



Crystal River Nuclear Plant
Docket No. 50-302
Operating License No. DPR-72

Ref. 10 CFR 50.90

April 4, 2007
3F0407-13

U.S. Nuclear Regulatory Commission
Attn: Document Control Desk
Washington, DC 20555-0001

50-302

Subject: Crystal River Unit 3 – Response to Request for Additional Information Re: License Amendment Request #292, Revision 0, “Additional Storage Patterns for Crystal River Unit 3 Storage Pools A and B”

- References:
1. Crystal River Unit 3 to NRC Letter, 3F1006-01, dated October 5, 2006, “Crystal River Unit 3 –License Amendment Request #292, Revision 0, Additional Storage Patterns for Crystal River Unit 3 Storage Pools A and B”
 2. Holtec Report No. HI-2063579 dated September 20, 2006, “Licensing Report for Additional Loading Patterns in Crystal River Unit 3 Pools A and B”

Dear Sir:

By letter dated October 5, 2006, Florida Power Corporation (FPC), doing business as Progress Energy Florida, Inc., submitted the referenced License Amendment Request (LAR) to the Nuclear Regulatory Commission (NRC). This LAR is requesting a modification to the Crystal River Unit 3 (CR-3) Improved Technical Specifications (ITS) pertaining to the defined pool burnup-enrichment requirements, storage configuration for fresh fuel and low burnup/high enriched fuel, the definition of a peripheral assembly, as well as minor editorial changes.

In Reference 1, specifically Attachment E, FPC provided the supporting technical information, issued by Holtec International as a non-proprietary document, for LAR #292, Revision 0. This report was a summary of the detailed criticality analysis performed by Holtec.

During recent discussions with the NRC Project Manager for CR-3, a request was made that the proprietary version of the Holtec Report (Reference 2) be provided to assist the NRC staff in the review of the proposed LAR.

Attachment A of this submittal provides the proprietary Holtec Report. Holtec International requests that the proprietary information in this submittal be withheld from public disclosure in accordance with 10 CFR 2.390(a)(4) and 10 CFR 2.390(d)(1). An affidavit supporting this request is provided in Attachment B.

Progress Energy Florida, Inc.
Crystal River Nuclear Plant
15760 W. Powerline Street
Crystal River, FL 34428

A001

This letter establishes no regulatory commitments.

If you have any questions regarding this submittal, please contact Mr. Paul Infanger, Manager, Licensing and Regulatory Programs at (352) 563-4796.

Sincerely,



Dale E. Young
Vice President
Crystal River Nuclear Plant

DEY/ff

Attachments:

- A. Holtec Report No. HI-2063579, "Licensing Report for Additional Loading Patterns in Crystal River Unit 3 Pools A and B" (Proprietary)
- B. Holtec International Application for Withholding Proprietary Information from Public Disclosure

xc: Regional Administrator, Region II
NRR Project Manager
Senior Resident Inspector

STATE OF FLORIDA

COUNTY OF CITRUS

Dale E. Young states that he is the Vice President, Crystal River Nuclear Plant for Florida Power Corporation, doing business as Progress Energy Florida, Inc.; that he is authorized on the part of said company to sign and file with the Nuclear Regulatory Commission the information attached hereto; and that all such statements made and matters set forth therein are true and correct to the best of his knowledge, information, and belief.

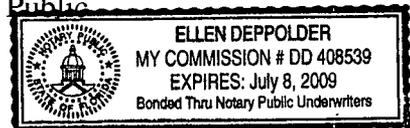


Dale E. Young
Vice President
Crystal River Nuclear Plant

The foregoing document was acknowledged before me this 4th day of April, 2007, by Dale E. Young.



Signature of Notary Public
State of Florida



(Print, type, or stamp Commissioned
Name of Notary Public)

Personally Known -OR- Produced Identification

PROGRESS ENERGY FLORIDA, INC.

CRYSTAL RIVER UNIT 3

DOCKET NUMBER 50-302/LICENSE NUMBER DPR-72

LICENSE AMENDMENT REQUEST #292, REVISION 0

ATTACHMENT B

**HOLTEC INTERNATIONAL APPLICATION FOR WITHHOLDING
PROPRIETARY INFORMATION FROM PUBLIC DISCLOSURE**



Holtec Center, 555 Lincoln Drive West, Marlton, NJ 08053

Telephone (856) 797-0900
Fax (856) 797-0909

U.S. Nuclear Regulatory Commission
ATTN: Document Control Desk

AFFIDAVIT PURSUANT TO 10 CFR 2.390

I, Debabrata Mitra-Majumdar, being duly sworn, depose and state as follows:

- (1) I am the Holtec International Project Manager for the Crystal River Criticality Analysis for Additional Storage Patterns Project (Holtec Project 1566) and have reviewed the information described in paragraph (2) which is sought to be withheld, and am authorized to apply for its withholding.
- (2) The information sought to be withheld is contained in Revision 0 of Holtec Report HI-2063579.
- (3) In making this application for withholding of proprietary information of which it is the owner, Holtec International 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 10CFR Part 9.17(a)(4), 2.390(a)(4), and 2.390(b)(1) for "trade secrets and commercial or financial information obtained from a person and privileged or confidential" (Exemption 4). The material for which exemption from disclosure is here sought is all "confidential commercial information", and some portions also qualify under the narrower definition of "trade secret", within the meanings assigned to those terms for purposes of FOIA Exemption 4 in, respectively, Critical Mass Energy Project v. Nuclear Regulatory Commission, 975F2d871 (DC Cir. 1992), and Public Citizen Health Research Group v. FDA, 704F2d1280 (DC Cir. 1983).



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- (4) Some examples of categories of information which fit into the definition of proprietary information are:
- a. Information that discloses a process, method, or apparatus, including supporting data and analyses, where prevention of its use by Holtec's competitors without license from Holtec International constitutes a competitive economic advantage over other companies;
 - 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.
 - c. Information which reveals cost or price information, production, capacities, budget levels, or commercial strategies of Holtec International, its customers, or its suppliers;
 - d. Information which reveals aspects of past, present, or future Holtec International customer-funded development plans and programs of potential commercial value to Holtec International;
 - e. Information which discloses patentable subject matter for which it may be desirable to obtain patent protection.

The information sought to be withheld is considered to be proprietary for the reasons set forth in paragraphs 4.a and 4.b, above.

- (5) The information sought to be withheld is being submitted to the NRC in confidence. The information (including that compiled from many sources) is of a sort customarily held in confidence by Holtec International, and is in fact so



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held. The information sought to be withheld has, to the best of my knowledge and belief, consistently been held in confidence by Holtec International. No public disclosure has been made, and it is not available in public sources. All disclosures to third parties, including any required transmittals to the NRC, have been made, or must be made, pursuant to regulatory provisions or proprietary agreements which provide for maintenance of the information in confidence. Its initial designation as proprietary information, and the subsequent steps taken to prevent its unauthorized disclosure, are as set forth in paragraphs (6) and (7) following.

- (6) Initial approval of proprietary treatment of a document is made by the manager of the originating component, the person most likely to be acquainted with the value and sensitivity of the information in relation to industry knowledge. Access to such documents within Holtec International is limited on a "need to know" basis.
- (7) The procedure for approval of external release of such a document typically requires review by the staff manager, project manager, principal scientist or other equivalent authority, by the manager of the cognizant marketing function (or his designee), and by the Legal Operation, for technical content, competitive effect, and determination of the accuracy of the proprietary designation. Disclosures outside Holtec International are limited to regulatory bodies, customers, and potential 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.
- (8) The information classified as proprietary was developed and compiled by Holtec International at a significant cost to Holtec International. This information is classified as proprietary because it contains detailed descriptions of analytical approaches and methodologies not available elsewhere. This information would provide other parties, including competitors, with information from Holtec



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International's technical database and the results of evaluations performed by Holtec International. A substantial effort has been expended by Holtec International to develop this information. Release of this information would improve a competitor's position because it would enable Holtec's competitor to copy our technology and offer it for sale in competition with our company, causing us financial injury.

- (9) Public disclosure of the information sought to be withheld is likely to cause substantial harm to Holtec International's competitive position and foreclose or reduce the availability of profit-making opportunities. The information is part of Holtec International's comprehensive spent fuel storage technology base, and its commercial value extends beyond the original development cost. The value of the technology base goes beyond the extensive physical database and analytical methodology, and includes development of the expertise to determine and apply the appropriate evaluation process.

The research, development, engineering, and analytical costs comprise a substantial investment of time and money by Holtec International.

The precise value of the expertise to devise an evaluation process and apply the correct analytical methodology is difficult to quantify, but it clearly is substantial.

Holtec International's competitive advantage will be lost if its competitors are able to use the results of the Holtec International experience to normalize or verify their own process or if they are able to claim an equivalent understanding by demonstrating that they can arrive at the same or similar conclusions.

The value of this information to Holtec International 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

