HOLTEC
INTERNATIONAL

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BY OVERNIGHT MAIL

72-1014
72-1008
71-9261
50-321/366

June 14, 2001

Mr. M. Wayne Hodges
Deputy Director, SFPO
U. S. Nuclear Regulatory Commission
11555 Rockville Pike
Rockville MD, 20852

Subject: Holtec MPC Leak Tightness Test Procedure

Dear Mr. Hodges:

As previously requested by the SFPO, Holtec intends to perform a leak test of a welded mock-up of a Multi-Purpose Canister (MPC) to demonstrate its leak-tightness. Southern Nuclear has graciously volunteered to host the test at their Plant Hatch site. The MPC mock-up was constructed of the same materials, welded using the same welding techniques, and has the same diameter and weld sizes as a full-sized MPC. The mock-up was procured for training purposes to demonstrate lid welding and use of ancillary equipment with the vent and drain ports. The only differences between a full size MPC and the mock-up are that there is no fuel basket inside, the lid is 2 ½ inches thick (viz. 9 ½ or 10 inches for the actual MPC), and the height is truncated for handling ease. The mockup is a suitable model for demonstrating actual MPC leak tightness.

We have enclosed proprietary and non-proprietary versions of Holtec test procedure, HSP-175, "MPC Closure Weld Cumulative Leak Test Procedure" for your information. We would appreciate any comments you may have on the procedure before we perform the test, currently planned for October, 2001. We invite you and members of the SFPO staff to witness the testing at Plant Hatch. We will provide a firm schedule for the test in the coming months. We trust that the results of this test will provide the NRC with the needed data to establish a definitive position of the issue of leak-tight stainless steel welded spent fuel canisters.

Holtec HSP-175 contains information that is commercially sensitive to Holtec International and is treated by us with strict confidentiality. This information is of the type described in 10CFR2.790(b)(4). HSP-175, Revision 0, is considered proprietary to Holtec. The attached affidavit sets forth the bases for which the information is required to be withheld by the NRC from further disclosure, consistent with these considerations and pursuant to the provisions of 10CFR2.790(b)(1). It is therefore requested that the proprietary information enclosed be withheld from public disclosure in accordance with applicable NRC regulations.

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Please contact us if you require additional information.

Sincerely,

Brian Gutherman, P.E.
Licensing Manager

Emcc (w/o attach. and encl.): J. Wade, Southern Nuclear
G. Bockhold, Southern Nuclear
S. Nichols, PGE
L. Hendricks, NEI
K. Phy, HUG Chairman
Holtec Group 1

Document I.D.: 5014420

Attachment: Affidavit Pursuant to 10 CFR 2.790

Enclosures: HSP-175, Rev. 0 (one proprietary copy and one non-proprietary copy)

Mr. M. Wayne Hodges
U.S. Nuclear Regulatory Commission
Document ID 5014420
Attachment

AFFIDAVIT PURSUANT TO 10CFR2.790

I, Brian Gutherman, being duly sworn, depose and state as follows:

(1) I am Licensing Manager of Holtec International and have reviewed the information described in paragraph (2) which is sought to be withheld, and am authorized to apply for its withholding.

(2) The information sought to be withheld is Holtec Procedure No. HSP-175, "MPC Closure Weld Cumulative Test", Revision 0.

This information is considered proprietary to Holtec International.

(3) In making this application for withholding of proprietary information of which it is the owner, Holtec International 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 10CFR Part 9.17(a)(4), 2.790(a)(4), and 2.790(b)(1) for "trade secrets and commercial or financial information obtained from a person and privileged or confidential" (Exemption 4). The material for which exemption from disclosure is here sought is all "confidential commercial information", and some portions also qualify 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, 975F2d871 (DC Cir. 1992), and Public Citizen Health Research Group v. FDA, 704F2d1280 (DC Cir. 1983).

(4) Some examples of categories of information which 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 Holtec's competitors without license from Holtec International constitutes a competitive economic advantage over other companies;

AFFIDAVIT PURSUANT TO 10CFR2.790

b. Information which, if used by a competitor, would reduce his expenditure of resources or improve his competitive position in the design, manufacture, shipment, installation, assurance of quality, or licensing of a similar product.

c. Information which reveals cost or price information, production, capacities, budget levels, or commercial strategies of Holtec International, its customers, or its suppliers;

d. Information which reveals aspects of past, present, or future Holtec International customer-funded development plans and programs of potential commercial value to Holtec International;

e. Information which discloses patentable subject matter for which it may be desirable to obtain patent protection.

The information sought to be withheld is considered to be proprietary for the reasons set forth in paragraphs 4.a, 4.b, 4.d, and 4.e, above.

(5) The information sought to be withheld is being submitted to the NRC in confidence. The information (including that compiled from many sources) is of a sort customarily held in confidence by Holtec International, 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 Holtec International. No public disclosure has been made, and it is not 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 agreements which provide for maintenance of the information in confidence. Its initial designation as proprietary information, and the subsequent steps taken to prevent its unauthorized disclosure, are as set forth in paragraphs (6) and (7) following.

AFFIDAVIT PURSUANT TO 10CFR2.790

(6) Initial approval of proprietary treatment of a document is made by the manager of the originating component, the person most likely to be acquainted with the value and sensitivity of the information in relation to industry knowledge. Access to such documents within Holtec International is limited on 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, by the manager of the cognizant marketing function (or his designee), and by the Legal Operation, for technical content, competitive effect, and determination of the accuracy of the proprietary designation. Disclosures outside Holtec International 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 agreements.

(8) The information classified as proprietary was developed and compiled by Holtec International at a significant cost to Holtec International. This information is classified as proprietary because it contains detailed descriptions of analytical approaches and methodologies not available elsewhere. This information would provide other parties, including competitors, with information from Holtec International's technical database and the results of evaluations performed by Holtec International. Release of this information would improve a competitor's position without the competitor having to expend similar resources for the development of the database. A substantial effort has been expended by Holtec International to develop this information.

(9) Public disclosure of the information sought to be withheld is likely to cause substantial harm to Holtec International's competitive position and foreclose or reduce the availability of profit-making opportunities. The information is part of Holtec International's comprehensive spent fuel storage 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

AFFIDAVIT PURSUANT TO 10CFR2.790

analytical methodology, and includes development of the expertise to determine and apply the appropriate evaluation process.

The research, development, engineering, and analytical costs comprise a substantial investment of time and money by Holtec International.

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.

Holtec International's competitive advantage will be lost if its competitors are able to use the results of the Holtec International 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 Holtec International 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 Holtec International of the opportunity to exercise its competitive advantage to seek an adequate return on its large investment in developing these very valuable analytical tools.

Mr. M. Wayne Hodges
U.S. Nuclear Regulatory Commission
Document ID 5014420
Attachment

AFFIDAVIT PURSUANT TO 10CFR2.790

STATE OF NEW JERSEY)
) ss:
COUNTY OF BURLINGTON)

Mr. Brian Gutherman, being duly sworn, deposes and says:

That he has read the foregoing affidavit and the matters stated therein are true and correct to the best of his knowledge, information, and belief.

Executed at Marlton, New Jersey, this 14th day of June, 2001.

Brian Gutherman
Holtec International

Subscribed and sworn before me this 14th day of June, 2001.

MARIA C. PEPE
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires April 25, 2005

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STANDARD PROCEDURE

MPC CLOSURE WELD CUMULATIVE LEAK TEST PROCEDURE

HOLTEC PROJECT PROCEDURE HSP-175

NON-PROPRIETARY VERSION

TABLE OF CONTENTS

Summary of Changes

Revision	Changes
0	Original Issue

1.0 PURPOSE

1.1 This procedure is used to quantitatively leak test the closure weld of an MPC. The test is performed [redacted] as outlined in ASME Section V Article 10. The procedure accurately measures the total leakage rate of the component but does not provide leak location. [redacted]

1.2 This procedure is associated with a technique sheet that provides specific instructions for conducting the test (Exhibit 7.3).

2.0 DEFINITIONS

MPC	Holtec International Multi-Purpose Spent Fuel Canister, a stainless steel cylindrical pressure vessel, approximately 68 inches in diameter and 15 feet high, weighing about 90,000 pounds fully loaded.
MSLD	Mass spectrometer leak detector.
Utility	The USNRC licensed organization responsible for maintenance and safe handling of spent fuel being placed into dry storage.

3.0 REFERENCES

3.1 Varian Vacuum Products Inc. 979 Leak Detector Operating Manual (or operating manual for specific MSLD used).

3.2 SNT-TC-1A (1996), ASNT Recommended Practice for Personnel Qualification and Certification in Nondestructive Testing.

3.3 ASME Boiler and Pressure Vessel Code, 1998 Edition, Section V, Article 10.

4.0 DISCUSSION

4.1 The leakage test system is used to determine the cumulative leakage rate from the closure welds of the HI-STAR 100 and HI-STORM 100 System MPC. [redacted]

4.2 [redacted]

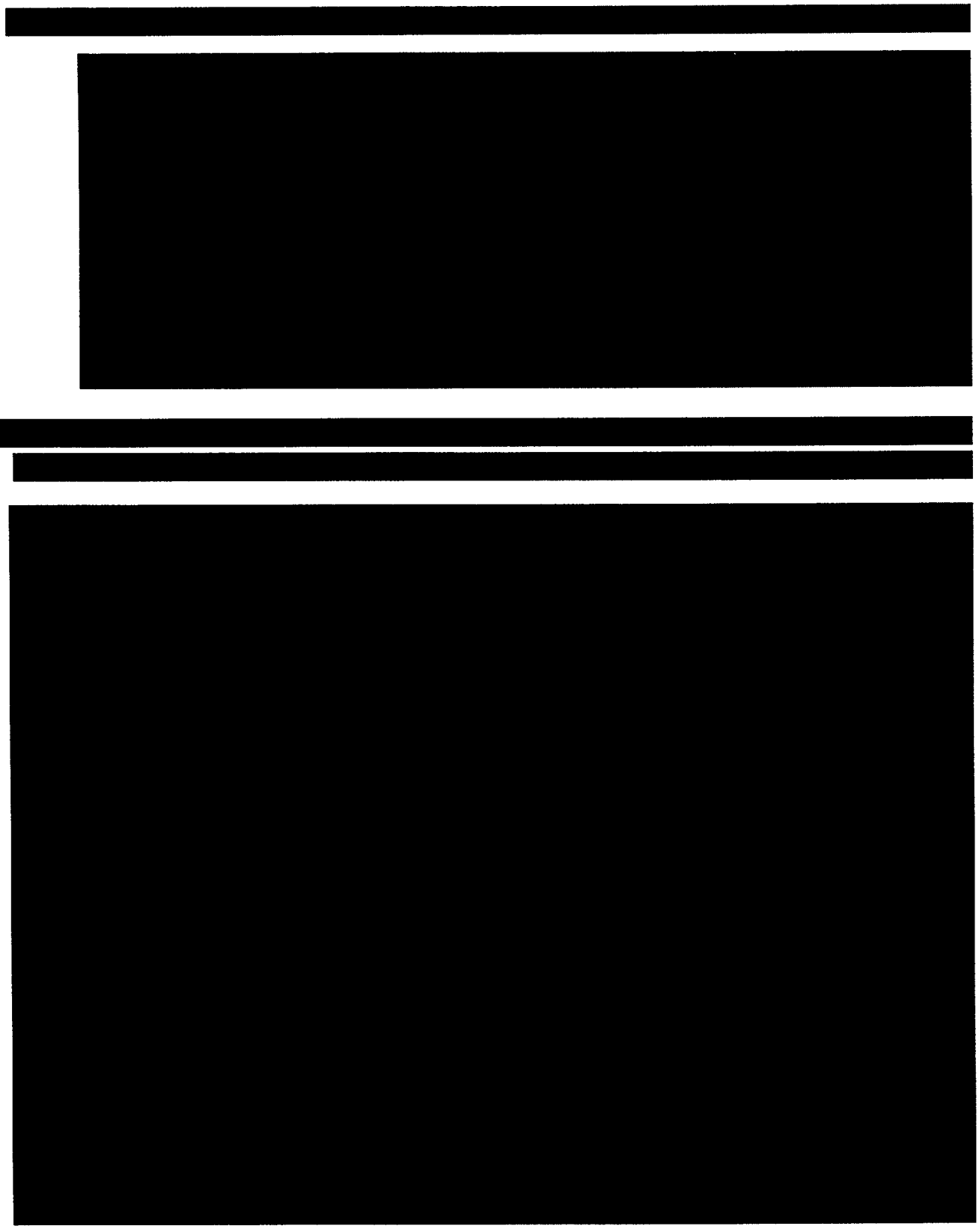
5.0 RESPONSIBILITIES

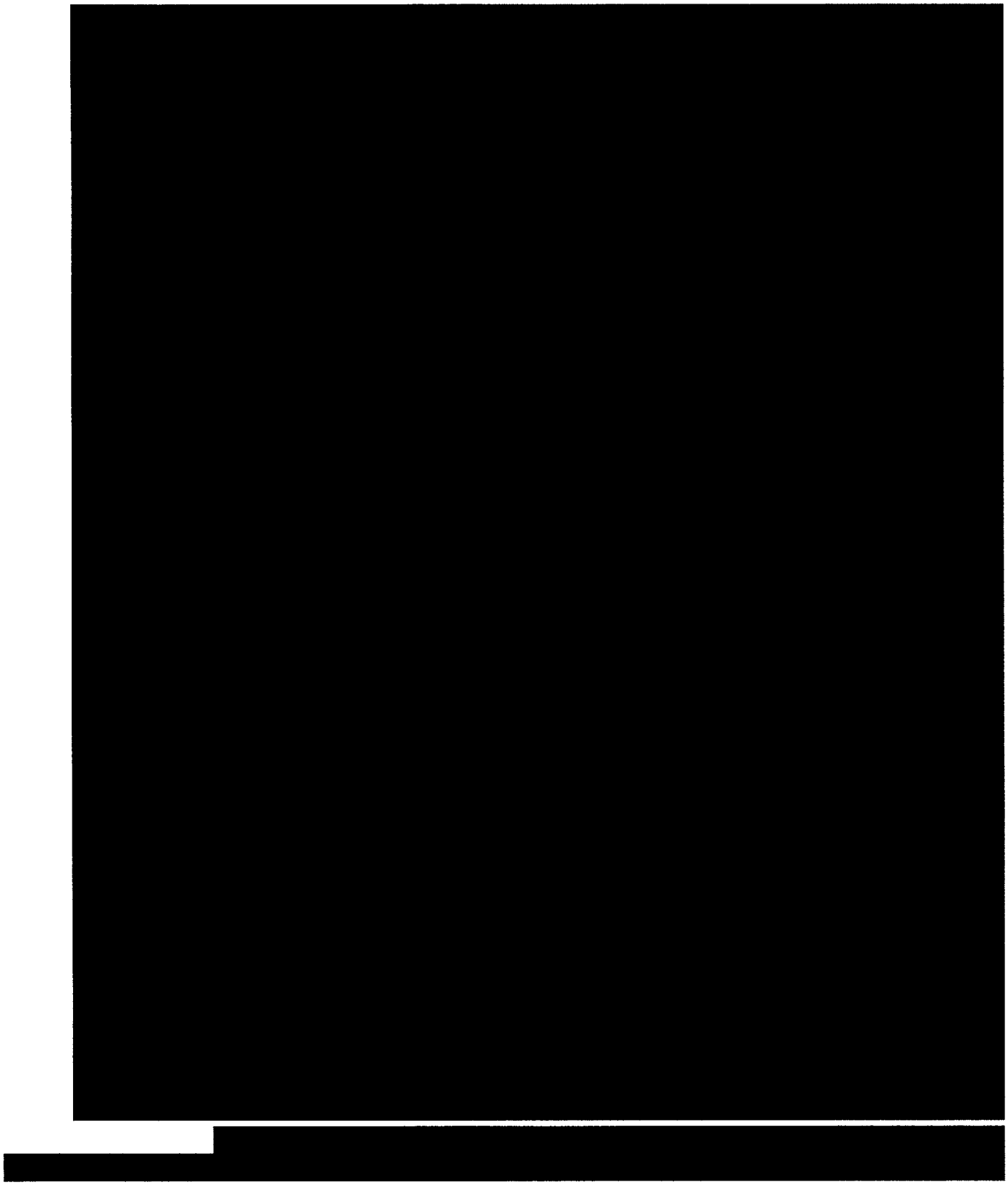
5.1 Leak tests shall be performed and evaluated by leak test personnel who are qualified and certified as Level II or III LT. Trainees and Level I operators can work under the direct supervision of a Level II or III individual.

5.2 A Level III LT Examiner shall be responsible for the training and qualification of leak test personnel.

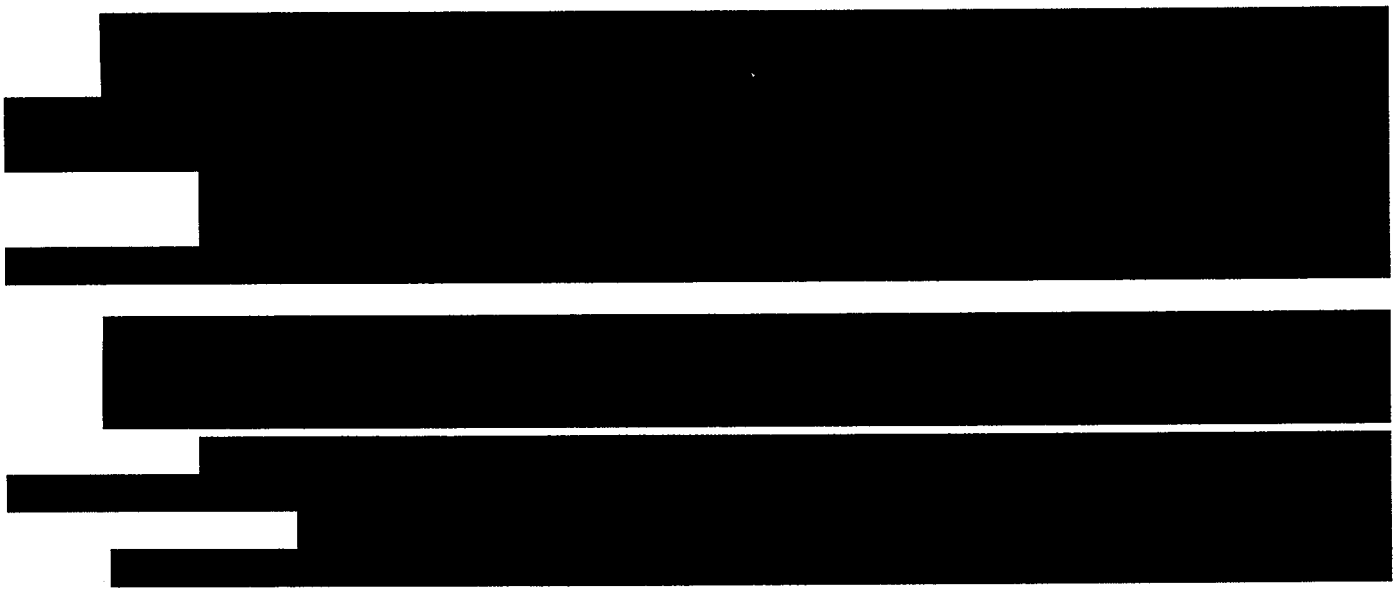
6.0 OPERATING PROCEDURE

[redacted]





[redacted]



6.3.4 Leak testing results including calibration, sensitivity checks, and component leak test results will be recorded on LEAK TEST REPORT, Exhibit 7.2.

7.0 EXHIBITS

7.1 EXHIBIT 7.1: CALIBRATION FIXTURE AND MSLD SETUP

7.2 EXHIBIT 7.2: LEAK TEST REPORT

7.3 EXHIBIT 7.3: TECHNIQUE SHEET

Exhibits 7.1 though 7.3 are Holtec proprietary