Laboratories in Canada.

"While DOE reserves the right to renew the application, our hope is that DOE now realizes that the Canadian option makes no sense in economic, national-security or non-proliferation terms, and that this will be spelled out in its final Programmatic Environmental Impact Statement," the groups said in their joint comment. They noted that in a recently revised economic analysis of plutonium disposition options, DOE projected that burning warhead plutonium as MOX fuel in Canadian heavy-water (CANDU) reactors would cost almost 60 per cent more than one method of directly disposing of the plutonium as nuclear waste (the "can-in-a-canister" vitrification method).

In addition to writing O'Leary, the groups had filed a petition with the NRC seeking to intervene in opposition to DOE's export-license application on national security and non-proliferation grounds. This petition is now mooted by DOE's decision to withdraw the application.

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In their petition, NCI, NRDC and Greenpeace warned that issuance of the license could stimulate creation of a commercial industry in the United Statesto produce plutonium MOX fuel, and encourage expansion of MOX industries in Europe and Japan. Such a development would run counter to the NRC's 1977 decision, at the urging of the Executive Branch, to suspend licensing of MOX use in the United States.

"From the non-proliferation interest of limiting to the fullest possible extent commerce in weaponsusable materials, the complete demise of the commercial plutonium industry would be desirable," the groups argued. They noted it was still the policy of the Clinton Administration not to encourage civil use of plutonium and to seek to eliminate where possible the accumulation of stockpiles of plutonium.

The groups also warned of a special danger in demonstrating the feasibility of MOX use in CANDU reactors---the type of power reactors developed by Canada for domestic use and for export. CANDUs are operated in India, South Korea, Romania and Argentina, each of which "at some point had an active program to develop nuclear weapons," they noted.

Warning that non-Canadian CANDU operators "are likely to seize on [MOX demonstration in Canada] as a precedent to justify their own use of plutonium," the groups told the NRC "it is imperative that the pending export not be examined simply as an isolated export of a small amount of plutonium for experimental purposes but within the larger framework of U.S. plutonium disposition and nuclear non-proliferation policy and the risks of tilting, especially prematurely, toward MOX disposition options."

The groups noted that although the pending license application was only for slightly more than two pounds of plutonium contained in MOX fuel pellets, some 100 tons of surplus weapons-grade plutonium eventually could be made available by the United States and Russia for use in the Canadian program. "Therefore, despite the limited nature of the actual proposed export pending before the Commission, there can be no question that it represents an important first stepping stone to a program of substantial proportions," the groups said in their petition.





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