

Linda Menghetti Dempsey
Vice President
International Economic Affairs

November 29, 2013

Mr. Richard Goorevich, Senior Policy Advisor
Office of Nonproliferation and International Security, NA-24
National Nuclear Security Administration
U.S. Department of Energy
1000 Independence Avenue, S.W.
Washington, D.C. 20585

Re: Proposed Rule on Assistance to Foreign Atomic Energy Activities (RIN 1994-AA02) / [78 FR 46829](#)

Dear Mr. Goorevich:

The National Association of Manufacturers (NAM) welcomes the opportunity to comment on the supplemental notice of proposed rulemaking (SNOPR) to amend 10 CFR 810 (Part 810) published by the Department of Energy on August 2, 2013.

The NAM is the nation's largest industrial trade association, representing small and large manufacturers in every industrial sector and in all 50 states. Many of our members are directly engaged in providing cutting-edge technology and equipment, and others play a key support role in developing the advanced industrial technology, machinery and information systems necessary for our manufacturing, high tech, and services industries.

The proposed rule would reclassify 77 countries to require specific authorization, without a demonstrated rationale for doing so. Because the Department typically requires more than a year to process a Part 810 specific authorization, its extension of the specific authorization requirement would disadvantage U.S. suppliers against foreign competitors in certain countries and restrict the access of U.S. companies to the expanding global nuclear energy supply chain.

Although the proposed rule acknowledges that the Department's inefficiency in processing Part 810 applications harms the competitiveness of U.S. suppliers, it does not propose process reforms to the Part 810 regulation. If the Department prepares to move forward with this major extension in scope, it should simultaneously implement changes to the regulation that ensure that applications will be processed in a timely manner. Further, the Department should also take steps to guarantee that process reforms outside the rulemaking effectively close the outsized gap in processing times between Part 810 specific authorizations and equivalent licensing regimes of countries like South Korea, Japan and Russia – where licenses must be processed in 15 to 90 days.

The international market for nuclear equipment and services is expected to reach \$500-\$740 billion during the next decade. Ensuring that domestic manufacturers have access to this market will help support tens of thousands of new jobs. Reform of the Part 810 regulation will

Mr. Richard Goorevich
November 29, 2013
Page 2

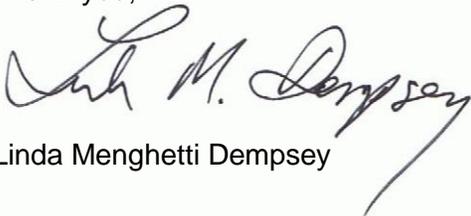
enable U.S. companies to be more competitive, and successful, in this large and expanding market.

A study, published in October 2012, on the commercial nuclear export control regimes of the five leading nuclear supplier countries – the United States, Russia, Japan, South Korea and France – revealed that the U.S. regime is more complex, restrictive and time-consuming than other regimes examined in the study.

The NAM supports the continued advancement of the U.S. nuclear industry and all of the benefits it brings to our economy – jobs, revenue, and a reliable source of energy that supplies nearly 20 percent of our nation's electricity needs. The federal government must advance sound regulations that properly weigh economic, environmental and security needs. We urge the Department of Energy to revise the proposed rule to limit strict oversight only to those areas that pose a real proliferation threat and to adopt effective process reforms that will guarantee expeditious reviews and processing of applications. Doing so will enable the Department to implement a more focused and effective approach to address national security concerns and promote jobs and economic growth objectives.

We appreciate the opportunity to comment on this proposed rule.

Thank you,

A handwritten signature in black ink, appearing to read "Linda M. Dempsey", is written over a light yellow rectangular background.

Linda Menghetti Dempsey

LD/la