Security - Related Information - Withhold Under 10 CFR 2.390 **Export Controlled Information and Proprietary Information Unclassified Controlled Nuclear Information**



June 30, 2021 ACO 21-0028

ATTN: Document Control Desk Mr. John W. Lubinski, Director Office of Nuclear Material Safety and Safeguards U.S. Nuclear Regulatory Commission Washington, D.C. 20555-0001

American Centrifuge Plant; Docket Number 70-7004; License Number SNM-2011

License Amendment Request for American Centrifuge Operating, LLC's License Application and Supporting Documents for the American Centrifuge Plant

INFORMATION TRANSMITTED HEREWITH IS PROTECTED FROM PUBLIC DISCLOSURE AS CONFIDENTIAL COMMERCIAL OR FINANCIAL INFORMATION AND/OR TRADE SECRETS PURSUANT TO 10 CFR 2.390 AND 9.17(a)(4) AND

INFORMATION TRANSMITTED HEREWITH IS PROTECTED FROM **DISCLOSURE PURSUANT TO 10 CFR PART 810**

Dear Mr. Lubinski:

The purpose of this letter is to request in accordance with 10 Code of Federal Regulations (CFR) 70.34 and 70.65 the U.S. Nuclear Regulatory Commission (NRC) review and approve the proposed amendment for American Centrifuge Operating, LLC's (ACO) License Application and Supporting Documents for the American Centrifuge Plant (ACP) in Piketon, Ohio.

Enclosure 1 provides a detailed description, justification, and ACO's significance determination for the proposed changes to the following documents:

- Enclosure 2 provides proposed changes to LA-3605-0001, License Application for the American Centrifuge Plant.
- Enclosure 3 provides proposed changes to LA-3605-0003, Integrated Safety Analysis Summary for the American Centrifuge Plant.
- Enclosure 4 provides proposed changes to NRC's Materials License SNM-2011 related the Condition 19.
- Enclosure 5 provides an Engineering Evaluation, EE-3901-0077, related to the four digital items relied on for safety (IROFS) systems.

Document/matter transmitted contains Security - Related Information - Withhold Under 10 CFR 2.390 Export Controlled Information, Unclassified Controlled Nuclear Information, and Proprietary Information NMSS2D NMSS When separated from enclosures, this cover letter is uncontrolled.

American Centrifuge Operating, LLC 3930 U.S. Route 23 South - P.O. Box 628 Piketon, OH 45661

Security Related Information Withhold Under 10 CFR 2.390 Export Controlled Information and Proprietary Information Unclassified Controlled Nuclear Information

Mr. John W. Lubinski June 30, 2021 ACO 21-0028, Page 2

Proposed changes from the previously NRC-approved documents are noted with revision bars in the right-hand margin.

Enclosures 1, 3, and 4 contain Security-Related Information; therefore, ACO requests these enclosures be withheld from public disclosure pursuant to 10 CFR 2.390(d)(1). Enclosures 1, 3, and 5 have been determined, in accordance with the guidance provided by the U.S. Department of Energy (DOE), to contain Export Controlled Information and must be protected from disclosure per the requirements of 10 CFR Part 810. Enclosure 5 has been determined, in accordance with the guidance provided by the DOE, to contain Unclassified Controlled Nuclear Information and must be protected from disclosure per the requirements of 10 CFR Part 1017. Additionally, Enclosures 1, 3, and 5 contain Proprietary Information and ACO requests that these enclosures be withheld from public disclosure pursuant to 10 CFR 2.390(a)(4). An affidavit required by 10 CFR 2.390(b)(1)(ii) is provided as Enclosure 6 of this letter.

After the NRC staff has had an opportunity to review the enclosures, ACO is available to support a discussion with the NRC to address questions or clarify issues. Reference documents are available at the site for inspection. ACO respectfully requests NRC complete their review and final approval on or before November 1, 2021 to support the ongoing schedule for the DOE's HALEU Demonstration Program.

If you have any questions regarding this matter, please contact me at (740) 897-3859.

Sincerely,

Kelly-L. Fitch

Regulatory Manager

Enclosures: As stated

cc (without enclosures, unless otherwise noted):

Tormond Frachels For

Y. Faraz, NRC HQ (Enclosures)

S. Greene, DOE NE

S. Harlow, DOE NE

J. Hutson, Contract Support

M. McCune DOE NE

N. Pitoniak, NRC Region II (Enclosures)

L. Pitts, NRC Region II (Enclosures)

K. Shears, DOE OR

E. St. Clair, Contract Support

R. Womack, NRC Region II (Enclosures)

T. Vukovinsky, NRC Region II (Enclosures)

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Export Controlled Information, Unclassified Controlled Nuclear Information, and Proprietary Information

When separated from enclosures, this cover letter is uncontrolled.

Enclosure 6 of ACO 21-0028

Affidavit

Information Contained Within Does Not Contain Export Controlled Information

Reviewing		
Official:	#1014	
Date:	06/30/2021	

AFFIDAVIT OF JONATHAN K. CORRADO SUPPORTING APPLICATION TO WITHHOLD FROM PUBLIC DISCLOSURE CERTAIN INFORMATION PROVIDED TO NRC IN LETTER ACO 21-0028

I, Jonathan K. Corrado, of American Centrifuge Operating, LLC (ACO), having been duly sworn, do herby affirm and state:

- 1. I have been authorized by ACO to (a) review the information owned by ACO which is referenced herein relating to ACO's License Amendment Request for the American Centrifuge Plant (ACP) (NRC Materials License SNM-2011) as the described in ACO letter ACO 21-0028, which ACO seeks to have withheld from public disclosure pursuant to section 147 of the Atomic Energy Act (AEA), as amended, 42 U.S.C. § 2167, and 10 CFR 2.390(a)(4), and 9.17(a)(4), and (b) apply for the withholding of such information from public disclosure by the Nuclear Regulatory Commission (NRC) on behalf of ACO.
- 2. Consistent with the provisions of 10 CFR 2.390(b)(4) 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 should be withheld.
 - i. The information sought to be withheld from public disclosure is owned and has been held in confidence by ACO.
 - ii. The information is of a type customarily held in confidence by ACO and not customarily disclosed to the public. ACO has a rational basis for determining the types of information customarily held in confidence by it and, in that connection, utilizes a system to determine when and whether to hold certain types of information in confidence. The application of that system and the substance of that system constitute ACO policy and provide the rational basis required. Under that system, information is held in confidence if it falls in one or more of

several types, the release of which 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.) where presentation of its use by any of ACO's competitors without license from ACO constitutes a competitive economic advantage over other companies.
- b) 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).
- 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 ACO, its customers or suppliers.
- e) It reveals aspects of past, present, or future ACO or customer funded development plans and programs of potential commercial value to ACO.
- f) It contains patentable ideas, for which patent protection may be desirable.
- g) It reveals information concerning the terms and conditions, work performed, administration, performance under or extension of contracts with its customers or suppliers.
- iii. There are sound policy reasons behind the ACO system which include the following:
 - a) The use of such information by ACO gives ACO a competitive advantage over its competitors. It is, therefore, withheld from disclosure to protect the ACO competitive position.

- b) It is information, which is marketable in many ways. The extent to which such information is available to competitors diminishes ACO's ability to sell products and services involving the use of the information.
- c) Use by our competitors would put ACO at a competitive disadvantage by reducing their expenditure of resources at ACO expense.
- d) Each component of proprietary information pertinent to a particular competitive advantage is potentially as valuable as the total competitive advantage. If competitors acquire components or proprietary information, any one component may be the key to the entire puzzle, thereby depriving ACO of a competitive advantage.
- e) Unrestricted disclosure would jeopardize the position of prominence of ACO in the world market, and thereby give a market advantage to the competition of those countries.
- f) The ACO capacity to invest corporate assets in research and development depends upon the success in obtaining and maintaining a competitive advantage.
- iv. The information is being transmitted to the Commission in confidence and, under the provisions of 10 CFR Section 2.390, it is to be received in confidence by the Commission.
- iv. 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 our knowledge and belief.
- 3. The proprietary information sought to be withheld is contained within Enclosures 1 and 5 of letter ACO 21-0028. Enclosure 1 provides a detailed description and justification for the proposed changes for the License Application and Supporting Documents for the American Centrifuge Plant. Enclosure 5 provides proposed changes to LA-3605-0003, *Integrated Safety Analysis Summary for the American Centrifuge Plant*. These enclosures provide detailed

computer calculations, descriptions, and diagrams related to the deployment of ACO's high-assay low enriched uranium (HALEU) enrichment process specifics unique to the American Centrifuge Plant; therefore, determined to be proprietary.

Public disclosure of this proprietary information is likely to cause substantial harm to the competitive position of ACO because it may enhance the ability of competitors to position and provide similar products. Moreover, disclosure of this information may provide insights into the design of ACO's American Centrifuge technology, including structures, systems, and components categorized as Export Controlled Information.

This information is part of that which will enable ACO to:

- Identify the detailed process flows of the various structures, systems, and components used within the HALEU Demonstration cascade and the future American Centrifuge Plant;
- Analyze the hazards evaluations associated with event sequences; and
- To continue future operation of the American Centrifuge Plant.

Further, this information has substantial commercial value as follows:

- The development of the information described in part is the result of applying many hundreds of person-hours and the expenditure of thousands of dollars on design and analysis activities to achieve the information that is sought to be withheld; and
- In order for a competitor of ACO to duplicate the information sought to be withheld, a similar process would have to be undertaken and a significant effort and resources would have to be expended.

Further the deponent sayeth not.

Jonathan K. Corrado, having been duly sworn, hereby confirms that I am the Director. Nuclear Safety, American Centrifuge Operating, LLC, that I am authorized on behalf of ACO to review the information attached hereto and to sign and file with the U.S. Nuclear Regulatory Commission this affidavit and the attachments hereto, and that the statements made and matters set forth herein are true and correct to the best of my knowledge, information, and belief.

Jorathan K. Corrado

On this ^{1st} day of July 2021, Jonathan K. Corrado personally appeared before me, is known. by me to be the person whose name is subscribed to within the instrument and acknowledged that he executed the same for the purposes therein contained.

In witness hereof I hereunto set my hand and official seal.

Robin Yochum

State of Ohio Notary Public

My commission ends February 6, 2022



Notary Public - State of Ohio

My Commission Expires February 6, 2022