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April 23, 2008
AET 08-0034

Mr. Michael F. Weber
Director, Office of Nuclear Material Safety and Safeguards
Attention: Document Control Desk
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555-0001

**American Centrifuge Plant
Docket Number 70-7004; License Number SNM-2011**

**Submittal of Information Concerning Radiological Characterization Results for the
American Centrifuge Plant**

Dear Mr. Weber:

A baseline survey performed of the south end of the X-3001 (encompassing Trains 5, 6, 7, 8, the Utility Bay/Mezzanine, and the Valve House) in 2004, prior to the start of the Gas Centrifuge Enrichment Plant (GCEP) Equipment Removal Project, indicated that general area contamination was less than the Free Release criteria stated in Section 4.8.2.4 of the License Application for the American Centrifuge Plant (ACP).

Train 6 was used as storage for Lead Cascade Facility components retained from the original GCEP equipment. Piping containing radioactive contamination and the feed stations used during GCEP operations, located along the west wall of Train 8 and piping in the Valve House were left in place for future use at the Lead Cascade Facility, if required. Since the Train 8 area contained radioactive material (maximum fixed contamination levels detected prior to removal of the installed piping was 1,400 disintegration per minute [dpm]/100 square centimeter [cm²] alpha and 170,000 dpm/100 cm² beta; removable contamination was less than the instrument detection limits), the entire area (Trains 5, 6, 7, and 8) was posted as a Radioactive Materials Area. Trains 5, 7, and 8 were regulated by the U.S. Department of Energy, while Train 6 was part of the Lead Cascade License footprint, regulated by the U.S. Nuclear Regulatory Commission.

USEC Inc. initiated a project to remove the equipment and contaminated components from Trains 6 and 8 to allow for future ACP construction activities. The contaminated items within these areas were removed and a final radiological survey of the area was performed. The survey confirmed that the contamination was contained and not released during the project. The debris generated during the project has been containerized and removed in accordance with Radiation Protection and Waste Management program requirements. Surveys revealed no fixed

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Mr. Michael F. Weber
April 23, 2008
AET 08-0034, Page 2

contamination on the floors and fixtures where these contaminated items were located. All survey reading levels are less than the Free Release criteria stated in Section 4.8.2.4 of the License Application for the ACP.

This submittal is being provided for information purposes only and no action is requested. If you have any questions regarding this matter, please contact me at (301) 564-3470.

Sincerely,



Peter J. Miner
Director, Regulatory and Quality Assurance

cc: R. DeVault, DOE-ORO
S. Echols, NRC HQ
M. Heiskell, DOE-ORO
J. Henson, NRC Region II
J.T. Howell, DOE-ORO
B. Smith, NRC HQ



March 6, 2008
AET 08-0026

Mr. Michael F. Weber
Director, Office of Nuclear Material Safety and Safeguards
Attention: Document Control Desk
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555-0001

**American Centrifuge Plant
Docket Number 70-7004; License Number SNM-2011
Submittal of Requested Information Regarding USEC's Financial Information for
Construction of the American Centrifuge Plant-USEC Proprietary Information**

**INFORMATION TRANSMITTED HERewith IS PROTECTED FROM PUBLIC
DISCLOSURE AS CONFIDENTIAL COMMERCIAL OR FINANCIAL INFORMATION
AND/OR TRADE SECRETS PURSUANT TO 10 CFR 2.390 AND 9.17(a)(4)**

Dear Mr. Weber:

Pursuant to Reference 1 and a request from U.S. Nuclear Regulatory Commission (NRC) staff on February 7, 2008, USEC Inc. (USEC) hereby submits to the NRC for review, financial information for the initial (Phase I) construction activities completed for the American Centrifuge Plant during calendar year 2007 as Enclosure 1 of this letter.

Enclosure 1 contains USEC Proprietary Information and USEC requests that this enclosure be withheld from public disclosure pursuant to 10 *Code of Federal Regulations* (CFR) 2.390(a)(4). An affidavit required by 10 CFR 2.390(b)(1)(ii) is provided in Enclosure 2.

Please contact me at (301) 564-3470 if you have any questions regarding this matter.

Sincerely,

Peter J. Miner
Director, Regulatory and Quality Assurance

cc: S. Echols, NRC HQ
J. Henson, NRC Region II
B. Smith, NRC HQ

Enclosures: As Stated

Mr. Michael F. Weber
March 6, 2008
AET 08-0026, Page 2

- Reference: 1. Letter to P.J. Miner (USEC) from J. Oliver (NRC) regarding Nuclear Regulatory Commission Response to USEC Inc., Submittal Dated April 25, 2007, Regarding Financial Information for Construction of American Centrifuge Plant, dated June 12, 2007.

Enclosure 2 of AET 08-0026

Affidavit

**AFFIDAVIT OF PETER J. MINER
SUPPORTING APPLICATION TO WITHHOLD FROM
PUBLIC DISCLOSURE CERTAIN INFORMATION CONTAINED IN
ENCLOSURE 1 FOR THE AMERICAN CENTRIFUGE PLANT**

I, Peter J. Miner, of USEC Inc. (USEC), having been duly sworn, do hereby affirm and state:

1. I have been authorized by USEC to (a) review the information owned by USEC and is referenced herein relating to Enclosure 1 regarding the status of USEC's financial information for the initial (Phase I) construction activities for the American Centrifuge Plant (ACP), which USEC seeks to have withheld from public disclosure pursuant to section 147 of the *Atomic Energy Act* (AEA), as amended, 42 U.S.C § 2167, and 10 CFR 2.390(a)(3), 2.390(a)(4), 2.390(d)(1) and 9.17(a)(4), and (b) apply for the withholding of such information from public disclosure by the U.S. Nuclear Regulatory Commission (NRC) on behalf of USEC.

2. Consistent with the provisions of 10 CFR 2.390(b)(4) of the Commission's regulations, the following is furnished for consideration by the Commission in determining whether the information sought to be withheld from public disclosure should be withheld.
 - i. The information sought to be withheld from public disclosure is owned and has been held in confidence by USEC.
 - ii. The information is of a type customarily held in confidence by USEC and not customarily disclosed to the public. USEC has a rational basis for determining the types of information customarily held in confidence by it and, in that connection, utilizes a system to determine when and whether to hold certain types of information in confidence. The application of that system and the substance of that system constitute USEC policy and provide the rational basis required. Under that system, information is held in confidence if it falls in one or more of several types, the release of which might result in the loss of an existing or potential

competitive advantage, as follows:

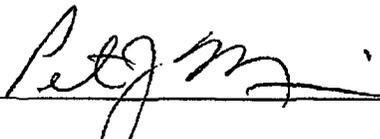
- a) The information reveals the distinguishing aspects of a process (or component, structure, tool, method, etc.) where presentation of its use by any of USEC's competitors without license from USEC constitutes a competitive economic advantage over other companies.
 - b) It consists of supporting data, including test data, relative to a process (or component, structure, tool, method, etc.), the application of which data secures a competitive economic advantage (e.g., by optimization or improved marketability).
 - c) Its use by a competitor would reduce their expenditure of resources or improve their competitive position in the design, manufacture, shipment, installation, assurance of quality, or licensing a similar product.
 - d) It reveals cost or price information, production capacities, budget levels, or commercial strategies of USEC, its customers or suppliers.
 - e) It reveals aspects of past, present, or future USEC or customer funded development plans and programs of potential commercial value to USEC.
 - f) It contains patentable ideas, for which patent protection may be desirable.
 - g) It reveals information concerning the terms and conditions, work performed, administration, performance under or extension of contracts with its customers or suppliers.
- iii. There are sound policy reasons behind the USEC system which include the following:
- a) The use of such information by USEC gives USEC a competitive advantage over its competitors. It is, therefore, withheld from disclosure to protect the USEC competitive position.
 - b) It is information, which is marketable in many ways. The extent to which such information is available to competitors diminishes USEC's ability to sell products and services involving the use of the information.

- c) Use by our competitors would put USEC at a competitive disadvantage by reducing their expenditure of resources at USEC expense.
 - d) Each component of proprietary information pertinent to a particular competitive advantage is potentially as valuable as the total competitive advantage. If competitors acquire components or proprietary information, any one component may be the key to the entire puzzle, thereby depriving USEC of a competitive advantage.
 - e) Unrestricted disclosure would jeopardize the position of prominence of USEC in the world market, and thereby give a market advantage to the competition of those countries.
 - f) The USEC capacity to invest corporate assets in research and development depends upon the success in obtaining and maintaining a competitive advantage.
- iv. The information is being transmitted to the Commission in confidence and, under the provisions of 10 CFR Section 2.390, it is to be received in confidence by the Commission.
- v. The information sought to be protected is not available in public sources or available information has not been previously employed in the same original manner or method to the best of our knowledge and belief.
3. The proprietary information sought to be withheld is contained in Enclosure 1 to USEC letter AET 08-0026. Enclosure 1 contains USEC's financial information for the initial (Phase I) construction activities completed for the ACP during calendar year 2007. The proprietary information submitted by USEC is information requested to be made available to the Commission as a follow up to NRC letter to P.J. Miner (USEC) from J. Oliver (NRC) regarding Nuclear Regulatory Commission response to USEC Inc. submittal dated April 25, 2007, regarding financial information for construction of the American Centrifuge Plant, dated June 12, 2007. Specifically, USEC was requested to provide a summary cost for each of the major items identified in the cost estimate, identifying actual expenditures. The detailed breakdown of

information contained within Enclosure 1 has not been previously disclosed and is likely to cause substantial harm to the competitive position of USEC because it contains details of our construction projections, including a cost breakdown of the various cost elements. Moreover, this information is part of that which will enable USEC to deploy the ACP and ensure adequate funding is available for construction/refurbishment activities for the ACP. This information may be disclosed to the U.S. Department of Energy consistent with on-going discussion concerning deployment of the ACP and likewise, will be requested to be withheld from public disclosure.

Further the deponent sayeth not.

Peter J. Miner, having been duly sworn, hereby confirms that I am the Director, Regulatory and Quality Assurance of USEC, that I am authorized on behalf of USEC to review the information attached hereto and to sign and file with the U.S. Nuclear Regulatory Commission this affidavit and the attachments hereto, and that the statements made and matters set forth herein are true and correct to the best of my knowledge, information, and belief.



Peter J. Miner

State of Maryland)
) ss.
County of Montgomery)

On this 6th day of March 2008, the individual signing above personally appeared before me, is known by me to be the person whose name is subscribed to within the instrument, and acknowledged that he executed the same for the purposes therein contained. In witness hereof I hereunto set my hand and official seal.



Rita L. Peak, Notary Public
My commission expires December 1, 2009

