

March 23, 2005

Mr. Ray Tsukimura, President
Aerotest Operations Inc.
3455 Fostoria Way
San Ramon, CA 94583

SUBJECT: REQUEST FOR WITHHOLDING INFORMATION FROM PUBLIC DISCLOSURE -
AEROTEST FINANCIAL INFORMATION

Dear Mr. Tsukimura:

By letter dated February 28, 2005, Mr. Michael S. Anderson, Corporate Secretary of OEA, Inc. submitted your March 2, 2005, affidavit to withhold certain information from public disclosure pursuant to 10 CFR 2.390.

First, your affidavit requested that the Security Plan be exempt from disclosure per 10 CFR 2.390(a)(3) as "Safeguards Information." "Safeguards Information" does not require such an affidavit. Aerotest has designated the security plan as "Safeguards Information." We have also reviewed the information and find that it is consistent with what the NRC has designated as "Safeguards Information" for your facility in accordance with 10 CFR 73.21. Therefore, your Security Plan will be designated, protected, and withheld from public disclosure as "Safeguards Information" in accordance with 10 CFR 73.21.

Second, your affidavit requested that Chapter 15, "Financial Assurance" of the Updated Safety Analysis Report (USAR) for the Aerotest Radiography and Research Reactor, dated February 28, 2005, be withheld from public disclosure pursuant to 10 CFR 2.390(a)(4). The affidavit stated that the submitted information should be considered exempt from mandatory public disclosure for the following reasons:

1. The information sought to be withheld from public disclosure is unpublished financial information, which is designated as privileged and confidential.
2. The information is transmitted to the NRC in confidence.
3. Public disclosure of the information would cause substantial harm to Aerotest by providing detailed financial information to its competitors and other parties whose interest may be adverse to Aerotest's.

We have reviewed the affidavit and the material in accordance with the requirements and criteria of 10 CFR 2.390 and, on the basis of your statement, 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(b)(5) and Section 103(b) of the Atomic Energy Act of 1954, as amended.

Withholding from public inspection shall not effect the rights, 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 information, Aerotest should promptly notify the NRC. Aerotest 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 this information. In all review situations, if the NRC makes a determination adverse to the above, Aerotest will be notified in advance of any public disclosure.

If you have any questions regarding this matter, I may be reached at 301-415-1128.

Sincerely,

/RA/

Marvin M. Mendonca, Senior Project Manager
Research and Test Reactors Section
New, Research and Test Reactors Program
Division of Regulatory Improvement Programs
Office of Nuclear Reactor Regulation

Docket No. 50-228

cc: See next page

Aerotest Operations, Inc.

Docket No. 50-228

cc:

Mr. Fred Meren, President
Aerotest Operations, Inc.
3455 Fostoria Way
San Ramon, CA 94583

Director
Energy Facilities Siting Division
Energy Resources Conservation
and Development Commission
1516 9th Street
Sacramento, CA 95814

Mr. Steve Hsu
Radiological Health Branch
State Department of Health Services
P.O. Box 942732
Sacramento, CA 94234-7320

Test, Research, and Training
Reactor Newsletter
University of Florida
202 Nuclear Sciences Center
Gainesville, FL 32611

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