

February 4, 2015

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

Attention: Document Control Desk

Subject: Submission of Information in Support of Request for Approval for LWT Non-Conforming Hardware

Docket 71-9225

- References:
1. USNRC CoC No. 9225, Revision 60, Model No. NAC-LWT Package, Dated August 8, 2014
 2. NRC Letter, Extension of Authorization for a One-Time Shipment of the Dounreay Fuel Contents in the Model No. NAC-LWT Package (TAC No. L24756), November 6, 2013
 3. ED20140127, Request for Timely Renewal of U.S. Nuclear Regulatory Commission (NRC) Certificate of Compliance (CoC) No. 9225 and for Approval to Use Hardware Used to Transport NRU/NRX Fuel that has Nondestructive Examination Related Non-Conformances, November 25, 2014
 4. ED20150007, Submission of Information in Support of Request for Approval for LWT Non-Conforming Hardware, January 23, 2015

NAC requested approval to use transport hardware that has a known non-conformance with one NRU/NRX license drawing due to a technician that performed nondestructive examination (i.e. weld Visual Testing, VT) on hardware that will be used for NRU/NRX fuel transport who had been improperly certified by an NAC fabricator via Reference 3. Subsequent to the request, a teleconference was held between the NRC and NAC on January 22, 2015 to discuss details of the condition. Following the teleconference, NAC submitted additional information related to the non-conformances via Reference 4.

In addition to the information provided in Reference 4, NAC is submitting the results of CHT's re-examinations (i.e. weld Visual Testing, VT) of those affected welds that remain accessible on 3 of the 5 affected NRU/NRX baskets. Documentation of this effort and the examiners certification record is provided in Attachment 2. To further support the acceptability of the affected hardware, NAC is providing the original fabrication load test procedure and post load test VT and liquid penetrant (PT) results for all 5 affected baskets in Attachment 2.

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The following is a summary of what is presented in Attachment 2.

- Page 1 of 28 – VT inspection report for the re-examination of accessible affected welds on NRU/NRX basket weldment serial numbers (S/N's) 315-191-173-04, -05 and -06; the remarks column of this report detailed those weld joints that were re-examined and those that were inaccessible; all accessible welds were deemed acceptable by CHT inspector #4.
- Pages 2 & 3 of 28 – NDE personnel certification record for CHT inspector #4; note, CHT inspector #4 also used CHT inspector stamp #2 for some examinations presented in this attachment, see the bottom of Attachment 2, Page 2 of 28.
- Pages 3 thru 8 of 28 – CHT Procedure No. 13-002-LT, Rev. 0, “Load Test Procedure”, for the NRU/NRX basket weldments; Section 4.1B and 4.1C (Attachment 2, Page 5 of 28) details the weld joints to have VT and PT examinations performed after the load test.
- Pages 9 thru 12 of 28 – Assembly traveler, load test certification, VT and PT reports, respectively, for S/N 315-191-173-01; operation item number 70.2 on the assembly traveler demonstrates the performance of the load test; the load test certification identifies the basket S/N for the assembly traveler and demonstrates the VT and PT results are acceptable, which were performed by CHT inspection #2 and 4; the VT report operation line item 70.2 specifically indicates the acceptability of the VT results for the load test; likewise, the PT report operation line item 70.2 specifically indicates the acceptability of the PT results for the load test.
- Pages 13 thru 28 – Assembly travelers, load test certifications, VT and PT reports for S/N's 315-191-173-03, -04, -05 and -06.

The documents in Attachment 2 contain information considered by NAC to be proprietary and are enclosed in a separate sealed envelope labeled “NAC PROPRIETARY INFORMATION”. In accordance with 10 CFR 2.390, an affidavit executed by Mr. Kent Cole, President and CEO, NAC International, is also included. If you have any questions regarding this letter, please feel free to contact me on my direct number at 678-328-1236.

Sincerely,



Wren Fowler
Director, Licensing
Engineering

Attachments

Attachment 1 - NAC International Affidavit Pursuant 10 CFR 2.390

Attachment 2 - NRU/NRX Basket Weldments VT Re-examination Results and Load
Test Results

Attachment 1

NAC International Affidavit Pursuant 10 CFR 2.390

NAC INTERNATIONAL
AFFIDAVIT PURSUANT TO 10 CFR 2.390

Kent Cole (Affiant), President and CEO, 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 a Certificate of Compliance (CoC) (No. 9225) for the NAC LWT Transport Package.
 - ED20150025, Attachment 2, Pages 1 thru 28

NAC is the owner of the information contained in the above document. 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.

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- d. Information that reveals aspects of past, present or future NAC customer-funded development plans and programs of potential commercial value to NAC.
- 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.

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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 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.

**NAC INTERNATIONAL
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STATE OF GEORGIA, COUNTY OF GWINNETT

Mr. Kent Cole, being duly sworn, deposes and says:

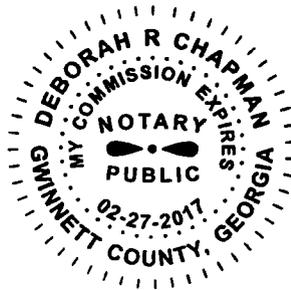
That he has read the foregoing affidavit and the matters stated herein are true and correct to the best of his knowledge, information and belief.

Executed at Norcross, Georgia, this 4th day of February, 2015.


Kent Cole
President and CEO
NAC International

Subscribed and sworn before me this 4th day of February, 2015.


Notary Public



Attachment 2

**NRU/NRX Basket Weldments VT Re-examination Results and
Load Test Results**