



December 6, 2010
AET 10-0074

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

**American Centrifuge Lead Cascade Facility
Docket Number 70-7003; License Number SNM-7003
American Centrifuge Plant
Docket Number 70-7004; License Number SNM-2011
Request for Foreign Ownership, Control, or Influence Determination in Support of the
American Centrifuge Project –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**

Dear Ms. Holahan:

USEC Inc. (USEC) hereby submits to the U.S. Nuclear Regulatory Commission (NRC) information for a Foreign Ownership, Control or Influence (FOCI) Determination for Magnum Venus Plastech.

Enclosure 1 contains the following information needed to request a FOCI determination and grant a facility clearance for Magnum Venus Plastech:

1. FOCI Justification Form
2. Contract Security Classification Specification
3. Non-Possessing Security Plan
4. FOCI Data Sheet and applicable attachments

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

**Document transmitted herewith contains
USEC Proprietary Information
When separated from Enclosure 1, this cover letter is uncontrolled.
USEC Inc.
6903 Rockledge Drive, Bethesda, MD 20817-1818
Telephone 301-564-3200 Fax 301-564-3201 <http://www.usec.com>**

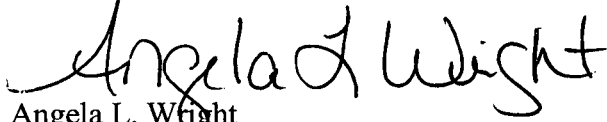
NSIRD 8

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USEC respectfully requests NRC review and determination of the enclosed FOCI information at NRC's earliest convenience.

If you have any questions regarding this matter, please contact me at (740) 897-2749.

Sincerely,



Angela L. Wight
Security Technical Manager, Personnel Security Office

cc: K. Everly, NRC HQ
P. Jackson, DOE ORO
O. Siurano, NRC HQ

Enclosure 2 of AET 10-0074

Affidavit

**AFFIDAVIT OF JOSEPH P. HEDGER
SUPPORTING APPLICATION TO WITHHOLD FROM
PUBLIC DISCLOSURE CERTAIN INFORMATION CONTAINED
IN ENCLOSURE 1 OF USEC LETTER AET 10-0074**

I, Joseph P. Hedger of Magnum Venus Plastech, having been duly sworn, do hereby affirm and state:

1. I have been authorized by Magnum Venus Plastech to review the information owned by Magnum Venus Plastech and is referenced herein providing the necessary information needed to request a Foreign Ownership, Control or Influence (FOCI) Determination for Magnum Venus Plastech in support of the American Centrifuge Project, which Magnum Venus Plastech 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)(4), and 9.17(a)(4), apply for the withholding of such information from public disclosure by the U.S. Nuclear Regulatory Commission (NRC) on behalf of Magnum Venus Plastech.
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 Magnum Venus Plastech.
 - ii. The information is of a type customarily held in confidence by Magnum Venus Plastech and not customarily disclosed to the public. Magnum Venus Plastech 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 Magnum Venus Plastech 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 Magnum Venus Plastech or USEC Inc.'s competitors without license from Magnum Venus Plastech 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 Magnum Venus Plastech, its customers, or suppliers.
- e) It reveals aspects of past, present, or future Magnum Venus Plastech or customer funded development plans and programs of potential commercial value to Magnum Venus Plastech.
- 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 Magnum Venus Plastech system which include the following:

- a) The use of such information by Magnum Venus Plastech gives Magnum Venus Plastech a competitive advantage over its competitors. It is, therefore, withheld from disclosure to protect the Magnum Venus Plastech competitive position.
- b) It is information, which is marketable in many ways. The extent to which such information is available to competitors diminishes Magnum Venus Plastech's ability to sell products and services involving the use of the information.
- c) Use by our competitors would put Magnum Venus Plastech at a competitive disadvantage by reducing their expenditure of resources at Magnum Venus Plastech 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 Magnum Venus Plastech of a competitive advantage.
- e) Unrestricted disclosure would jeopardize the position of prominence of Magnum Venus Plastech in the world market, and thereby give a market advantage to the competition of those countries.
- f) The Magnum Venus Plastech capacity to invest 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 of USEC letter AET 10-0074 and provides the necessary information needed to request a FOCI determination and grant a facility clearance for Magnum Venus Plastech. Specifically, Enclosure 1 contains the following:
- FOCI Justification Form,
 - Contract Security Classification Specification,
 - Non-Possessing Security Plan, and
 - FOCI Data Sheet and applicable attachments, which includes financial information for Magnum Venus Plastech.

Magnum Venus Plastech will assist Alliant Techsystems, Inc. in support of the American Centrifuge Project. The information contained within this letter has not been previously disclosed and could potentially cause an increased risk to the security and/or protection of the shipments should this information be publicly available to adversaries.

Further the deponent sayeth not.

Joseph P. Hedger, having been duly sworn, hereby confirms that I am the Senior Vice President of Magnum Venus Plastech, that I am authorized on behalf of Magnum Venus Plastech 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.



JOSEPH P. HEDGER

State of FL)
) ss.
County of Pinellas)

On this 30th day of November 2010, 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.



11/30/2010

Debi Cronin, Notary Public
My commission expires September 27th, 2014

