

January 7, 2011

U.S. Nuclear Regulatory Commission  
11555 Rockville Pike  
Rockville, MD 20852-2738

Attn: Document Control Desk

Subject: Submittal of NAC Proprietary Supplement to the Final Safety Analysis Report (FSAR), Revision 1, for the NAC MAGNASTOR<sup>®</sup> System

Docket No. 71-1031

- References:
1. U.S. Nuclear Regulatory Commission (NRC) Certificate of Compliance (CoC) No. 1031 for the NAC International MAGNASTOR Cask System, Amendment No. 1, August 30, 2010
  2. Final Safety Analysis Report (FSAR) for the NAC MAGNASTOR Cask System, Revision 0, NAC International, February 2009
  3. NRC Letter dated October 18, 2010
  4. NAC Letter ED20110001, January 7, 2011

NAC International (NAC) herewith provides three (3) copies of the proprietary supplement to NAC MAGNASTOR Cask System FSAR, Revision 1, submitted via Reference 4.

Certain changes made to Reference 2 by the 10 CFR 72.48 Determination process include NAC proprietary information. The MAGNASTOR FSAR Revision 1 pages containing NAC proprietary information and one NAC proprietary license drawing (Drawing No. 71160-551, Revision 8P – Fuel Tube Assembly, MAGNASTOR – 37 PWR) are provided as a NAC proprietary supplement to Revision 1 of the NAC MAGNASTOR Cask System FSAR.

Attachment 1 to Reference 4 consists of a list of all changes in NAC MAGNASTOR Cask System FSAR, Revision 1. Only the pages of this attachment that contain NAC proprietary information are included as Attachment 1 to this transmittal letter. In this list, the actual proprietary information is shown in bold italics for easy recognition.

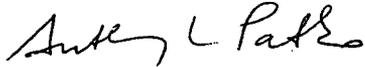
All NAC MAGNASTOR FSAR, Revision 1 pages and the pages of Attachment 1 that contain NAC proprietary information are formatted such that they can be directly inserted into the corresponding base document without any change of text flow.

All NAC proprietary information submitted with this transmittal letter is packaged in a separate envelope and is marked "NAC Proprietary Information." An affidavit pursuant to 10 CFR 2.390 is also enclosed.

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If you have any comments or questions, please contact me on my direct line at 678-328-1274.

Sincerely,



Anthony L. Patko  
Director, Licensing  
Engineering

Attachment 1: PROPRIETARY VERSION, List of Changes, MAGNASTOR FSAR, Revision 1

Enclosure

**NAC INTERNATIONAL  
AFFIDAVIT PURSUANT TO 10 CFR 2.390**

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Thomas A. Danner (Affiant), Vice President, Engineering, of NAC International, hereinafter referred to as NAC, at 3930 East Jones Bridge Road, Norcross, Georgia 30092, being duly sworn, deposes and says that:

1. Affiant has reviewed the information described in Item 2 and is personally familiar with the trade secrets and privileged information contained therein, and is authorized to request its withholding.
2. The information to be withheld includes the following NAC Proprietary Information that is being provided to support the technical review of NAC's Request for an Amendment of Certificate of Compliance (CoC) No. 1031 for the NAC International MAGNASTOR<sup>®</sup> Cask System.
  - Attachment 1 – PROPRIETARY VERSION, List of Changes for MAGNASTOR FSAR, Revision 1 (Docket No. 72-1031)
  - MAGNASTOR FSAR, Revision 1, Changed Pages – Proprietary Supplement
  - NAC International License Drawing
    - 71160-551, Revision 8P, - Fuel Tube Assembly, MAGNASTOR – 37 PWR

NAC is the owner of the information contained in the above documents. Thus, all of the above identified information is considered NAC Proprietary Information.

3. NAC makes this application for withholding of proprietary information based upon the exemption from disclosure set forth in: the Freedom of Information Act ("FOIA"); 5 USC Sec. 552(b)(4) and the Trade Secrets Act; 18 USC Sec. 1905; and NRC Regulations 10 CFR Part 9.17(a)(4), 2.390(a)(4), and 2.390(b)(1) for "trade secrets and commercial financial information obtained from a person, and privileged or confidential" (Exemption 4). The information for which exemption from disclosure is herein sought is all "confidential commercial information," and some portions may also qualify under the narrower definition of "trade secret," within the meanings assigned to those terms for purposes of FOIA Exemption 4.
4. Examples of categories of information that fit into the definition of proprietary information are:
  - a. Information that discloses a process, method, or apparatus, including supporting data and analyses, where prevention of its use by competitors of NAC, without license from NAC, constitutes a competitive economic advantage over other companies.
  - b. Information that, if used 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 of a similar product.
  - c. Information that reveals cost or price information, production capacities, budget levels or commercial strategies of NAC, its customers, or its suppliers.
  - d. Information that reveals aspects of past, present or future NAC customer-funded development plans and programs of potential commercial value to NAC.

**NAC INTERNATIONAL**  
**AFFIDAVIT PURSUANT TO 10 CFR 2.390 (continued)**

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- e. Information that discloses patentable subject matter for which it may be desirable to obtain patent protection.

The information that is sought to be withheld is considered to be proprietary for the reasons set forth in Items 4.a, 4.b, and 4.d.

5. The information to be withheld is being transmitted to the NRC in confidence.
6. The information sought to be withheld, including that compiled from many sources, is of a sort customarily held in confidence by NAC, and is, in fact, so held. This information has, to the best of my knowledge and belief, consistently been held in confidence by NAC. No public disclosure has been made, and it is not available in public sources. All disclosures to third parties, including any required transmittals to the NRC, have been made, or must be made, pursuant to regulatory provisions or proprietary agreements, which provide for maintenance of the information in confidence. Its initial designation as proprietary information and the subsequent steps taken to prevent its unauthorized disclosure are as set forth in Items 7 and 8 following.
7. Initial approval of proprietary treatment of a document/information is made by the Vice President, Engineering, the Project Manager, the Licensing Specialist, or the Director, Licensing – the persons most likely to know the value and sensitivity of the information in relation to industry knowledge. Access to proprietary documents within NAC is limited via “controlled distribution” to individuals on a “need to know” basis. The procedure for external release of NAC proprietary documents typically requires the approval of the Project Manager based on a review of the documents for technical content, competitive effect and accuracy of the proprietary designation. Disclosures of proprietary documents outside of NAC are limited to regulatory agencies, customers and potential customers and their agents, suppliers, licensees and contractors with a legitimate need for the information, and then only in accordance with appropriate regulatory provisions or proprietary agreements.
8. NAC has invested a significant amount of time and money in the research, development, engineering and analytical costs to develop the information that is sought to be withheld as proprietary. This information is considered to be proprietary because it contains detailed descriptions of analytical approaches, methodologies, technical data and/or evaluation results not available elsewhere. The precise value of the expertise required to develop the proprietary information is difficult to quantify, but it is clearly substantial.
9. Public disclosure of the information to be withheld is likely to cause substantial harm to the competitive position of NAC, as the owner of the information, and reduce or eliminate the availability of profit-making opportunities. The proprietary information is part of NAC’s comprehensive spent fuel storage and transport technology base, and its commercial value extends beyond the original development cost to include the development of the expertise to determine and apply the appropriate

**NAC INTERNATIONAL  
AFFIDAVIT PURSUANT TO 10 CFR 2.390 (continued)**

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evaluation process. The value of this proprietary information and the competitive advantage that it provides to NAC would be lost if the information were disclosed to the public. Making such information available to other parties, including competitors, without their having to make similar investments of time, labor and money would provide competitors with an unfair advantage and deprive NAC of the opportunity to seek an adequate return on its large investment.

**STATE OF GEORGIA, COUNTY OF GWINNETT**

Mr. Thomas A. Danner, being duly sworn, deposes and says:

That he has read the foregoing affidavit and the matters stated herein are true and correct to the best of his knowledge, information and belief.

Executed at Norcross, Georgia, this 7th day of January 2011.



Thomas A. Danner  
Vice President, Engineering  
NAC International

Subscribed and sworn before me this 7<sup>th</sup> day of JANUARY, 2011.

  
Notary Public

