RETURN TO 356-55



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September 13, 1988 DUK-03-720

Mr. John P. Roberts
Fuel Cycle Safety Branch
Office of Nuclear Material and Safeguards
U.S. Nuclear Regulatory Commission
Washington, DC 20555

Subject:

NUHOMS®-24P TOPICAL Report (NUH-002) Response to NRC Questions (Project M-49)

MAIL SECTION

Reference:

NUTECH Topical Report Request for Information,

Letter, J. P. Roberts (NRC) to W. J. McConaghy (NUTECH), August 31, 1988

Dear Mr. Roberts:

Enclosed is a partial response to the additional NRC questions transmitted via the reference letter. Two copies of responses to Questions 1, 2, 5, 9, and 10 are enclosed. Responses to the remaining questions will be transmitted by September 19, 1988.

Certain information contained in the question responses is considered to be proprietary in nature by NUTECH. The proprietary information in the affected responses is identified accordingly. It is requested that the identified information be withheld from public disclosure in accordance with the provisions of 10 CFR 2.790, and the material be handled accordingly. The attached affidavit provides the reasons for classifying the material as proprietary.

By copy of this letter, one copy of the question responses is being sent directly to Mr. John R. Stokley at SAIC Corporation. SAIC is requested to handle the enclosed proprietary information in accordance with the relevant provisions of their agreement with the NRC.

If you have any questions on the enclosed material, please contact the undersigned.

Very truly yours,

William J. McConaghy, P.E.

Vice President

Waste Management Business Group

WJM/d

Enclosure

Copy: WJM-88-182

Mr. John R. Stokley, P.E.
Science Applications International Corporation

Post Office Box 1303 McLean, VA 22102

8809300074 880913 PDR PROJ M-49 PDR 24771

TO 10 CFR 2.790

NUTECH Engineers, Inc.)	
State of California)	ss.
County of Santa Clara)	

I, William J. McConaghy, depose and say that I am a Vice President of NUTECH Engineers, Inc., duly authorized to make this affidavit, and have reviewed or caused to have reviewed the information which is identified as proprietary and referenced in the paragraph immediately below. I am submitting this affidavit in conformance with the provisions of 10 CFR 2.790 of the Commission's regulations for withholding this information.

The information for which proprietary treatment is sought is contained in the following document:

Responses to August 31, 1988 NRC Questions on NUHOMS-24P Topical Report (NUH-002), Identified Proprietary Information.

This document has been appropriately designated as proprietary.

I have personal knowledge of the criteria and procedures utilized by NUTECH Engineers in designating information as a trade secret, privileged or as confidential commercial or financial information.

Pursuant to the provisions of paragraph (b) (4) of Section 2.790 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, included in the above referenced document, should be withheld.

- 1) The information sought to be withheld from public disclosure are designed drawings and descriptions of the design and analysis of a concrete modular storage system, which are owned and has been held in confidence by NUTECH Engineers.
- 2) The information is of a type customarily held in confidence by NUTECH Engineers and not customarily disclosed to the public. NUTECH Engineers has a rational basis for determining the types of information customarily held in confidence by it.
- 3) The information is being transmitted to the Commission in confidence under the provisions of 10 CFR 2.790 with the understanding that it is to be received is confidence by the Commission.
- 4) The information, to the best of my knowledge and belief, is not available in public sources, and any disclosure to third parties has been made pursuant to regulatory provisions or proprietary agreements which provide for maintenance of the information in confidence.
- 5) Public disclosure of the information is likely to cause substantial harm to the competitive position of NUTECH Engineers because:
- a) A similar product is manufactured and sold by competitors of NUTECH Engineers.
- b) Development of this information by NUTECH required thousands of man-hours and hundreds of thousands of dollars. To the best of my knowledge and belief, a competitor would have to undergo similar expense in generating equivalent information.
- c) In order to acquire such information, a competitor would also require considerable time and inconvenience related to the development of a design and analysis of a dry spent fuel storage system.
- d) The information required significant effort and expense to obtain the licensing approvals necessary for application of the information. Avoidance of this expense would decrease a competitor's cost in applying the information

and marketing the product to which the information is applicable.

- e) The information consists of description of the design and analysis of a dry spent fuel storage system, the application of which provides a competitive economic advantage. The availability of such information to competitors would enable them to modify their product to better compete with NUTECH Engineers, take marketing or other actions to improve their product's position or impair the position of NUTECH Engineers' product, and avoid developing similar data and analyses in support of their processes, methods or apparatus.
- f) In pricing NUTECH Engineers' products and service. nificant research, development, engineering, analytica. icensing, quality assurance and other costs and expenses must be included. The ability of NUTECH Engineers' competitors to utilize such information without similar expenditure of resources may enable them to sell at prices reflecting significantly lower costs.

Further the deponent sayeth not.

William J. McConaghy, P.E.

William J. M. Cone

Vice President NUTECH Engineers

State of California County of Santa Clara

Subscribed and sworn to before me this 13th day of September 1988.

Notary Public

