

May 7, 2004

NEF#04-007

ATTN: Document Control Desk
Director
Office of Nuclear Material Safety and Safeguards
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

Louisiana Energy Services, L. P.
National Enrichment Facility
NRC Docket No. 70-3103

Subject: Response to Request for Additional Information and Application for Withholding Information from Public Disclosure

Reference: Letter dated April 19, 2004, from T. C. Johnson (NRC) to R. Krich (Louisiana Energy Services) regarding "Request for Additional Information on Louisiana Energy Services Project License Application"

Louisiana Energy Services (LES), L. P., hereby submits an application for withholding information from public disclosure pursuant to 10 CFR 2.390, "Public inspections, exemptions, requests for withholding," paragraph (a)(4).

The response to a U.S. Nuclear Regulatory Commission Request for Additional Information (RAI) from the reference letter relies, in part, on the information in original Urenco TC-12 centrifuge mechanical qualification report, "TC-12 Safety Report, Safety of the Recipient Against Penetration of Rotor Debris, Safety of the Floor Mounting System Against Rupture, JVDOC300/21, Issue 2, June 1980." This classified (i.e., confidential national security information (CNSI)) report was provided to the NRC during the Claiborne Enrichment Center licensing proceedings. The original design reflected in this report has since been modified. As a result, report UPD/0202662B, containing a description of the modification and associated qualification, is submitted to supplement the original Urenco TC-12 centrifuge mechanical qualification report.

This information is being submitted under affirmation and the required affidavit, signed by Enrichment Technology Company Limited, the owner of the information, is enclosed. The attachment provides the Enrichment Technology document UPD/0202662B dated April 29, 2004. This document is considered by LES to be confidential (i.e., proprietary).

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If you have any questions, please contact me at 630-657-2813.

Respectfully,

Daniel D. Green for

R. M. Krich
Vice President – Licensing, Safety, and Nuclear Engineering

Enclosure:
Affidavit

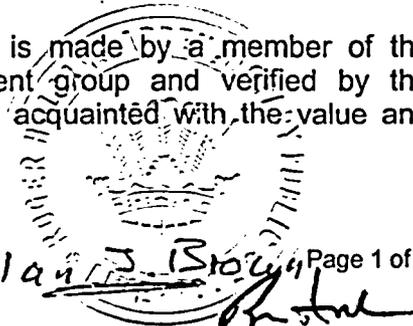
Attachment:
UPD/0202662B

cc: T. C. Johnson, NRC Project Manager

Affidavit of Allan James Brown Enrichment Technology UK senior management group

being duly sworn, deposes and states as follows:

1. I am Allan James Brown and I am authorized to execute this affidavit in support of a request to withhold certain information described in paragraph 2 below, from public disclosure in accordance with section 2.390(a)(4) of the Commission's regulations.
2. The information sought to be withheld is contained in the letter NEF#04-007 from R. M. Krich (Louisiana Energy Services, L.P.) to the U.S. Nuclear Regulatory Commission Document Control Desk, dated May 7, 2004.
3. The information which is sought to be withheld from public disclosure is proprietary information of Enrichment Technology Company Limited, a United Kingdom registered company, and has been provided to Louisiana Energy Services, L.P. and its authorized sub-contractors, as appropriate, subject to agreement that it will be treated as confidential and proprietary information and not to be disclosed publicly. Enrichment Technology Company Limited has contributed substantial funds to the development of its latest gas centrifuge uranium enrichment cascades of which the information which is sought to be withheld from public disclosure is a design parameter.
4. In making this application for withholding of proprietary information, Enrichment Technology Company Limited 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 10 CFR Section 9.17(a)(4) and Section 2.390(a)(4) for "trade secrets and commercial or financial information obtained from a person and privileged or confidential."
5. Some examples of categories of information which fit into the definition of proprietary information and which are applicable here are as follows.
 - a) Information that discloses a process, method, or apparatus, including supporting data and analyses, where prevention of its use by the Company's competitors without license from Enrichment Technology Company Limited constitutes a competitive economic advantage over other companies and
 - 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.
6. The information sought to be withheld is being submitted to the U.S. Nuclear Regulatory Commission in confidence. The information is of a sort customarily held in confidence by Enrichment Technology Company Limited and is in fact so held. Its initial designation as proprietary information, and the subsequent steps taken to prevent its unauthorized disclosure, are as set forth in (7) and (8) following. The information sought to be withheld, to the best of my knowledge and belief, is not available in public sources. All disclosures to third parties including any required transmittals to U.S. Nuclear Regulatory Commission, have been made, or must be made, pursuant to regulatory provisions or proprietary agreements which provide for maintenance of the information in confidence.
7. The designation of the proprietary treatment of a document is made by a member of the Enrichment Technology Company Limited senior management group and verified by the company classification officer, the personnel most likely to be acquainted with the value and sensitivity of the information in relation to industry knowledge.

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Affidavit of Allan James Brown Enrichment Technology UK senior management group

8. The procedure for approval for external release of such a document typically requires review by a member of senior management group or his designee for technical content, competitive effect, and determination of accuracy of the proprietary designation. Disclosures outside of the Enrichment Technology Company Limited are limited to regulatory bodies, 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.
9. The information in paragraph 2 is proprietary because it comprises details of the Enrichment Technology Company Limited gas centrifuge uranium enrichment cascade design.
10. Public disclosure of the information sought to be withheld is likely to cause substantial harm to Enrichment Technology Company Limited. These details related to the cascade design provide commercial value to Enrichment Technology Company Limited. Enrichment Technology Company Limited's competitive advantage may be lost if its competitors are able to use the design information. The value of this information 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 Enrichment Technology Company Limited of the opportunity to exercise its competitive advantage to seek an adequate return on its large investment.
11. He has read the foregoing affidavit and the matters stated therein are true and correct to the best of his knowledge, information and belief.

Allan J. Brown

ALLAN JAMES BROWN

Subscribed and sworn to
before me this *30th* day
of *April* 2004.

Roger Arden

Notary Public **ROGER H. ARDEN**
Solicitor & Notary



*My faculty ends for
so long as I practice*

ATTACHMENT

-- Proprietary Information --

UPD/0202662B