

September 10, 2012

Mr. Peter J. Miner, Director
Regulatory Affairs
and Quality Assurance
USEC, Inc.
6903 Rockledge Drive
Bethesda, MD 20817-1818

SUBJECT: USEC INC., AMERICAN CENTRIFUGE PLANT AND LEAD CASCADE FACILITY,
APPROVAL OF REQUEST TO WITHHOLD PROPRIETARY INFORMATION IN
LETTERS AET 12-0038 AND AET 12-0042 FROM PUBLIC DISCLOSURE

Dear Mr. Miner:

USEC Inc. (USEC) letter AET 12-0038, dated July 24, 2012, and received on July 30, 2012, requested a U.S. Nuclear Regulatory Commission (NRC) Initial Foreign Ownership, Control, or Influence (FOCI) Determination for American Centrifuge Demonstration, LLC (ACD). Enclosure 10 of this letter provided an affidavit executed by you, and dated July 24, 2012, requesting the NRC to withhold from public disclosure, pursuant to Title 10 of the *Code of Federal Regulations* (10 CFR), Part 2, Section 2.390, information contained in Enclosures 1 through 6. USEC letter AET 12-0042, dated July 26, 2012, and received on August 1, 2012, provided supplemental information to the initial FOCI determination request for ACD. Enclosure 2 of this letter provided an affidavit executed by you, and dated July 26, 2012, requesting the NRC to withhold from public disclosure, pursuant to 10 CFR Part 2, Section 2.390, information contained in Enclosure 1.

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 is owned and has been held in confidence by USEC.
2. The information is of a type customarily held in confidence by USEC and not customarily disclosed to the public and, if released, 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.);
 - b. it consists of supporting data, including test data, relative to a process (or component, structure, tool, method, etc.);
 - 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 USEC, its customers or suppliers;
 - e. it reveals aspects of past, present, or future USEC or customer-funded development plans and programs of potential commercial value to USEC;

- f. it contains patentable ideas, for which patent protection may be desirable; and
 - g. it reveals information concerning the terms and conditions, work performed, administration, performance under or extension of contracts with its customers or suppliers.
3. There are sound policy reasons behind the USEC system to determine when and whether to hold certain types of information in confidence, including:
- a. the use of such information by USEC gives USEC a competitive advantage over its competitors;
 - b. the information is marketable in many ways;
 - c. use of the information by competitors would put USEC at a competitive disadvantage by reducing their expenditure of resources at USEC's expense;
 - d. each component of proprietary information pertinent to a particular competitive advantage is potentially as valuable as the total competitive advantage;
 - e. unrestricted disclosure would jeopardize the position of prominence of USEC in the world market, and thereby give a market advantage to the competition of those countries; and
 - f. USEC's capacity to invest assets in research and development depends upon the success in obtaining and maintaining a competitive advantage.
4. The information is being transmitted to the NRC in confidence and, under the provisions of 10 CFR 2.390, is to be received in confidence by the NRC.
5. 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 USEC's knowledge and belief.

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

Therefore, the document listed above, marked as proprietary, 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 in advance of the date of public disclosure, which will be a reasonable time thereafter.

If you have any questions regarding this matter, I may be reached at 301-492-3117, or via e-mail to Osiris.Siurano-Perez@nrc.gov.

Sincerely,

/RA/

Osiris Siurano-Perez, Project Manager
Uranium Enrichment Branch
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

Docket Nos. 70-7003, 70-7004
License Nos. SNM-7003, SNM-2011

cc: Vernon Shanks, USEC Inc.
Kelly Coriell, USEC Inc.

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Sincerely,

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Osiris Siurano-Perez, Project Manager
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cc: Vernon Shanks, USEC Inc.
Kelly Coriell, USEC Inc.

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NAME	OSiurano	LAllen	BSmith
DATE	08/24/12	08/27/12	09/10/12

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