



June 29, 2023
ACO 23-0055

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

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

Supplement to License Amendment Request for American Centrifuge Operating, LLC's License Application for the American Centrifuge Plant – EPID L-2023-LLA-0024

INFORMATION TRANSMITTED HERewith IS PROTECTED FROM PUBLIC DISCLOSURE AS: 1) CONFIDENTIAL COMMERCIAL OR FINANCIAL INFORMATION AND/OR TRADE SECRETS PURSUANT TO 10 CFR 2.390 AND 9.17(a)(4); 2) SECURITY-RELATED INFORMATION PURSUANT TO 10 CFR 2.390; AND 3) EXPORT CONTROLLED INFORMATION PURSUANT TO 10 CFR PART 810

Dear John Lubinski:

The purpose of this letter is to provide supplemental proposed changes to the U.S. Nuclear Regulatory Commission (NRC) for continued review and approval to address requests for additional information (RAIs) related to American Centrifuge Operating, LLC's (ACO) License Amendment Request.

On June 5, 2023, staff from the NRC and ACO held a conference call to discuss clarifications needed for ACO's amendment request dated February 13, 2023 (Reference 1). On June 8, 2023 (Reference 2), the NRC issued the formal RAIs for ACO's response.

ACO's responses to these RAIs are being provided as Enclosure 1 of this letter. Also, provided in Enclosure 2 are related proposed changes to LA-3605-0003A, *Addendum 1 of the Integrated Safety Analysis Summary for the American Centrifuge Plant – HALEU Demonstration*. As discussed in the response to RAI EP-1, LA-3605-0003A was revised to update the references to the fire hazards

Document/matter transmitted contains ~~CUI // SP-EXPT / SP-SRI / SP-UCNI / PROPIN // NOFORN~~
~~Export Controlled Information, Security-Related Information – Withhold Under 10 CFR 2.390,~~
~~Unclassified Controlled Nuclear Information, and Proprietary Information~~

When separated from Enclosures 1 through 7, this cover letter and Enclosure 8 are uncontrolled.

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

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analyses and are noted with revision bars in the right-hand margin. Based upon the 10 *Code of Federal Regulations* (CFR) 70.32 and 70.72 evaluations, these proposed changes are administrative in nature and do not warrant the NRC's review and approval; however, are provided for completeness to assist in the review efforts.

Additionally, as requested within the NRC's RAIs, ACO is providing reference documentation as follows:

- DAC-3101-0025, Revision 0, *Fire Scenario Document for X-3001 Building* (Enclosure 3)
- DAC-3001-FP-0100, Revision 5, *Fire Hazard Analysis for Building X-3001* (Enclosure 4)
- DAC-3101-0024, Revision 0, *Analysis of Postulated Forklift Fire Exposure to a 30B Cylinder* (Enclosure 5)
- DAC-3101-0024, Revision 1, *Analysis of Postulated Forklift Fire Exposure to a 30B Cylinder* (Enclosure 6), and
- DAC-3901-0005, Revision 6, *Evaluation of No Need for an Emergency Plan for the HALEU Demonstration* (Enclosure 7)

Enclosures 1, 2, 5, 6, and 7 contain Security-Related Information; therefore, ACO requests these enclosures be withheld from public disclosure pursuant to 10 CFR 2.390(d)(1). Enclosures 2, 3, and 4 have been determined, in accordance with the guidance provided by 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. Enclosures 3 and 4 have also 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, 2, and 7 contain Proprietary Information; therefore, ACO requests 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 8 of this letter.

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

Sincerely,



Kelly L. Fitch
Regulatory Manager

Enclosures: As stated

~~CUI//SP-EXPT//SP-SRI//SP-UCNI//PROPIN//NOFORN~~
~~Export Controlled Information, Security-Related Information – Withhold Under 10 CFR 2.390,~~
~~Unclassified Controlled Nuclear Information, and Proprietary Information~~

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References:

1. ACO 23-0006 from K.L. Fitch to J. Lubinski (NRC) regarding License Amendment Request for American Centrifuge Operating, LLC's License Application for the American Centrifuge Plant dated February 13, 2023
2. NRC Email from J. Tobin to K.L. Fitch (ACO) regarding For Action – RAIs for Centrus Phase II (EPID L-2023- LLA-0024) (Via Box Drop), dated June 8, 2023

cc (without Enclosures, unless otherwise noted):

Y. Faraz, NRC HQ (Enclosures)
A. Ford, DOE Idaho
S. Harlow, DOE NE
J. Hutson, Contract Support (Enclosures)
J. Lingard, DOE Idaho
L. Pitts, NRC Region II (Enclosures)
J. Tobin, NRC HQ (Enclosures)
T. Vukovsky, NRC Region II

**AFFIDAVIT OF LARRY B. CUTLIP
SUPPORTING APPLICATION TO WITHHOLD FROM
PUBLIC DISCLOSURE CERTAIN INFORMATION PROVIDED TO NRC IN
LETTER ACO 23-0055**

I, Larry B. Cutlip, of American Centrifuge Operating, LLC (ACO), having been duly sworn, do hereby 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 responses, proposed changes, and reference documentation supporting the U.S. Nuclear Regulatory Commission's (NRC) request for additional information (RAIs) in relation to the License Amendment Request for the American Centrifuge Plant (NRC Materials License SNM-2011) as described in the letter ACO 23-0055, 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 U.S. 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 Centrus'/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 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.
- v. 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, 2, and 7 of ACO 23-0055. Enclosure 1 provides ACO's responses to the NRC's request for additional information as it relates to ACO's amendment request for Phase 2 of the high-

assay low enriched uranium (HALEU) Demonstration. Enclosure 2 provides related proposed changes to LA-3605-0003A, *Addendum 1 of the Integrated Safety Analysis Summary for the American Centrifuge Plant – HALEU Demonstration*. Specifically, these proposed changes are administrative in nature and do not warrant the NRC's review and approval; however, are provided for completeness to assist in the review efforts. As discussed within Enclosure 1, LA-3605-0003A was revised to update the references to the fire hazards analyses. Enclosure 7 provides Revision 6 of DAC-3901-0005, *Evaluation of No Need for an Emergency Plan for the HALEU Demonstration*. Specifically, Enclosure 7 provides the evaluation stipulated in 10 CFR 70.22(i)1(i) to demonstrate that no Emergency Plan is needed for the deployment of ACO's HALEU Demonstration Program.

Enclosures 1, 2, and 7 discuss the types of accidents associated with the HALEU Demonstration Program as documented within LA-3605-0003A; therefore, are all 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 Security-Related Information and/or Export Controlled Information.

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.

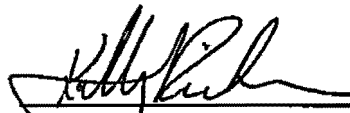
Further the deponent sayeth not.

Larry B. Cutlip, having been duly sworn, hereby confirms that I am the Senior Vice President, Field Operations of ACO, that I am authorized on behalf of ACO to review the information attached hereto and to sign and file with the NRC 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.


Larry B. Cutlip

On this 29th day of June 2023, Larry B. Cutlip 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.


Kathy Richer
State of Tennessee Notary Public
Anderson County
My commission expires October 26, 2024

