



TRANSCO® PRODUCTS INC.

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Edward J. Wolbert
President / CEO

Building Excellence in Service • Delivering Energetic Solutions

April 6, 2010

Margaret Doane
Director, Office of International Programs
1545 Rockville Pike
Rockville, MD 20852

Re: Export of Metal Reflective Thermal Insulation to Slovenia

Dear Ms. Doane:

Transco Products Inc. (TPI) hereby requests an exemption under 10 C.F.R. 110.10 from the requirement for a specific license for the export of metal reflective thermal insulation to Slovenia. TPI is currently under contract to supply metal reflective thermal insulation to Nuklearna Elektrarna Krško (NEK) for use on piping systems and portions of the steam generators at the Krško nuclear plant in Slovenia. The anticipated delivery would be June 2010 for design drawings that would need to be sent to NEK, and delivery of the materials would be scheduled in August 2010. The scope of work includes the replacement of existing thermal insulation on some portions of SI and RH system piping outside the steam generator compartments, portions of the SS and SX system piping inside the steam generator compartments and replacement of several steam generator insulation panels.

We respectfully submit that, as required under Part 110.10, this transaction (i) is authorized by law; (ii) is not inimical to the common defense and security; and (iii) does not constitute an unreasonable risk to the public health and safety.

First, we understand that the NRC already has made the policy decision to permit Slovenia to receive nuclear reactor components under a general license. On June 23, 2009, the NRC published a proposed rule that adds Slovenia to the list of countries eligible for a general license for the export of nuclear reactor components under 10 C.F.R. 110.26. We understand that this proposal is expected to be published as a final rule this year.

A CORPORATION OF THE TRANSCO® GROUP

TRANSCO PRODUCTS INC.

U.S. Nuclear Regulatory Commission
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Second, Slovenia is a member of Euratom, which has signed a Section 123 Agreement with the United States. Therefore, providing an exemption for this transaction would be consistent with U.S. policy to facilitate cooperation on peaceful uses of nuclear energy with members of Euratom.

Third, Slovenia, as a signatory to the Nuclear Nonproliferation Treaty and member of the Nuclear Suppliers Group, has committed to international norms with regard to nuclear nonproliferation.

Fourth, the supply of metal reflective thermal insulation to the Krško nuclear plant would improve the reactor's operational safety, and therefore would enhance public health and safety.

Requiring the submission of a specific export license application in light of these facts would be burdensome given the potentially short period of time that the license would be expected to be in force prior to Slovenia being generally authorized under Part 110.26 if the final rule is published.

We therefore request an exemption from the special license requirement for the export activities described above.

Should you have questions or comments concerning this, please do not hesitate to contact me at (312)896-8501.

Very truly yours,
TRANSCO PRODUCTS INC.



Edward J. Wolbert
President

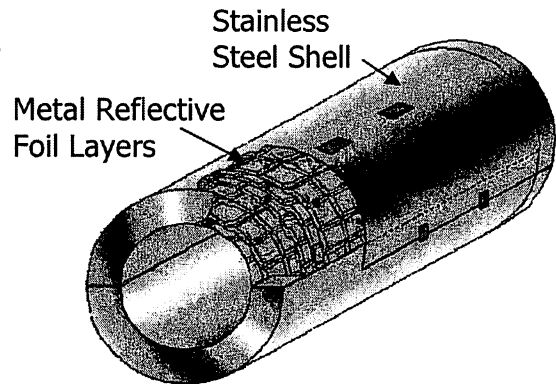
cc: Ms. Brooke G. Smith



Transco Products Inc.

Metal Reflective Insulation:

Overview: Transco Metal Reflective Insulation is fabricated from 100% stainless steel. It utilizes spaced foil liners arranged in a proprietary configuration within a stainless steel shell to provide a reflective heat barrier. The shaped profile limits convective and conductive heat losses.



Advantages:

- **Easy Decontamination**
—100% stainless steel construction means that the insulation does not absorb or retain contaminated spills. Can be easily decontaminated with a wash down.
- **Minimizes ECCS Blockage concerns**
—USNRC and NEI testing verify MRI has a much lower blockage potential than fibrous insulations. Destructive pressure for MRI is 190 psi versus about 10 psi for blanket insulations.
- **Durable**
—Stainless steel construction does not break down when exposed to steam, water spray, radiation, excessive heat, or chemicals. Can be configured to support walk loads without being crushed or distorted. Fire resistant.
- **Designed for easy installation and removal**
—Utilizes fold down lifting handles, quick release locking buckles, and individual piece identification.
- **Cost Effective**
—Initial product cost offset by lifetime operating cost savings.

Because of these advantages, Transco MRI has been chosen throughout the world.

Transco has supplied or will supply insulation for:

- Every commercial nuclear station in the U.S.
- 32 of the 44 SG replacements in the U.S. (22 using MRI)
- More than 20 replacement reactor vessel top heads
- 14 of the 16 reactor vessels in South Korea
- Lungmen BWR reactor vessels in Taiwan

Transco MRI has been tested extensively on a range of performance criteria. Its quality construction makes it safe and effective for nuclear use.

Thermal Performance:

Strongly dependent on the exact installation configuration and operating conditions. Benchmark characteristics have been verified by ASTM C-1061, C-691 and C-335. Our experienced engineers ensure that the chosen design meets the individual performance requirements of each plant.

Material Strength:

Strength of cassette construction has been laboratory tested and verified. Tensile strength, guillotine test, external pressure change, jet and debris damage, and seismic qualification testing have been completed.



Metal Reflective Insulation For a Steam Generator

100% stainless steel construction throughout. Easy decontamination, dustless, fire resistant and durable.

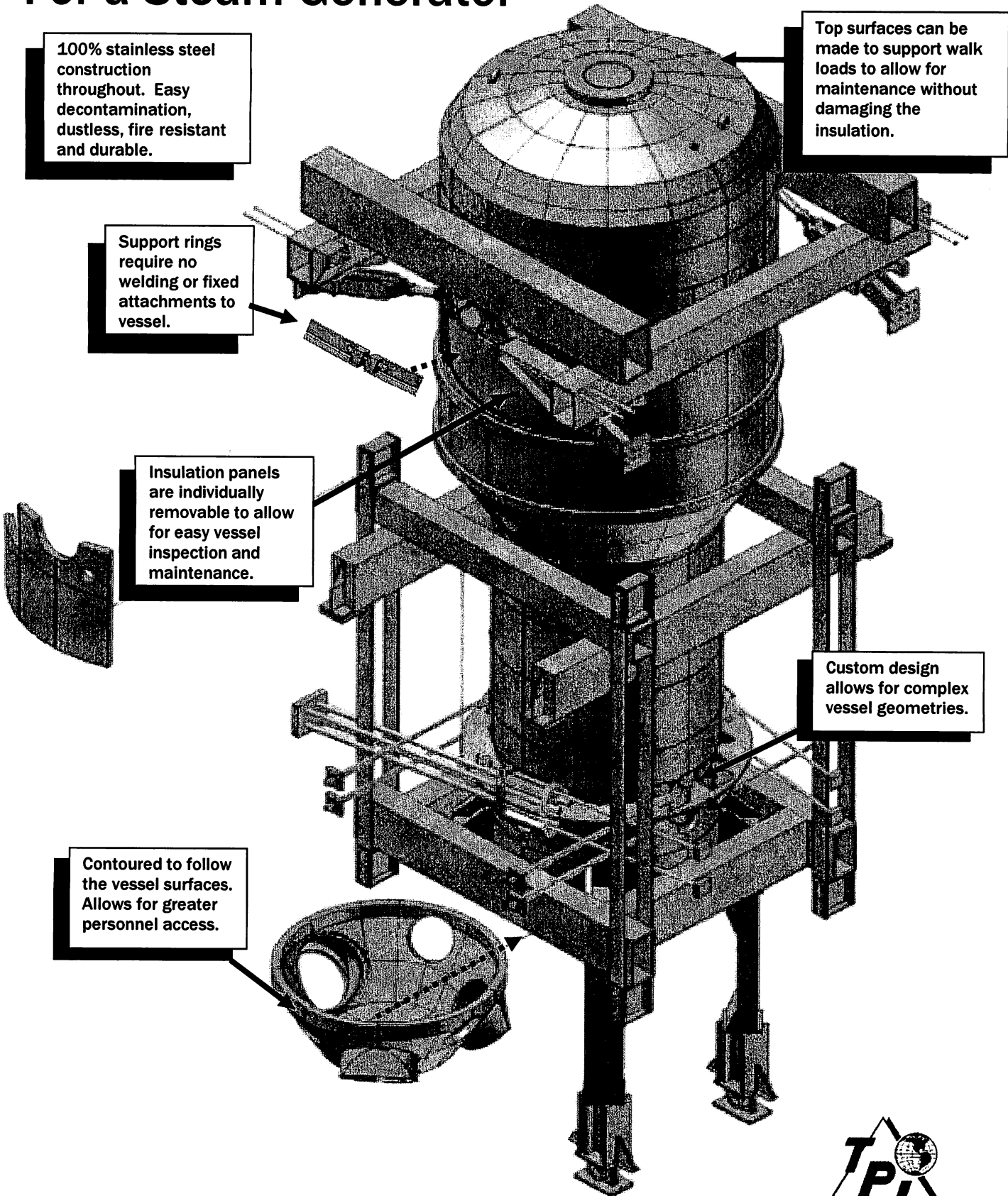
Top surfaces can be made to support walk loads to allow for maintenance without damaging the insulation.

Support rings require no welding or fixed attachments to vessel.

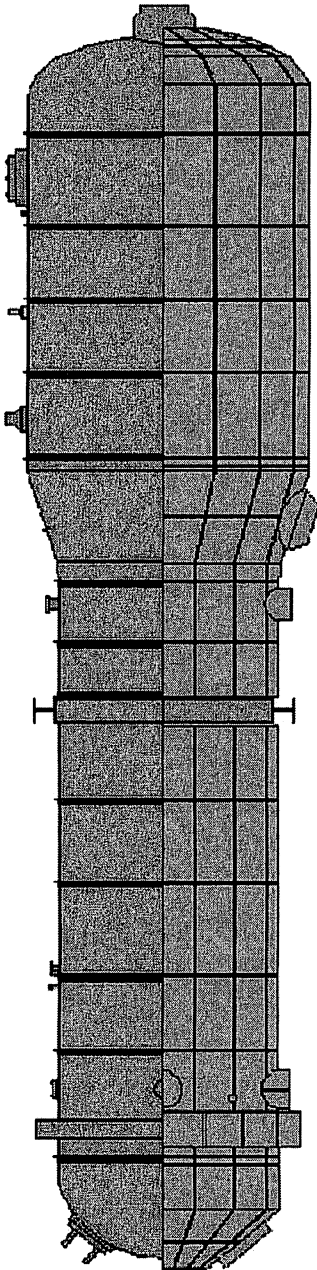
Insulation panels are individually removable to allow for easy vessel inspection and maintenance.

Custom design allows for complex vessel geometries.

Contoured to follow the vessel surfaces. Allows for greater personnel access.

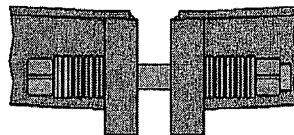
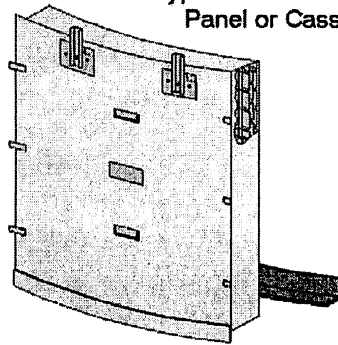


Transco Metal Reflective Insulation System Support Ring Configuration

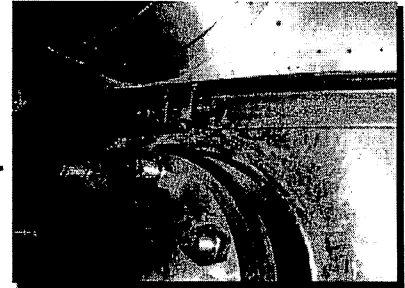


Cutaway View Showing
Typical Panel Layout (Right) and
Support Ring Locations (Left - in Red)

Typical Metal Reflective
Panel or Cassette

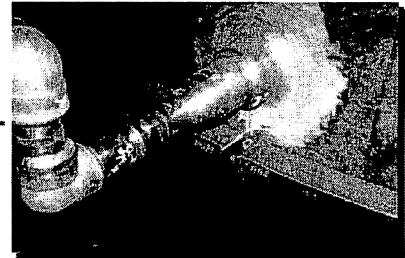


Bottom View of Ring Joint



Support Ring
Installed on
Steam Generator

Note Joint with
Belleville Washers



Completed Lower Assemblies
on Two Steam Generators

Note Feedwater Piping
with Metal Reflective Insulation
in Foreground

