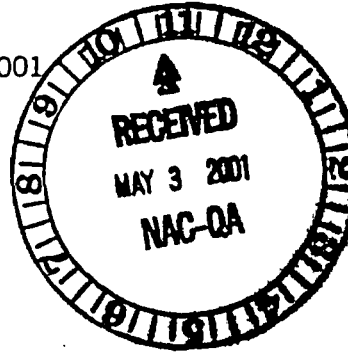


- COPY PROVIDED BY NRC TICKET OF 4/21/04



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

May 1, 2001



cc: Chapman 5/3/01
W Lee
TADanner
TC Hmpsey
JDarcis
B Palmer
RHSman

Mr. Edward M. Davis
President and Chief Executive Officer
NAC International, Inc.
655 Engineering Drive
Norcross, GA 30092

SUBJECT: PUBLIC DISCLOSURE DETERMINATION REGARDING ALLEGATION
NMSS-2000-A-0013, LETTER DATED JUNE 2, 2000

Dear Mr. Davis:

By letter dated June 2, 2000, NAC International, Inc., (NAC) submitted a response to a request for additional information (RAI) from the Nuclear Regulatory Commission (NRC) regarding allegation NMSS-2000-A-0013. With the letter, NAC submitted an affidavit signed by Willington J. Lee. In the affidavit, Mr. Lee stated that the information in the above responses should be withheld from public disclosure, pursuant to 10 CFR 2.790 of the Commission's regulations, for the following reasons:

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

On the basis of your letter, our review of the information enclosed in the letter, and in light of the requirements of 10 CFR 2.790, we have determined that some of the material may be withheld in accordance with 10 CFR 2.790(a)(6), but that certain other material in your responses to items 1 and 3 of the RAI do not appear to require withholding in accordance with 10 CFR 2.790. The information that we do not believe are distinguishing aspects or would improve a competitor's economic advantage and information that we do not believe would constitute trade secrets or proprietary commercial information are outlined in the enclosure. We have listed the reason in parentheses. We request NAC to review the information in the enclosure and

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provide a non-proprietary version, as appropriate, of your responses to items 1 and 3 of the RAI, or provide additional reasons for the withholding of the information.

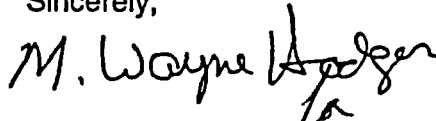
Please submit your response within 30 days of the date of this letter or it may become necessary to make these items publically available. Please submit your response to ADDRESSEE ONLY: Mr. Wayne Hodges, Deputy Director, Spent Fuel Project Office, and do not submit any other copies to NRC or the Document Control Desk.

It is the policy of the NRC to achieve an effective balance between legitimate concerns for protection of competitive positions and the right of the public to be fully apprised as to the basis for and effects of licensing and rulemaking actions. Withholding from public disclosure 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 comments or questions about this matter, please contact Mr. Wayne Hodges of my staff at (301) 415-2398.

Sincerely,



E. William Brach, Director
Spent Fuel Project Office
Office of Nuclear Material Safety
and Safeguards

Enclosure: As stated

PROPRIETARY FINDING ON RESPONSE TO RAI

1) Item 1 - Entire response.

(Statements regarding procurement of NS-4-FR material and subsequent interactions with Holtec International do not appear to be distinguishing aspects that would improve a competitor's economic advantage or information that would constitute trade secrets or proprietary commercial information. The letter dated April 20, 1998 as attached in the response has been provided as non-proprietary to NRC from NAC by letter dated March 27, 2000.)

2) Item 3 - Information in response related to thermal stability.

(The information regarding thermal stability and attached thermal stability reports appear to be publically available and/or previously submitted to NRC as non-proprietary information)