April 22, 2004

Mr. Vince J. Langman ACR Licensing Manager AECL Technologies Inc. 481 North Frederick Avenue, Suite 405 Gaithersburg, MD 20877

SUBJECT: REQUEST FOR WITHHOLDING INFORMATION FROM PUBLIC DISCLOSURE

FOR ADVANCED CANDU REACTOR (ACR-700)

Dear Mr. Langman:

By letters dated March 3 and March 11, 2004, AECL Technologies Inc. submitted two affidavits dated March 15 and March 22, 2004, executed by Mr. John Polcyn requesting that the following materials be withheld from public disclosure pursuant to Title 10 of the *Code of Federal Regulations* (10 CFR) Section 2.390:

Two compact discs containing copies of the following proprietary presentation materials used at the meeting on ACR-700 pressure boundary and pressure tubes on March 4-5, 2004:

- 1. Load combinations and stress limits for the pressure boundary design
- 2. Pressure boundary materials
- 3. Proprietary presentation on irradiated materials

The affidavits stated that the submitted information should be considered exempt from mandatory public disclosure for the following reasons:

- 1. This information is confidential and has been held in confidence by AECL, which is the parent company of AECL Technologies Inc. The information is contained in AECL reports or other documents that are normally held in confidence in accordance with AECL's procedures for the protection of information. The reports or other documents are part of AECL's comprehensive safety and technology base for the CANDU design, and their commercial value extends beyond the original development costs, which in themselves are considerable.
- 2. This information is being transmitted to the NRC in confidence.
- 3. This information is generally not available in public sources and could not be gathered readily from other publicly available information.
- 4. Public disclosure of this information would create substantial harm to the competitive position of AECL by disclosing sensitive commercial information about the design and/or operation of CANDU reactors and/or the ACR to other parties whose commercial interests may be adverse to those of AECL. Also, the information contained in these reports has been developed at significant costs to AECL(the parent company of AECL Technologies).

In accordance with the requirements of 10 CFR 2.390 (formerly 2.790), we have reviewed your application and material you designated as proprietary. On the basis of our review and your statements, we have decided that the information you marked as proprietary will be withheld from public disclosure. However, withholding from public inspection shall not affect the right, if any, of persons properly and directly concerned (including NRC employees or contractors who have a need to know) to inspect the 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.

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 inspection should change in the future such that the information could then be made available for public inspection, you should promptly notify the NRC. You also should understand 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 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.

Finally, as you may be aware, the text of 10 CFR 2.790 was amended by the NRC in June 2003. In addition, the section number was changed from 2.790 to 2.390 in February of this year.

If you have any questions regarding this matter, I may be reached at 301-415-4125.

Sincerely,

/RA/

James Kim, Project Manager New Reactors Section New, Research and Test Reactors Program Division of Regulatory Improvement Programs Office of Nuclear Reactor Regulation

Project No. 722

cc: See next page

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cc: See next page

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*See previous concurrence

ADAMS ACCESSION NUMBER: ML041050446

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DATE	4/14/04	4/15/04	4/16/04	4/21/04

OFFICIAL RECORD COPY

ACR-700

CC:

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