

September 1, 2022

Docket No. 50-7513

US Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, DC 20555-0001

Subject: Kairos Power LLC
Transmittal of Response to NRC Question on DHRS Testing from PSAR Section 6.3 Audit
on Hermes Preliminary Safety Analysis Report

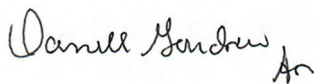
References: 1. Letter, Kairos Power LLC to Document Control Desk, "Submittal of the Preliminary Safety Analysis Report for the Kairos Power Fluoride Salt-Cooled, High Temperature Non-Power Reactor (Hermes)," September 29, 2021 (ML21272A376)
2. Audit Plan, Nuclear Regulatory Commission, "Kairos Power LLC – Hermes Construction Permit Preliminary Safety Analysis Report Chapter 6, Section 6.3 Audit Plan," February 12, 2022 (ML22039A226)

In September 2021, Kairos Power submitted a Preliminary Safety Analysis Report (PSAR) (Reference 1) as part of the Construction Permit Application (CPA) for the Hermes non-power reactor. This letter transmits a response to NRC question on DHRS testing provided as part of the Section 6.3 audit on the Kairos Power Hermes Test Reactor Preliminary Safety Analysis Report (Reference 2). Kairos Power requests NRC review of the response in support of continued review of the Hermes non-power test reactor construction permit application.

Portions of the attached response are considered proprietary, and Kairos Power requests those portions to be withheld from public disclosure in accordance with the provisions of 10 CFR 2.390. Enclosure 1 provides the proprietary version of the response. Enclosure 2 provides the non-proprietary version of the response. An affidavit supporting the withholding request is provided in Enclosure 3.

Additionally, the information indicated as proprietary has also been determined to contain Export Controlled Information. This information must be protected from disclosure pursuant to the requirements of 10 CFR 810.

If you have any questions or need any additional information, please contact Delaney Simmons at simmons@kairospower.com or at (605) 838-5132, or Darrell Gardner at gardner@kairospower.com or (704) 769-1226.



Peter Hastings, PE
Vice President, Regulatory Affairs and Quality

Kairos Power LLC
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Enclosures:

- 1) Kairos Power Response to NRC Question on DHRS Testing (Proprietary)
- 2) Kairos Power Response to NRC Question on DHRS Testing (Non-Proprietary)
- 3) Kairos Power LLC Affidavit and Request for Withholding from Public Disclosure (10 CFR 2.390)

xc (w/enclosure):

William Kennedy, Acting Chief, NRR Advanced Reactor Licensing Branch

Benjamin Beasley, Project Manager, NRR Advanced Reactor Licensing Branch

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KP-NRC-2209-003

Kairos Proprietary Information
Withhold from Public Disclosure under 10 CFR 2.390(a)(4)

Enclosure 1
Kairos Power Response to NRC Question on DHRS Testing
(Proprietary)

KP-NRC-2209-003

Enclosure 2
Kairos Power Response to NRC Question on DHRS Testing
(Non-Proprietary)

Enclosure 3

**Kairos Power LLC Affidavit and Request for
Withholding from Public Disclosure (10 CFR 2.390)**


I, Darrell Gardner, hereby state:

1. I am Senior Director, Licensing, at Kairos Power LLC ("Kairos"), and as such I have been authorized by Kairos to review information sought to be withheld from public disclosure in connection with the development, testing, licensing, and deployment of the Kairos reactor and its associated structures, systems, and components, and to apply for its withholding from public disclosure on behalf of Kairos.
2. The information sought to be withheld, in its entirety, is contained in Kairos' Enclosure 1 to this letter.
3. I am making this request for withholding, and executing this affidavit in support thereof, pursuant to the provisions of 10 CFR 2.390(b)(1).
4. I have personal knowledge of the criteria and procedures utilized by Kairos in designating information as a trade secret, privileged, or as confidential commercial or financial information. Some examples of information Kairos considers proprietary and eligible for withholding under §2.390(a)(4) include:
 - a. Information which discloses process, method, or apparatus, including supporting data and analyses, where prevention of its use by Kairos competitors without license or contract from Kairos constitutes a competitive economic advantage over other companies in the industry;
 - b. Information, which if used by a competitor, would reduce his expenditure of resources or improve his competitive position in design, manufacture, shipment, installation, assurance of quality;
 - c. Information which reveals cost or price information, production capacities, budget levels, or commercial strategies of Kairos, its customers, its partners, or its suppliers;
 - d. Information which reveals aspects of past, present, or future Kairos or customer funded development plans or programs, of potential commercial value to Kairos;
 - e. Information which discloses patentable subject matter for which it may be desirable to obtain patent protection; and/or
 - f. Information obtained through Kairos actions which could reveal additional insights into reactor system development, testing, qualification processes, and/or regulatory proceedings, and which are not otherwise readily obtainable by a competitor.
5. Kairos' information contained in Enclosure 1 to this letter contains details of Kairos' DHRS testing for a Kairos Power fluoride salt-cooled high-temperature reactor. These details could provide a competitor with a commercial advantage if the information were to be revealed publicly.
6. Pursuant to the provisions of §2.390(b)(4), the following is furnished for consideration by the Commission in determining whether the information sought to be withheld from public disclosure should be withheld:
 - a. The information sought to be withheld from public disclosure is owned and has been held in confidence by Kairos.

- b. The information is of a type customarily held in confidence by Kairos and not customarily disclosed to the public. Kairos 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 Kairos policy and provide the rational basis required.
- c. The information is being transmitted to the Commission in confidence and, under the provisions of 10 CFR 2.390, it is to be received in confidence by the Commission.
- d. This information is not readily available in public sources.
- e. Public disclosure of this proprietary information is likely to cause substantial harm to the competitive position of Kairos, because it would enhance the ability of competitors to provide similar products and services by reducing their expenditure of resources using similar project methods, equipment, testing approach, contractors, or licensing approaches. This information is the result of considerable expense to Kairos and has great value in that it will assist Kairos in providing products and services to new, expanding markets not currently served by the company.
- f. The information could reveal or could be used to infer price information, cost information, budget levels, or commercial strategies of Kairos.
- g. Each component of proprietary information pertinent to a particular competitive advantage is potentially as valuable as the total competitive advantage. If competitors acquire components of proprietary information, any one component may be the key to the entire puzzle, thereby depriving Kairos of a competitive advantage.
- h. Unrestricted disclosure would jeopardize the position of Kairos in the world market, and thereby give a market advantage to the competition in those countries.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on: September 1, 2022



Darrell Gardner
Senior Director, Licensing