

May 19, 2004

Mr. Rod Krich, Vice President  
Licensing, Safety, and Nuclear Engineering  
Louisiana Energy Services  
2600 Virginia Avenue NW, Suite 610  
Washington, DC 20037

SUBJECT: REQUEST FOR WITHHOLDING INFORMATION FROM PUBLIC DISCLOSURE  
(LOUISIANA ENERGY SERVICES GAS CENTRIFUGE URANIUM  
ENRICHMENT FACILITY)

Dear Mr. Krich:

In the Louisiana Energy Services (LES) letter (NEF#04-007), dated May 7, 2004, you requested that information provided in an assessment of the safety of centrifuge casings from penetration of rotor debris be withheld from public disclosure in accordance with 10 CFR 2.390(a)(4). You provided an affidavit attesting to the proprietary nature of the information. You did not provide a non-proprietary version.

In the affidavit, dated April 30, 2004, you stated that this information should be withheld from public disclosure for the following reasons:

1. It is proprietary information of Enrichment Technology Company Limited and has been provided to LES under a non-disclosure agreement that it be treated as confidential and proprietary and not to be disclosed publically.
2. It is information that is customarily held in confidence by Enrichment Technology Company Limited and is in fact so held.
3. It is information that is not available in public sources.
4. It was transmitted to and received by the U.S. Nuclear Regulatory Commission in confidence.
5. It is information that discloses a process, method, or apparatus, including supporting data and analyses, where prevention of its use by the Company's competitors without a license from Enrichment Technology Company Limited would constitute a competitive economic advantage over other companies.
6. It is information that, if used by a competitor, would reduce its expenditure of resources or improve its competitive advantage in the design, manufacture, shipment, installation, assurance of quality, or licensing of a similar product.

7. It is information that comprises details of the Enrichment Technology Company Limited gas centrifuge uranium enrichment cascade design.
8. Public disclosure of the information sought to be withheld is likely to cause substantial harm to Enrichment Technology Company Limited. Details of the gas centrifuge cascade design provide commercial value to Enrichment Technology Company Limited and the company's competitive advantage may be lost if its competitors are able to use the design information.

We have reviewed the justification you provided in accordance with the requirements of 10 CFR 2.390 and, on the basis of your statements, have determined that the submitted information sought to be withheld contains proprietary commercial information. Therefore, the submitted information marked as proprietary will be withheld from public disclosure pursuant to 10 CFR 2.390 (a) (4) and Section 103 (b) of the Atomic Energy Act of 1954, as amended.

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.

Sincerely,

/RA/

Robert C. Pierson, Director  
Division of Fuel Cycle Safety  
and Safeguards  
Office of Nuclear Material Safety  
and Safeguards

Docket: 70-3103

cc: William Szymanski/DOE  
Monty Newman/Hobbs  
Peter Miner/USEC  
Glen Hackler/Andrews  
James Brown/Eunice  
Jerry Clift/Hartsville  
D. Watchman-Moore/NMED  
Clay Clark/NMED  
Lindsay Lovejoy/NIRS

Claydean Claiborne/Jal  
James Curtiss/W&S  
Betty Richman/Tatum  
Dennis Holmberg/Lea Cty  
Richard Ratliff/Texas  
CO'Claire/Ohio  
Joseph Malherek/PC  
Patricia Madrid/NMAG

Rod Krich/Exelon  
Troy Harris/Lovington  
James Ferland/LES  
William Floyd/NMED  
M. Marriotte/NIRS  
Lee Cheney/CNIC  
Ron Curry/NMED  
Glen Smith/NMAG

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OFC	GCFLS		GCFLS		OGC		GCFLS		SPB		FCSS	
<b>NAME</b>	TJohnson		LGross		SCole		BSmith		JGitter		RPierson	
<b>DATE</b>	5 /13 /04		5/ 13 /04		5/18/04		5/13 /04		5/18/04		5/19/04	

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