

November 7, 2001

Mr. Robert Ihde, President and CEO  
Duke Cogema Stone & Webster  
Post Office Box 31847  
Charlotte, NC 28231-1847

SUBJECT: INADVERTENT RELEASE OF PROPRIETARY INFORMATION RELATED TO  
THE MIXED-OXIDE FUEL FABRICATION FACILITY

Dear Mr. Ihde:

On September 29, 2001, the U.S. Nuclear Regulatory Commission (NRC) staff confirmed that Proprietary Information related to the mixed-oxide fuel fabrication facility was inadvertently released to three parties unauthorized to receive such information. NRC staff became aware of this possible inadvertent release of information on September 28, 2001. The Proprietary Information consisted of technical chemical processing information contained in one of the enclosures to an August 31, 2001, letter from Duke Cogema Stone & Webster (DCS) to NRC in response to an NRC Request for Information. NRC staff intended to provide the DCS letter and Non-Proprietary enclosures to the three parties in advance of a public meeting and a pre-hearing conference that were to take place on September 19-21, 2001. Upon confirming that the Proprietary version had been inadvertently released, NRC staff informed DCS and undertook actions to retrieve the document by contacting the three members of the public who received the Proprietary enclosure, explaining the situation, and receiving agreement from all to return the Proprietary portion of the document. The Proprietary Information has subsequently been returned by the three parties.

NRC staff had intended to distribute the package internally with the Proprietary Information included and externally with the Proprietary information removed; however, we inadvertently distributed the incorrect package externally. We believe that the factors that contributed to the inadvertent release are:

1. The document was being distributed internally and externally at the same time;
2. Although clearly stated and marked on the cover letter that Enclosure 3 was Proprietary, NRC Form 190 a yellow Proprietary Information document cover sheet was not placed on all of the copies containing the Proprietary Information by NRC staff; consequently, the packages to be distributed looked exactly the same; and
3. We were in a hurry to distribute the document externally to allow sufficient time for members of the public to review the document before the public meeting on September 19, since some of the information in the DCS letter pertained to topics to be discussed at the public meeting.

We have taken internal measures to assure that such a release does not happen again. Further, we discussed the matter with DCS—both DCS and NRC agreed that when transmitting Proprietary Information in the future, the redacted versions and the Proprietary Information will be provided to NRC in separate submittals, as was done by DCS for earlier submittals. Proprietary Information will not be included as part of submittals that have Non-Proprietary enclosures.

We regret any inconvenience this may have caused DCS. If you have any questions or concerns, please call me at 301-415-6332.

Sincerely,

**/RA/**

Eric J. Leeds, Chief  
Special Projects Branch  
Division of Fuel Cycle Safety  
and Safeguards  
Office of Nuclear Material Safety  
and Safeguards

Docket No. 70-3098

cc:

J. Johnson, DOE  
H. Porter, SCDHEC  
J. Conway, DNFSB  
D. Moniak, BREDL  
G. Carroll, GANE  
R. Thomas, Environmentalists, Inc.

R. Ihde

2

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