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November 22, 1994

**BY FEDERAL EXPRESS**

John D. Kinneman, Chief  
Site Decommissioning Section  
Division of Radiation Safety and Safeguards  
U.S. Nuclear Regulatory Commission Region I  
475 Allendale Road  
King of Prussia, PA 19406-1415

Re: NUCLEAR METALS, INC.

License Nos: SMB-179  
SUB-1452

Docket Nos: 040-00672  
040-08866

Control Nos: 117006 and 113010

Dear Mr. Kinneman

On behalf of Nuclear Metals, Inc., I have enclosed an Affidavit Of James M Spiezio In Support Of Application To Withhold From Public Disclosure Material In Response To Demand For Information Relating To Decommissioning Funding Plan. Thank you for your attention to this matter.

NUCLEAR METALS, INC.

By its attorney,

Robert A. McCall

Enclosures  
cc: Frank Vumbaco

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UNITED STATES  
NUCLEAR REGULATORY COMMISSION

IN THE MATTER OF  
  
NUCLEAR METALS, INC.  
  
CONCORD, MASSACHUSETTS

License Nos: SMB-179  
SUB-1452

Docket Nos: 040-00672  
040-08866

**AFFIDAVIT OF JAMES M. SPIEZIO  
IN SUPPORT OF APPLICATION TO WITHHOLD FROM PUBLIC DISCLOSURE  
MATERIAL IN RESPONSE TO DEMAND FOR INFORMATION  
RELATING TO DECOMMISSIONING FUNDING PLAN**

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I, James M. Spiezio, do hereby depose and state as follows:

1. I am Vice President for Finance and Controller of Nuclear Metals, Inc. ("NMI").
2. NMI is a publicly-held corporation based in Concord, Massachusetts and is a holder of two licenses issued by the Nuclear Regulatory Commission ("NRC"). NMI's securities are registered with the Securities and Exchange Commission and are traded through NASD.
3. NMI filed previously a Bates numbered copy of NMI's July 1, 1994 Response to NRC's Demand for Information. NMI has stamped "Confidential" each page which it seeks to withhold and has bracketed the material which it seeks to redact from particular pages.
4. Among its activities, NMI manufactures depleted uranium kinetic energy

penetrators for the United States Army. NMI is engaged in confidential discussions with the Army regarding decommissioning costs.

5. NMI has treated the information contained in the Army discussions as trade secrets or privileged or confidential commercial or financial information. The following Bates numbered pages contain such information:

2-3 (redact)  
7-10 (redact)  
22 (redact)  
24 (redact)  
45-46 (redact)  
60 (redact)  
99  
252  
260-263  
267-272  
275-283

6. NMI has also treated the information in its federal tax returns as trade secrets or privileged or confidential commercial or financial information. The following Bates numbered pages contain such information:

291-639

7. NMI has also engaged in confidential discussion with financial institutions regarding assistance in decommissioning funding. During those discussions, NMI provided confidential financial projections. The following Bates numbered pages contain such information.

60 (redact)  
64  
67  
69-72

8. NMI has held the information shared during Army discussions in confidence

and has shared it only with the Army. NMI has held the information contained on federal tax returns in confidence and has shared the returns only with the IRS. Upon information and belief, neither the Army nor the IRS would disclose this information in response to a FOIA request. NMI also provided confidential financial information to financial institutions in confidence.

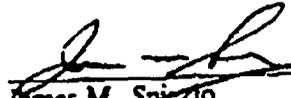
9. NMI does not as a matter of course disclose commercial information or trade secrets because of competitive pressures.

10. Disclosure of trade secrets and commercial information will harm NMI with respect to its competitive position. The other manufacturer of depleted uranium kinetic energy penetrators for the Army may potentially have access to information from Army discussions, tax returns and financial projections regarding NMI while NMI will not have similar access to information regarding its competitor.

11. Disclosure of financial information (1) on tax returns and (2) in financial projections may also harm NMI by revealing information which is not in a form for disclosure to investors. This is the type of financial information which NMI does not ordinarily disclose publicly. The release of this information may result in inappropriate reliance by the investing public.

Signed under the pains and penalties of perjury this 17th day of November, 1994.

NUCLEAR METALS, INC.

  
James M. Spicchio

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