

**The original documents are located in Box 31, folder “NSSM 209 - Future Uranium Enrichment in the U.S. (3)” of the NSC Institutional Files at the Gerald R. Ford Presidential Library.**

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## NATIONAL SECURITY COUNCIL

WASHINGTON, D.C. 20506

5380~~SECRET~~

November 12, 1974

## MEMORANDUM FOR

The Secretary of the Treasury  
The Secretary of Defense  
The Secretary of Commerce  
The Director, Office of Management and Budget  
The Deputy Secretary of State  
The Director, Arms Control and Disarmament Agency  
The Director of Central Intelligence  
The Chairman, Atomic Energy Commission  
The Executive Director, Council on International  
Economic Policy

SUBJECT: NSSM 209: Study of Future Uranium  
Enrichment Capacity

Chairman Ray has submitted an interim report in response to NSSM 209; a copy was sent to your staff by the AEC on November 8.

In order that the report may be prepared for the President's early consideration, your comments are requested on this report, including any additional options and discussion, by November 21. Your views and those of other agencies will be integrated into a single coordinated report for the President's consideration.

The formulation of the final report will be carried out by an ad hoc group, chaired by the NSC staff, on November 26 and 27. Please designate your representative to this group at the time of your response on November 21, or by phone to David Elliott (395-6965) of our staff.

  
Jeanne W. Davis  
Staff Secretary

~~SECRET/GDS~~

HR 1017/04



16

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION  
Presidential Libraries Withdrawal Sheet

WITHDRAWAL ID 019155

REASON FOR WITHDRAWAL . . . . National security restriction

TYPE OF MATERIAL . . . . . Form

TITLE . . . . . NSC Distribution Requirements: Profile  
& Record

CREATION DATE . . . . . 11/12/1974

VOLUME . . . . . 1 page

COLLECTION/SERIES/FOLDER ID . 039800389

COLLECTION TITLE . . . . . U.S. NATIONAL SECURITY COUNCIL  
INSTITUTIONAL RECORDS

BOX NUMBER . . . . . 31

FOLDER TITLE . . . . . NSSM 209 - Future Uranium Enrichment in  
the U.S. (2)

DATE WITHDRAWN . . . . . 11/09/2004

WITHDRAWING ARCHIVIST . . . . HJR

*open with portions exempted*

*NR 11/9/04*

MEMO/LETTER: SUBJECT: NSSM 209: Study of Future Uranium Enrichment Capacity

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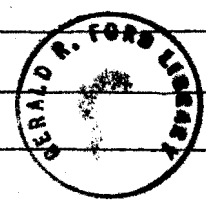
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18

THE WHITE HOUSE  
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GENERAL:

JEANNE DAVIS POINTS OUT THAT  
THIS ACTION HAS A VERY SHORT  
TIME FUSE, AND HOPES YOU CAN  
ACT ON IT TONITE.



*Jef*

(Dave mentioned  
this in the last  
staff mtg.)



## NATIONAL SECURITY COUNCIL

~~SECRET~~

November 11, 1974

MEMORANDUM FOR: GENERAL SCOWCROFT

FROM: DAVID ELLIOTT *D.E.*

SUBJECT: NSSM 209: Study of Future Uranium  
Enrichment Capacity

A response to NSSM 209 (Policy on the Development of Future Uranium Enrichment Capacity) has been transmitted to HAK (Tab B) by AEC Chairman Ray. She indicates that the study is not coordinated among the contributing agencies, nor does it necessarily contain all of their suggested options and views. Dixy feels that further progress toward a coordinated report is too difficult and time consuming in light of agency differences, and that the delay in establishing an Administration policy is causing problems among prospective private enrichers, utilities, and Congress.

I frankly thought that we had successfully cleared away most secondary considerations and were focusing on the fundamental issues connected with three distinct options. It seemed that two days of hard work could have produced a draft text -- but Dixy's patience gave out. (State made the tactical error of sending a new study participant, from EUR, to argue for major changes to the report ten weeks into study activity.)

We have three options on how to proceed:

1. Drop the study. Since HAK has been concerned with this issue and mandated the study, this option is probably not viable.
2. Send it back to Dixy and tell her to do her duty. This has the great advantage of forcing a true interagency view of the issue, but it could well take considerably more time and be the subject of further quarrels.
3. Circulate it ourselves for additional agency input and then integrate a final report here. This could be faster but we would have the difficult task of melding highly conflicting views.

~~SECRET/GDS~~*HR 10/17/04*

Dick Kennedy and I believe option three is preferred if we are to bring this study to a conclusion reasonably soon. If you approve, Jeanne Davis will sign out requests for agency review and comment, as indicated by the draft at Tab A.

Dick Kennedy concurs.

RECOMMENDATION:

That you approve an NSC effort to conclude NSSM 209.

APPROVE

BO

DISAPPROVE

\_\_\_\_\_



1h

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION  
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REASON FOR WITHDRAWAL . . . . National security restriction

TYPE OF MATERIAL . . . . . Letter

CREATOR'S NAME . . . . . Dixie Lee Ray

CREATOR'S TITLE . . . . . Chairman

RECEIVER'S NAME . . . . . Henry A. Kissinger

RECEIVER'S TITLE . . . . . Assistant to the President for National  
Security Affairs

CREATION DATE . . . . . 11/08/1974

VOLUME . . . . . 2 pages

COLLECTION/SERIES/FOLDER ID . 039800389

COLLECTION TITLE . . . . . U.S. NATIONAL SECURITY COUNCIL  
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BOX NUMBER . . . . . 31

FOLDER TITLE . . . . . NSSM 209 - Future Uranium Enrichment in  
the U.S. (2)

DATE WITHDRAWN . . . . . 11/09/2004

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NATIONAL ARCHIVES AND RECORDS ADMINISTRATION  
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REASON FOR WITHDRAWAL . . . . National security restriction

TYPE OF MATERIAL . . . . . Report

TITLE . . . . . Policy on the Development of Future  
Uranium Enrichment Capacity - NSSM 209

DESCRIPTION . . . . . The Study in Summary Form

CREATION DATE . . . . . 11/07/1974

VOLUME . . . . . 61 pages

COLLECTION/SERIES/FOLDER ID . 039800389

COLLECTION TITLE . . . . . U.S. NATIONAL SECURITY COUNCIL  
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This document consists of 8 pages 18

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Appendices to NSSM 209

ALL OF  
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SENSITIVE

NATIONAL SECURITY COUNCIL  
WASHINGTON, D.C. 20506

CONFIDENTIAL/GDS

September 5, 1974

National Security Study Memorandum 209

TO: The Secretary of Defense  
The Director, Office of Management and Budget  
The Deputy Secretary of State  
The Director of Central Intelligence  
The Chairman, Atomic Energy Commission  
The Executive Director, Council on International Economic Policy

SUBJECT: Policy on the Development of Future Uranium  
Enrichment Capacity

The President has directed that the issues associated with a shift to private ownership of part of our future uranium enrichment capacity be reexamined. The study should consider but not be limited to the following:

- What is the outlook for private sector assumption of the enrichment business with present and prospective technologies?
- What are the prospects for adequate production resources being developed to meet the long-term projected increasing demand for uranium enrichment facilities?
- What governmental actions (and associated costs) would be required to facilitate private entry and to ensure future supply?
- What would be the implications of private control of enrichment for U.S. foreign policy, trade and energy policies, domestic and international nuclear safeguards, and non-proliferation?
- What are the costs and implications of the U.S. governmental commitments to worldwide supply, assurance of timely availability, and nondiscriminatory access? How can it be ensured that the private sector would meet and sustain such commitments, and what would be the foreign policy implications if these commitments were not met?

74 SEP 6 PM 2:47

DECLASSIFIED

AUTHORITY *NSC State Report 5/5/98*  
BY *HL* NLF, DATE *10/2/04* RECLASSIFIED

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What are the prospects and implications (for example, for trade benefits and proliferation) if private activity were to result in business arrangements abroad through which enriching technology becomes subject to transfer, sale or licensing?

Can satisfactory oversight of private industry be established and adequate mechanisms developed to facilitate the planning and long-range actions necessary to maintain the appropriate U.S. stockpile of enriched uranium?

What are the organizational alternatives to private assumption of enriching services? (Each alternative should include discussion of its legislative, cost, and budget implications, probable Congressional and utility reaction, and impact on the nuclear industry.)

Based on the above analysis and other relevant factors, the study should outline the policy options open to the President and their advantages and disadvantages.

This study should be carried out by an Ad Hoc Group comprised of representatives of the addressees and the NSC staff and chaired by the representative of the Atomic Energy Commission. The study should be conducted on a close-hold basis. It should be forwarded to the President for his consideration no later than October 1, 1974.

  
Henry A. Kissinger

cc: The Secretary of the Treasury  
The Secretary of Commerce  
Counsellor to the President for Economic Policy  
The Administrator, Federal Energy Administration  
The Chairman, Joint Chiefs of Staff



12

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION  
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TYPE OF MATERIAL . . . . . Appendix

TITLE . . . . . Appendix B

DESCRIPTION . . . . . Appendix to NSSM 209 re enrichment  
activities

CREATION DATE . . . . . 11/1974

VOLUME . . . . . 5 pages

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COLLECTION TITLE . . . . . U.S. NATIONAL SECURITY COUNCIL  
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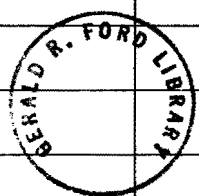
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SUBJECT: AEC Response to NSSM 209

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| PROGRAM ANALYSIS                  |        | X    | X      | DUE DATE: <u>11-15</u>                     |
| NSC PLANNING                      |        | X    | X      | COMMENTS: (INCLUDING SPECIAL INSTRUCTIONS) |
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| INTELLIGENCE                      |        |      | X      |  |

| DATE  | FROM | TO       | S | SUBSEQUENT ACTION REQUIRED (OR TAKEN): | CY TO |
|-------|------|----------|---|--|-------|
| 11/11 |      | Sept     | X | Decision (11/16)                       |       |
| 11/16 |      | NSSM 10  |   | Robert R. ...                          |       |
| 11/12 |      | D. Davis |   | sgl mem to Agencies Dept               |       |



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