GE-Hitachi Nuclear Energy Americas LLC

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Proprietary Information Notice
Personally Identifiable Information Notice
This letter forwards proprietary information and personally identifiable information which must be withheld from public disclosure in accordance with 10CFR2.390. Upon removal of Enclosures 1 and 2, the balance of this letter may be made public.

LMQ-08-027
July 18, 2008

ATTN: Document Control Desk
Director, Division of Security Operations
Office of Nuclear Security and Incident Response
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555-0001

Subject: **GLE and GEH Submittal of FOCI Information**

Dear Sirs:

This submits updated foreign ownership, control, or influence (FOCI) information for GE-Hitachi Global Laser Enrichment LLC (GLE) and its majority owner parent, GE-Hitachi Nuclear Energy Americas LLC (GEH), in accordance with 10 CFR 95.17(a)(1), in support of ongoing enrichment technology development activities of GLE and GEH personnel working under U.S. Nuclear Regulatory Commission (NRC) license SNM-1097 issued to Global Nuclear Fuel-Americas, LLC (GNF-A). This information is also submitted in advance in support of a future GLE request for a separate facility security clearance per 10 CFR 95.15(b). The information provided herewith reflects a change in the GLE organizational structure which occurred on June 19, 2008, and updates the information regarding this change previously discussed with NRC staff and submitted in Reference 1.

Based on past discussions with NRC staff, GLE anticipates that the NRC, after review of the organization change and controls, will be able to conclude that the degree and extent of FOCI over GLE as a result of the change continue to not pose an undue risk to the national security. For reference, the initial FOCI information submittal for GLE was transmitted via Reference 2, and the most recent prior update was provided by Reference 3.

Enclosure 1 provides the FOCI-related details associated with the change. Enclosure 2 provides a summary listing of Owners, Officers, Directors, and Executive Personnel (OODEP) and other FOCI information for GLE and its parents for the current (new) organizational structure. The details in Enclosures 1 and 2 are marked to reflect information updated since Reference 1.

Please note that Enclosures 1 and 2 contain personally identifiable information and also information of the type that GEH and GLE maintain in confidence and withhold from public disclosure. The affidavit contained in Enclosure 3 herewith identifies that information contained in Enclosures 1 and 2 herewith has been handled and classified as proprietary and/or confidential by GEH and GLE. GEH hereby requests that information in Enclosures 1 and 2 be withheld from public disclosure in accordance with the provisions of 10 CFR 2.390 and 9.17. Per request of NRC staff, such information enclosed herewith has been labeled "Proprietary Information" to correspond to labeling practices of personnel reviewing this submittal.

GLE will be submitting additional supporting information, e.g., the respective LLC agreements for GLE, GEH, and the General Electric Company-controlled parents, in the very near future.

Please do not hesitate to contact me or Harold Neems, GLE General Counsel, at 910-675-5376 if there are questions regarding this FOCI information.

Sincerely,

Louis M. Quintana
U Enrichment Licensing

SNM-1097
Docket 70-1113

References:

1. Letter, L. M. Quintana (GEH) to U.S. NRC, Director, Division of Nuclear Security, "GLE Submittal of FOCI Information for Proposed Organizational Change", June 16, 2008.
2. Letter, L. M. Quintana (GLE) to U.S. NRC, Director, Division of Security Operations, "GHGLE Submittal of FOCI Information in Support of Facility Security Clearance for Wilmington, NC, Facility TAC No. L32602", July 3, 2007.
3. Letter, L. M. Quintana (GEH) to U.S. NRC, Director, Division of Nuclear Security, "GLE Submittal of FOCI Information Update TAC No. L32641", May 9, 2008.

Enclosures:

1. Description of GLE Organizational Change *(GEH Proprietary Information and Personally Identifiable Information)*.
2. Lists of Owners, Officers, Directors, and Executive Personnel and Other FOCI Information *(GEH Proprietary Information and Personally Identifiable Information)*.
3. Affidavit for GEH, dated July 18, 2008.

cc: M.G. Allen (GEH)
M.N. Baker (NRC-NMSS)
R.E. Brown (GEH)
R.A. Crate (GLE)
J.K. Everly (NRC-NSIR)
J.D. Fuller (GEH)
C.B. Hollman (DOE)
C.J. Monetta (GEH)
H.J. Neems (GEH)
LMQ-08-027

ENCLOSURE 3

of

LMQ-08-027

Affidavit for GEH

GE-Hitachi Global Laser Enrichment LLC

AFFIDAVIT

I, Louis M. Quintana, state as follows:

(1) I am Program Manager, EHS Licensing, GE-Hitachi Nuclear Energy Americas LLC ("GEH"), have been delegated the function of reviewing the information described in paragraph (2) which is sought to be withheld, and have been authorized to apply for its withholding..

(2) The information sought to be withheld is contained in GEH's letter, L. M. Quintana to U.S. NRC Document Control Desk, Letter No. LMQ-08-027, *GLE and GEH Submittal of FOCI Information,* dated July 18, 2008, and its Enclosures 1, *Description of GLE Organizational Change*, and 2, *Lists of Owners, Officers, Directors, and Executive Personnel and Other FOCI Information*. In the above-cited Enclosures 1 and 2 to Letter LMQ-08-027, the GEH confidential information is indicated by [[enclosing it between left and right double brackets$^{\{3\}}$]], with the superscript notation $^{\{3\}}$ referring to Paragraph (3) of this affidavit, which provides the basis for the designation as confidential information, and those documents are also marked with the designation "GEH Proprietary Information and Personally Identifiable Information" at the top of each page.

(3) In making this application for withholding of confidential information of which it is the owner or licensee, GEH relies upon the exemptions 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 9.17(a)(4), 9.17(a)(6), 2.390(a)(4), and 2.390(a)(6) for "trade secrets and commercial or financial information" (Exemption 4) and "personnel and medical files" (Exemption 6). The material for which exemption from disclosure is here sought is all "confidential commercial information" or "personnel information", and some portions also may 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).

(4) Some examples of categories of information which fit into the definition of confidential, trade secret, or proprietary information are:

a. Information that discloses a process, method, or apparatus, including supporting data and analyses, where prevention of its use by GEH's competitors without license from GEH 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 organizational structures, cost or price information, production capacities, budget levels, or commercial strategies of GEH, its customers, or its suppliers;

d. Information which reveals aspects of past, present, or future GEH customer-funded development plans and programs, resulting in potential products to GEH;
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 confidential because it reveals confidential commercial and/or financial information regarding the operations of GEH and its related joint venture entities or reveals personal information of individuals, and some information of the former information is also considered proprietary for the reasons set forth in paragraph (4)c. above.

(5) To address 10 CFR 2.390 (b) (4), the information sought to be withheld is being submitted to NRC in confidence. The information is of a sort customarily held in confidence by GEH, and is in fact so held. The information sought to be withheld has, to the best of my knowledge and belief, consistently been held in confidence by GEH, no public disclosure has been made, and it is not available in public sources. All disclosures to third parties including any required transmittals to NRC, have been made, or must be made, pursuant to regulatory provisions or confidentiality or proprietary agreements which provide for maintenance of the information in confidence. Its initial designation as confidential or 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 confidential or 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 GEH 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 delegate), and by the Legal Operation, for technical content, competitive effect, and determination of the accuracy of the confidential or proprietary designation. Disclosures outside GEH 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 confidentiality or proprietary agreements.

(8) The information identified in paragraph (2), above, is classified as confidential because it reveals commercial and/or financial information regarding the operations of GEH and its related joint venture entities or reveals personal information of individuals. Some of the information is considered proprietary because it contains internal organizational structures.

(9) Public disclosure of the information sought to be withheld is inconsistent with the intent of the requirements for submittal and is likely to cause harm to GEH's competitive position and foreclose or reduce the availability of profit-making opportunities and would reveal personal privacy information and potentially reduce information security.

I declare under penalty of perjury that the foregoing affidavit and the matters stated therein are true and correct to the best of my knowledge, information, and belief.

Executed on this 18th day of July 2008.

Louis M. Quintana
Program Mgr., EHS Licensing
GE-Hitachi Nuclear Energy Americas LLC