May 25, 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 April 23, 2004, AECL Technologies Inc. submitted an affidavit dated May 3, 2004, executed by Mr. John Polcyn requesting that the AECL report 108US-03510-LS-001 titled "Safety Analysis Code Validation Methodology" be withheld from public disclosure pursuant to Title 10 of the *Code of Federal Regulations* (10 CFR) Section 2.390:

The affidavit 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).

We have reviewed your application and the material 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 and should be withheld from public disclosure. Therefore, the material listed above and identified as proprietary will be withheld from public disclosure pursuant to 10 CFR 2.390(a)(4) and 9.17(a)(4).

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.

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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James Kim, Project Manager
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cc: See next page

<u>Distribution</u> <u>HARD COPY</u> RNRP R/F JKim BSosa LDudes

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ADAMS ACCESSION NUMBER: ML041450053

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DATE	5/24/04	5/24/04	5/25/04	5/25/04

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ACR-700

CC:

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