



*ESP review complete.*

*47*

*Yarrow Jantz.*

October 7, 2005  
AET 05-0070

Mr. Jack R. Strosnider  
Director, Office of Nuclear Material Safety and Safeguards  
Attention: Document Control Desk  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555-0001

**American Centrifuge Plant  
Docket Number 70-7004**

**Submittal of Additional Information Related to the Integrated Safety Analysis for the  
American Centrifuge Plant (TAC Nos. L32306, L32307, and L32308)**

**INFORMATION TRANSMITTED HERewith IS PROTECTED FROM PUBLIC  
DISCLOSURE AS CONFIDENTIAL COMMERCIAL OR FINANCIAL INFORMATION  
AND/OR TRADE SECRETS PURSUANT TO 10 CFR 2.390 AND 9.17(a)(4)**

**and**

**INFORMATION TRANSMITTED HERewith IS PROTECTED FROM  
DISCLOSURE PURSUANT TO 10 CFR PART 810**

Dear Mr. Strosnider:

USEC Inc. (USEC) hereby submits to the U.S. Nuclear Regulatory Commission (NRC) additional information related to the Requests for Additional Information regarding the Integrated Safety Analysis (ISA) for the American Centrifuge Plant.

Enclosure 1 provides USEC's (Export Controlled Information) responses to the additional questions noted during the on-site review of the ISA conducted during August 15-17, 2005. In addition to the changes noted in Enclosure 1, changes have been made to pages 1-18, 1-47, 1-55, 1-57, 1-60, and 3-19 of the License Application; page A-8 of the Emergency Plan, and pages 9 and 14 of the Fundamental Nuclear Material Control Plan (FNMCP) to address other miscellaneous items noted during the review. Enclosure 2 provides the changed pages for the License Application and supporting documents (Non-proprietary). Enclosure 3 provides the changed pages for the ISA Summary (Export Controlled Information). Enclosure 4 provides the changed pages for Appendix J of the ISA Summary (Official Use Only/Export Controlled Information). Enclosure 5 provides the changed pages for Addendum 1 of the ISA Summary and the FNMCP (Export Controlled Information/Proprietary). Revision bars in the right hand margin depict changes from the previous version submitted to the NRC. Enclosure 6 provides references utilized in the development of the ISA related to the fire accident sequences.

As noted in Enclosure 1, additional evaluations are on-going to address several issues identified during this on-site review; therefore, the remaining responses and revised pages will be provided to the NRC by October 28, 2005.

USEC Inc.  
6903 Rockledge Drive, Bethesda, MD 20817-1818  
Telephone 301-564-3200 Fax 301-564-3201 <http://www.usec.com>

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Enclosure 5 contains USEC Proprietary Information and USEC requests that this enclosure be withheld from public disclosure pursuant to 10 *Code of Federal Regulations* (CFR) 2.390(a)(4) and (d)(1). An affidavit required by 10 CFR 2.390(b)(1)(ii) is provided in Enclosure 7. Enclosures 1, 3, 4, and 5 have been determined, in accordance with the guidance provided by the U.S. Department of Energy, to contain Export Controlled Information. This information must be protected from disclosure per the requirements of 10 CFR Part 810. Enclosure 4 has also been determined by the DOE, to contain Official Use Only Information. DOE review is required before public release of this enclosure.

If you have any questions regarding this matter, please contact Peter J. Miner at (301) 564-3470.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Toelle", with a long horizontal flourish extending to the right.

Steven A. Toelle  
Director, Nuclear Regulatory Affairs

cc: Y. Faraz, NRC HQ  
N. Garcia-Santos, NRC HQ  
B. Smith, NRC HQ  
R. Wescott, NRC HQ

Enclosures: As Stated

**Enclosure 7 to AET 05-0070**

***Affidavit***

**AFFIDAVIT OF RUSSELL B. STARKEY, JR.  
SUPPORTING APPLICATION TO WITHHOLD FROM  
PUBLIC DISCLOSURE CERTAIN INFORMATION CONTAINED IN  
ENCLOSURE 5 FOR THE AMERICAN CENTRIFUGE PLANT**

I, Russell B. Starkey, Jr., of USEC Inc., having been duly sworn, do hereby affirm and state:

1. I have been authorized by USEC to (a) review the information owned by USEC which is referenced herein relating to the U.S. Nuclear Regulatory Commission (NRC) Request for Additional Information for the American Centrifuge Plant and which USEC seeks to have withheld from public disclosure pursuant to section 147 of the Atomic Energy Act (AEA), as amended, 42 U.S.C. § 2167, and 10 CFR 2.390(a)(3), 2.390(a)(4), 2.390(d)(1) and 9.17(a)(4), and (b) apply for the withholding of such information from public disclosure by the Nuclear Regulatory Commission (NRC) on behalf of USEC.
  
2. 10 CFR 2.390(d)(1) states that correspondence and reports to or from the NRC containing information concerning an applicant's physical protection or material control and accounting program for special nuclear material not otherwise designated as Safeguards Information or classified as National Security Information or Restricted Data are deemed to be confidential commercial or financial information exempt from public disclosure. Enclosure 5 contains such information. Accordingly, USEC requests that Enclosure 5 be withheld from public disclosure pursuant to section 147 of the AEA, as amended, 42 U.S.C. §2167, and 10 CFR 2.390(a)(3), 2.390 (d)(1) and 9.17(a)(4).

3. Consistent with the provisions of 10 CFR 2.390(b)(4) of the Commission's regulations, the following is furnished for consideration by the Commission in determining whether the information sought to be withheld from public disclosure should be withheld.
  - i. The information sought to be withheld from public disclosure is owned and has been held in confidence by USEC.
  - ii. The information is of a type customarily held in confidence by USEC and not customarily disclosed to the public. USEC has a rational basis for determining the types of information customarily held in confidence by it and, in that connection, utilizes a system to determine when and whether to hold certain types of information in confidence. The application of that system and the substance of that system constitute USEC policy and provide the rational basis required. Under that system, information is held in confidence if it falls in one or more of several types, the release of which might result in the loss of an existing or potential competitive advantage, as follows:
    - a) The information reveals the distinguishing aspects of a process (or component, structure, tool, method, etc.) where presentation of its use by any of USEC's competitors without license from USEC constitutes a competitive economic advantage over other companies.
    - b) It consists of supporting data, including test data, relative to a process (or component, structure, tool, method, etc.), the application of which data secures a competitive economic advantage (e.g., by optimization or improved marketability).
    - c) Its use by a competitor would reduce their expenditure of resources or improve their competitive position in the design, manufacture, shipment, installation, assurance of quality, or licensing a similar product.

- d) It reveals cost or price information, production capacities, budget levels, or commercial strategies of USEC, its customers or suppliers.
  - e) It reveals aspects of past, present, or future USEC or customer funded development plans and programs of potential commercial value to USEC.
  - f) It contains patentable ideas, for which patent protection may be desirable.
  - g) It reveals information concerning the terms and conditions, work performed, administration, performance under or extension of contracts with its customers or suppliers.
- iii. There are sound policy reasons behind the USEC system which include the following:
- a) The use of such information by USEC gives USEC a competitive advantage over its competitors. It is, therefore, withheld from disclosure to protect the USEC competitive position.
  - b) It is information, which is marketable in many ways. The extent to which such information is available to competitors diminishes USEC's ability to sell products and services involving the use of the information.
  - c) Use by our competitors would put USEC at a competitive disadvantage by reducing their expenditure of resources at USEC expense.
  - d) Each component of proprietary information pertinent to a particular competitive advantage is potentially as valuable as the total competitive advantage. If competitors acquire components or proprietary information, any one component may be the key to the entire puzzle, thereby depriving USEC of a competitive advantage.
  - e) Unrestricted disclosure would jeopardize the position of prominence of USEC in the world market, and thereby give a market advantage to the competition of those countries.

- f) The USEC capacity to invest corporate assets in research and development depends upon the success in obtaining and maintaining a competitive advantage.
  - iv. The information is being transmitted to the Commission in confidence and, under the provisions of 10 CFR Section 2.390, it is to be received in confidence by the Commission.
  - v. The information sought to be protected is not available in public sources or available information has not been previously employed in the same original manner or method to the best of our knowledge and belief.
4. The proprietary information sought to be withheld is contained in Enclosure 5 to USEC letter AET 05-0070. Public disclosure of this proprietary information is likely to cause substantial harm to the competitive position of USEC because it may enhance the ability of competitors to position and provide similar products. The development of the information described in part is the result of applying many hundreds of person-hours and the expenditure of hundreds of thousands of dollars. In order for a competitor of USEC to duplicate this information, a similar process would have to be undertaken and a significant effort and resources would have to be expended.