



## Global Nuclear Fuel

A Joint Venture of GE, Toshiba, & Hitachi

## Global Nuclear Fuel

**Scott P. Murray**

Manager, Licensing & Liabilities

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### **Proprietary Information Notice**

*This letter forwards company proprietary information to be withheld from public disclosure in accordance with 10CFR2.390. Upon removal of Attachment 2, the balance of this letter may be made public.*

SPM 12-003

January 25, 2012

U.S. Nuclear Regulatory Commission  
Attn: Document Control Desk  
Washington, DC 20555-0001  
Attn: M. N. Baker

Subject: Request for Extension to Fundamental Nuclear Material Control Plan (FNMCP)  
Commitment

References: 1) NRC License SNM-1097, Docket 70-1113  
2) GNF-A Fundamental Nuclear Material Control Plan

Dear Mr. Baker:

With reference to activities authorized by NRC License SNM-1097 at Global Nuclear Fuel – Americas, LLC (GNF-A) facility in Wilmington, NC, GNF-A is requesting a one time extension to the FNMCP.

The GNF-A FNMCP adopts the industry standard receipt measurement timeframe pursuant to NUREG/BR-0006 "Instructions for Completing Nuclear Material Transaction Reports". Chapter 7, paragraph 7.1 of the GNF-A FNMCP states:

“A capability will be provided for timely detection of significant discrepancies in LEU shipments received.”

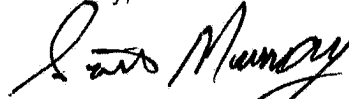
Timely used in this context is defined by NUREG/BR-0006 as within 60 days of receipt.

A shipment of UO<sub>2</sub> powder was received at the Global Nuclear Fuel - Americas (GNF-A) facility in Wilmington, NC on 12/16/2011. A onetime extension for an additional 60 days is requested until April 14, 2012 to complete the material transaction reporting. Additional details regarding this request are contained in Attachment 2.

Pursuant to 10 CFR2.390, GNF-A requests that Attachment 2 to this letter be withheld from public disclosure because it contains company proprietary information.

If you have any questions regarding this matter, please contact me at (910) 819-5950.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott Murray", written in a cursive style.

Scott Murray, Manager  
Licensing & Liabilities

Commitments: See Above

Attachment(s): 1. Affidavit  
2. Request for Extension to Fundamental Nuclear Material Control Plan  
Commitments

cc: T. Pham, USNRC, HQ

## Global Nuclear Fuel - Americas LLC

### AFFIDAVIT

I, **Scott P. Murray**, state as follows:

- (1) I am the Licensing Manager for Global Nuclear Fuel – Americas, LLC (GNF-A), and have been delegated the function of reviewing the information described in paragraph (2) which is sought to be withheld, and have been authorized to apply for its withholding.
- (2) The information sought to be withheld is contained in Attachment 2 of GNF-A's letter number SPM 12-003, Scott Murray to M.N. Baker, entitled Request for Extension to Fundamental Nuclear Material Control Plan Commitment, January 25, 2012. GNF-A proprietary information in Attachment 2, which is entitled "Request for Extension to Fundamental Nuclear Material Control Plan Commitment", is identified by the statement "Contains GNF-A Proprietary Information - Withhold from public disclosure pursuant to 10 CFR 2.390."
- (3) In making this application for withholding of proprietary information of which it is the owner or licensee, GNF-A relies upon the exemption from disclosure set forth in the Freedom of Information Act (FOIA), 5 USC Sec. 552(b)(4), and the Trade Secrets Act, 18 USC Sec. 1905, and NRC regulations 10 CFR 9.17(a)(4), and 2.390(a)(4) for trade secrets (Exemption 4). The material for which exemption from disclosure is here sought also qualifies under the narrower definition of trade secret, within the meanings assigned to those terms for purposes of FOIA Exemption 4 in, respectively, Critical Mass Energy Project v. Nuclear Regulatory Commission, 975 F2d 871 (DC Cir. 1992), and Public Citizen Health Research Group v. FDA, 704 F2d 1280 (DC Cir. 1983).
- (4) The information sought to be withheld is considered to be proprietary for the reasons set forth in paragraphs (4)a. and (4)b. Some examples of categories of information that fit into the definition of proprietary information are:
  - a. Information that discloses a process, method, or apparatus, including supporting data and analyses, where prevention of its use by GNF-A's competitors without license from GNF-A constitutes a competitive economic advantage over GNF-A and/or other companies.
  - b. Information that, if used 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 of a similar product.
- (5) To address 10 CFR 2.390(b)(4), the information sought to be withheld is being submitted to the NRC in confidence. The information is of a sort customarily held in confidence by GNF-A, and is in fact so held. The information sought to be withheld has, to the best of my knowledge and belief, consistently been held in confidence by GNF-A, not been disclosed publicly, and not been made available in public sources. All disclosures to third parties, including any required transmittals to the NRC, have been made, or must be made, pursuant to regulatory provisions or proprietary and/or confidentiality agreements that provide for maintaining the information in confidence. The initial designation of this information as proprietary information, and the subsequent steps taken to prevent its unauthorized disclosure are as set forth in the following paragraphs (6) and (7).
- (6) Initial approval of proprietary treatment of a document is made by the manager of the originating component, who is the person most likely to be acquainted with the value and sensitivity of the information in relation to industry knowledge, or who is the person most likely to be subject to the terms under which it was licensed to GNF-A. Access to such documents within GNF-A is limited to a "need to know" basis.


- (7) The procedure for approval of external release of such a document typically requires review by the staff manager, project manager, principal scientist, or other equivalent authority for technical content, competitive effect, and determination of the accuracy of the proprietary designation. Disclosures outside GNF-A are limited to regulatory bodies, customers, and potential customers, and their agents, suppliers, and licensees, and others with a legitimate need for the information, and then only in accordance with appropriate regulatory provisions or proprietary and/or confidentiality agreements.
- (8) The information identified in paragraph (2) above is classified as proprietary because it contains details of GNF-A's processes, methods, design or manufacturing facilities.
- (9) Public disclosure of the information sought to be withheld is likely to cause substantial harm to GNF-A's competitive position and foreclose or reduce the availability of profit-making opportunities. The facility design and licensing methodology is part of GNF-A's comprehensive safety and technology base, and its commercial value extends beyond the original development cost. The value of the technology base goes beyond the extensive physical database and analytical methodology and includes development of the expertise to determine and apply the appropriate evaluation process. In addition, the technology base includes the value derived from providing analyses done with NRC-approved methods.

The research, development, engineering, analytical and NRC review costs comprise a substantial investment of time and money by GNF-A. The precise value of the expertise to devise an evaluation process and apply the correct analytical methodology is difficult to quantify, but it clearly is substantial. GNF-A's competitive advantage will be lost if its competitors are able to use the results of the GNF-A experience to normalize or verify their own process or if they are able to claim an equivalent understanding by demonstrating that they can arrive at the same or similar conclusions.

The value of this information to GNF-A would be lost if the information were disclosed to the public. Making such information available to competitors without their having been required to undertake a similar expenditure of resources would unfairly provide competitors with a windfall, and deprive GNF-A of the opportunity to exercise its competitive advantage to seek an adequate return on its large investment in developing and obtaining these very valuable analytical tools.

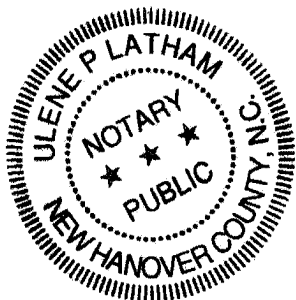
I declare under penalty of perjury that the foregoing affidavit and the matters stated therein are true and correct to the best of my knowledge, information, and belief.

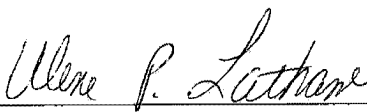
Executed on this 25<sup>th</sup> day of January, 2012.

  
Scott P. Murray  
Global Nuclear Fuel - Americas LLC

STATE OF NORTH CAROLINA   )  
  )  
COUNTY OF NEW HANOVER   )

Subscribed and sworn to me, a Notary Public, in and for the State of North Carolina, this 25th day of January, 2012.



  
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Notary Public in and for the  
State of North Carolina

My Commission Expires: June 23, 2013