August 18, 2010

Mr. Mark A. Schimmel
Site Vice President
Prairie Island Nuclear Generating Plant
Northern States Power Company – Minnesota
1717 Wakonade Drive East
Welch, MN 55089-9642

SUBJECT: NRC APPROVAL OF NUCLEAR MANAGEMENT COMPANY, LLC'S REQUEST FOR WITHHOLDING INFORMATION FROM PUBLIC DISCLOSURE (TAC NO. L24203)

Dear Mr. Schimmel:

By letter dated March 28, 2008 (ML081400652 – package, ADAMS Accession Number), as supplemented, Nuclear Management Company, LLC (NMC)[1] submitted an application to amend Special Nuclear Material License No. 2506 and the license Technical Specifications for the Prairie Island independent spent fuel storage installation in accordance with 10 CFR Part 72. Included in the application was an affidavit dated March 20, 2008, and executed by Robert Grubb, Senior Vice President of Transnuclear, Inc. (Transnuclear). This affidavit requested certain portions of the Safety Analysis Report (SAR) and computer files be withheld from public disclosure. The Nuclear Regulatory Commission (NRC) replied in a letter dated May 30, 2008 (ML081580351), approving the request for some documents. The NRC gave NMC and Transnuclear the opportunity to resubmit those documents that did not meet the criteria for withholding. On June 26, 2008, NMC resubmitted the documents with revised proprietary markings. This submittal included another affidavit, dated June 24, 2008, and executed by Robert Grubb. The affidavit requested that the following documents be withheld from public disclosure pursuant to Title 10 of the *Code of Federal Regulations* (10 CFR), Part 2, Section 2.390:

1. Portions of SAR Section A1.5, SAR Drawings TN40HT-72 series, as follows:
    a. Transnuclear Drawing TN40HT-72-2, Revision 0
    b. Transnuclear Drawing TN40HT-72-3, Revision 0
    c. Transnuclear Drawing TN40HT-72-4, Revision 0
    d. Transnuclear Drawing TN40HT-72-5, Revision 0
    e. Transnuclear Drawing TN40HT-72-6, Revision 0
    f. Transnuclear Drawing TN40HT-72-7, Revision 0
    g. Transnuclear Drawing TN40HT-72-8, Revision 0
    h. Transnuclear Drawing TN40HT-72-9, Revision 0
    i. Transnuclear Drawing TN40HT-72-21, Revision 1, Sheets 1, 3, 5, 6, and 7
    j. Transnuclear Drawing TN40HT-72-22, Revision 0

[1] On September 22, 2008, NMC transferred its operating authority to Northern States Power Company, a Minnesota corporation (NSPM), doing business as Xcel Energy. By letter dated September 3, 2008 (package, ML082240762), NSPM assumed responsibility for actions and commitments previously submitted by NMC.

2. Portions of SAR Section A4.2.3.8, "Analysis of Fuel Cladding under Accident Condition Impact Loading," plus Tables A4.2-25 through -29 and Figures A4.2-5 through -12.

By letters dated June 26, 2009 (ML091910507) and May 4, 2010 (ML101270112), Northern States Power Company, a Minnesota corporation (NSPM) submitted affidavits dated June 23, 2009 and April 28, 2010, respectively, and executed by Jayant Bondre, Vice President of Transnuclear, Inc. The letters submitted supplemental information related to the Prairie Island amendment application and requested that the information contained in the following files be withheld from public disclosure pursuant to Title 10 of the *Code of Federal Regulations* (10 CFR), Part 2, Section 2.390:

1. Proprietary Request for Additional Information (RAI) responses.
2. Portions of SAR Section A1.5, SAR Drawings TN40HT-72 series, as follows:
    a. Transnuclear Drawing TN40HT-72-1, Revision 4
    b. Transnuclear Drawing TN40HT-72-2, Revision 1
    c. Transnuclear Drawing TN40HT-72-21, Revision 2 and 3, Sheets 1-7
    d. Transnuclear Drawing TN40HT-72-22, Revision 3
3. Portions of updates to SAR Chapters A3 and A4.
4. Portions of SAR Section A3.3.2.2.8, "Heat Generation Rate as a Function of Spent Fuel Parameters."
5. Portions of SAR section page mark-ups.
6. Computer analysis input and output files associated with Transnuclear's analysis of the TN-40HT cask.
7. XN-NF-83-87, "Mechanical Design Report Supplement for Margin Upgrade of Prairie Island Units 1 and 2 TOPROD Fuel" October 1983.
8. XN-NF-78-34 (P), "Generic Mechanical and Thermal Hydraulic Design for Exxon Nuclear 14x14 Reload Fuel Assemblies with Zircaloy Guide Tubes for Westinghouse 2-Loop Pressurized Water Reactors," November 1978.

The affidavits stated that the submitted information should be considered exempt from mandatory public disclosure for the following reasons:

1) The information sought to be withheld from public disclosure are portions of certain TN-40HT spent fuel storage cask design drawings and analyses, plus certain computer files associated with those analyses, all of which are owned and have been held in confidence by Transnuclear, Inc., plus certain reports which were obtained under a proprietary agreement with others, and have been held in confidence by Transnuclear, Inc.

2) The information is of a type customarily held in confidence by Transnuclear, Inc. and not customarily disclosed to the public. Transnuclear, Inc. has a rational basis for determining the types of information customarily held in confidence by it.

3) The information is being transmitted to the Commission in confidence under the provisions of 10 CFR 2.390 with the understanding that it is to be received in confidence by the Commission.

4) The information, to the best of my knowledge and belief, is not available in public sources, and any disclosure to third parties has been made pursuant to regulatory provisions or proprietary agreements which provide for maintenance of the information in confidence.

5) Public disclosure of the information is likely to cause substantial harm to the competitive position of Transnuclear, Inc. because:

   a) A similar product is manufactured and sold by competitors of Transnuclear, Inc.

   b) Development of this information by Transnuclear, Inc. required expenditure of considerable resources. To the best of my knowledge and belief, a competitor would have to undergo similar expense in generating equivalent information.

   c) In order to acquire such information, a competitor would also require considerable time and inconvenience related to the development of a design and analysis of a dry spent fuel storage system.

   d) The information required significant effort and expense to obtain the licensing approvals necessary for application of the information. Avoidance of this expense would decrease a competitor's cost in applying the information and marketing the product to which the information is applicable.

   e) The information consists of descriptions of the design and analysis of dry spent fuel storage systems, the application of which provide a competitive economic advantage. The availability of such information to competitors would enable them to modify their product to better compete with Transnuclear, Inc., take marketing or other actions to improve their product's position or impair the position of Transnuclear, Inc.'s product, and avoid developing similar data and analyses in support of their processes, methods or apparatus.

   f) In pricing Transnuclear, Inc.'s products and services, significant research, development, engineering, analytical, licensing, quality assurance and other costs and expenses must be included. The ability of Transnuclear, Inc.'s competitors to utilize such information without similar expenditure of resources may enable them to sell at prices reflecting significantly lower costs.

We have reviewed your application and the material in accordance with the requirements of 10 CFR 2.390 and, on the basis of statements presented in the affidavits, have determined that the submitted information sought to be withheld contains proprietary commercial information and should be withheld from public disclosure, with the following exception.

Sheets 2 and 4 of item 2(c) above, Transnuclear Drawing TN40HT-72-21, Revision 2 and 3, are not marked as proprietary, and are identical to non-proprietary drawings submitted in the initial application. During a telephone conversation with you on August 10, 2010, you indicated that the drawings are not proprietary, and do not need to be withheld.

Therefore, the documents listed above, marked as proprietary, with the exception noted, will be withheld from public disclosure pursuant to 10 CFR 2.390(b)(5) and Section 103(b) of the Atomic Energy Act of 1954, as amended. Withholding from public inspection shall not affect the right, if any, of persons properly and directly concerned to inspect the documents.

If the basis for withholding this information from public inspection should change in the future such that the information could then be made available for public inspection, you should promptly notify the NRC. You should also understand that the NRC may have cause to review

this determination in the future, for example, if the scope of a Freedom of Information Act request includes your information. In all review situations, if the NRC makes a determination adverse to the above, you will be notified of the date of public disclosure, in advance.

If you have any comments or questions, please contact me at (301) 492-3218.

Sincerely,

/RA/

Sarah Rich, Project Manager
Licensing Branch
Division of Spent Fuel Storage and Transportation
Office of Nuclear Material Safety
and Safeguards

Docket No. 72-10
TAC No. L24203

If the basis for withholding this information from public inspection should change in the future such that the information could then be made available for public inspection, you should promptly notify the NRC. You should also understand that the NRC may have cause to review this determination in the future, for example, if the scope of a Freedom of Information Act request includes your information. In all review situations, if the NRC makes a determination adverse to the above, you will be notified of the date of public disclosure, in advance.

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Sarah Rich, Project Manager
Licensing Branch
Division of Spent Fuel Storage and Transportation
Office of Nuclear Material Safety
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