



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

February 23, 2016

Mr. Steven Toelle
Director, Regulatory Affairs
Centrus Energy Corp.
6903 Rockledge Drive
Bethesda, MD 20817-1818

SUBJECT: APPROVAL OF REQUEST TO WITHHOLD PROPRIETARY INFORMATION
FROM PUBLIC DISCLOSURE

Dear Mr. Toelle:

I am responding to your letter dated December 17, 2015 (AC 15-0039), providing an update to the Foreign Ownership, Control or Influence (FOCI) information for American Centrifuge Operating, LLC (AC Operating). Enclosure 5 of your letter provided an affidavit dated December 17, 2015, and executed by you, requesting the U.S. Nuclear Regulatory Commission (NRC) to withhold information contained in Enclosure 2 of AC 15-0039 from public disclosure pursuant to Title 10 of the *Code of Federal Regulations* (10 CFR) Paragraph 2.390(a)(4).

The affidavit stated that the information submitted in Enclosure 2 of the December 17, 2015, letter 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 Centrus.
2. The information is of a type customarily held in confidence by the United States Enrichment Corporation (USEC) and not customarily disclosed to the public.
3. The information reveals the distinguishing aspects of a process (or component, structure, tool, method, etc.), where presentation of its use by any of USEC's competitors without license from USEC constitutes a competitive economic advantage over other companies.
4. 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).
5. 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.
6. It reveals cost or price information, production capacities, budget levels, or commercial strategies of USEC, its customers or suppliers.
7. It reveals aspects of past, present or future USEC or customer funded development plans and programs of potential commercial value to USEC.

8. It contains patentable ideas, for which patent protection may be desirable.
9. It reveals information concerning the terms and conditions, work performed, administration, performance under or extension of contracts with its customers or suppliers.
10. There are sound policy reasons behind the USEC system which includes:
 - a. the use of such information by USEC gives them 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.
11. The information is being transmitted to the NRC in confidence and, under the provisions of 10 CFR Section 2.390, is to be received in confidence by the NRC.
12. 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 the information provided in your December 17, 2015, letter and the affidavit requesting to withhold this information in accordance with the requirements of 10 CFR 2.390. On the basis of your statements, we have determined that the submitted information sought to be withheld contains proprietary, trade secrets, and commercial or financial 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)(4). 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.

S. Toelle

- 3 -

In accordance with Title 10 of the *Code of Federal Regulations* 2.390, "Public Inspections, Exemptions, Requests for Withholding," of NRC's "Agency Rules of Practice and Procedure," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the publicly available records component of NRC's Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

If you have any questions regarding this matter, I may be reached at 301-415-7827 or via e-mail to Osiris.Siurano-Perez@nrc.gov.

Sincerely,

/RA/

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

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

cc: Mr. Steven R. Penrod, Vice President
Mr. Jim Lewis, General Manager
Mr. Mario Robles, Regulatory Manager

S. Toelle

- 3 -

In accordance with Title 10 of the *Code of Federal Regulations* 2.390, "Public Inspections, Exemptions, Requests for Withholding," of NRC's "Agency Rules of Practice and Procedure," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the publicly available records component of NRC's Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

If you have any questions regarding this matter, I may be reached at 301-415-7827 or via e-mail to Osiris.Siurano-Perez@nrc.gov.

Sincerely,

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

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

cc: Mr. Steven R. Penrod, Vice President
Mr. Jim Lewis, General Manager
Mr. Mario Robles, Regulatory Manager

DISTRIBUTION:

FCSE r/f ECB /f JDowns, UEB JKEverly
JHickey, RII LPitts, RII TVukovinsky, RII

ADAMS Accession No: ML16041A495 Accession Package No: ML16041A476

OFFICE	FCSE/ECB	FCSE/ECB	FCSE/ECB
NAME	OSiurano	TBrockington	TGrice
DATE	02/18/16	02/22/16	02/23/16

OFFICIAL RECORD COPY