

UNITED STATES NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

Feburary 12, 1998

Mr. John D. Parkyn, Chairman of the Board Private Fuel Storage, LLC P.O. Box C4010 La Crosse, WI 54602-4010

SUBJECT:

REQUEST TO WITHHOLD CERTAIN INFORMATION FROM PUBLIC

DISCLOSURE (TAC NO. L22462)

Dear Mr. Parkyn:

This letter responds to the July 28, 1997, request from Mr. John Donnell of Stone and Webster Engineering Corporation and the accompanying affidavits from Dr. Alan Soler of Holtec International (Holtec) and Mr. Arthur McSherry of Sierra Nuclear Corporation (SNC), respectively dated July 21, 1997, and July 24, 1997. In those affidavits, it was requested that certain information identified in the calculation package that supports the Safety Analysis Report for the Private Fuel Storage Facility license application submitted by Private Fuel Storage, Limited Liability Company (PFS) be withheld from public disclosure pursuant to 10 CFR 2.790. PFS has identified Holtec and SNC as vendors of the cask systems that would be used at the proposed Private Fuel Storage Facility and has referenced the applicable Topical Safety Analysis Reports in its application. As a first step in its in-depth review of the PFS license application, the Nuclear Regulatory Commission staff is considering this request to withhold certain Holtec and SNC generated information from public disclosure. You also submitted a nonproprietary version (Calculation Package Volume III) which will be placed in NRC's Public Document Room for public inspection.

The Holtec affidavit states that the submitted information should be withheld from public disclosure for the following reasons:

- The information contained within the proprietary material discloses a process, method, or apparatus, including supporting data and analyses, where prevention of its use by Holtec's competitors without license from Holtec International constitutes a competitive economic advantage over other companies.
- 2. The information contained within the proprietary material, if used by a competitor, would reduce its expenditure of resources or improve its competitive position in the design, manufacture, shipment, installation, assurance of quality, or licensing of a similar product.
- 3. The information contained in the proprietary material reveals aspects of past, present, or future Holtec International customer-funded development plans and programs of potential commercial value to Holtec International.
- 4. The information contained in the proprietary material discloses patentable subject matter for which it may be desirable to obtain patent protection.

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9802240329 980212 PDR ADDCK 07200022 C PDR The SNC affidavit states that the submitted information should be withheld from public disclosure for the following reasons:

- 1. The information has been and is held in confidence by SNC.
- 2. The information contained within the proprietary material is calculated data and the results of design calculations. This type of material is normally held in confidence by SNC which invests time and money in its development.
- 3. The proprietary material is transmitted to the NRC in confidence.
- 4. The proprietary material which is being claimed as trade secrets and privileged information is not available in public sources.
- 5. SNC has invested a considerable amount of time, engineering labor, and money in the development of the information. Public disclosure of this information would cause substantial harm to SNC's competitive position. Others, seeking to design similar systems would have to make similar investments to develop the information on their own as long as the information is not disclosed to the public.

We have reviewed your submittal in accordance with the requirements of 10 CFR 2.790, and on the basis of Holtec and Sierra Nuclear's statements, have determined that submitted information sought to be withheld contains proprietary commercial information.

Therefore, the version of the submitted information marked as proprietary will be withheld from public disclosure pursuant to 10 CFR 2.790(b)(5) and Section 103(b) of the Atomic Energy Act of 1954, as amended.

Withholding from public inspection shall not affect the right, if any, of persons properly and directly concerned to inspect the documents. If the need arises, we may send copies of this information to our consultants working in this area. We will, of course, ensure that the consultants have signed the appropriate agreements for handling proprietary information.

If the basis for withholding this information from public disclosure should change in the future such that the information could then be made available for public inspection, you should promptly notify the NRC. Please be advised that the NRC may have cause to review this determination in the future, for example, if the scope of a Freedom of Information Act request includes your withheld information. In all review situations, if the NRC makes a determination adverse to the above, you will be notified in advance of any public disclosure.

If you have any questions, please contact Mr. Mark Delligatti of my staff. Mr. Delligatti is the Senior Project Manager assigned to the review of the PFS application. He can be reached at 301-415-8518.

Sincerely,

[original signed by /s/]

Charles J. Haughney, Acting Director Spent Fuel Project Office Office of Nuclear Material Safety and Safeguards

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Private Fuel Storage

CC:

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