



Westinghouse Electric Company
CE Nuclear Power LLC

2000 Day Hill Road
Windsor, CT 06095
USA

22 January, 2001
LD-2001-0005

U.S. Nuclear Regulatory Commission
Attn: Document Control Desk
Washington, DC 20555

**SUBJECT: SUBMITTAL OF CENPD-404-P, REV. 0 REGARDING IMPLEMENTATION OF
ZIRLO™ CLADDING MATERIAL IN CENP FUEL DESIGNS
[Enclosure 1 Contains Proprietary Information]**

Enclosure 1: CENPD-404-P, Rev. 0, "Implementation of ZIRLO™ Cladding Material in
CE Nuclear Power Fuel Designs", January 2001

Enclosure 2: Proprietary Affidavit

The purpose of this letter is to request Nuclear Regulatory Commission (NRC) review and acceptance of CENPD-404-P, Rev. 0, "Implementation of ZIRLO™ Cladding Material in CE Nuclear Power Fuel Designs" (Enclosure 1). CE Nuclear Power LLC (CENP) met with members of the NRC staff on October 17, 2000 to discuss implementation of ZIRLO™ cladding and the submittal of a topical report. Pursuant to prior agreement, CENP is furnishing one (1) proprietary copy of this letter and enclosures to the NRC Document Control Desk and three (3) proprietary copies to Jack Cushing, NRC, CENP Project Manager. Non-proprietary copies of the topical report will be forwarded to the NRC Document Control Desk on or about January 31, 2001.

Use of ZIRLO™ cladding material has already been reviewed and accepted for use by the NRC for Westinghouse Electric Company LLC (the ZIRLO™ developer). Likewise, the various fuel design and licensing analysis methodologies employed by CENP have also been reviewed and accepted for use by the NRC. As a new constituent of Westinghouse, CENP intends to utilize the ZIRLO™ cladding material properties in its various fuel design and licensing analysis methodologies in the same manner in which they were previously accepted for use. That is, no changes will be made to either ZIRLO™ material properties or correlations, or to the phenomenological models of CENP's fuel design and licensing analysis methodologies. In essence, the use of ZIRLO™ material properties simply becomes a functional input to the phenomenological models previously reviewed and found to be acceptable. CENPD-404-P, Rev. 0 simply serves to provide information regarding the linkage of two previously reviewed and accepted components. No new methodologies or approaches are proposed.

CENP expects to implement ZIRLO™ cladding material in reload fuel for both Constellation Energy Services (CES) and Arizona Public Service Company (APS). Both CES's Calvert Cliffs Nuclear Power Plant Unit 1 and APS's Palo Verde Nuclear Generating Station Unit 2 will

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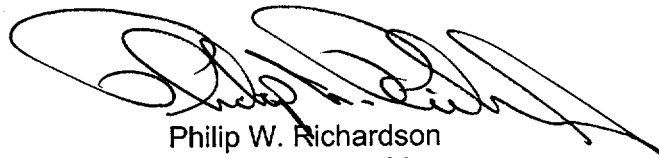
receive their initial reload of ZIRLO™ clad fuel in early 2002. To support the manufacturing schedule necessary to meet that delivery date, CENP respectfully requests NRC complete its review and issue its Safety Evaluation Report for CENPD-404-P, Rev. 0 by July 2001.

CENP believes that this licensing action is consistent with the NRC's regulatory performance goals of increasing safe operation because of the proven superior performance of ZIRLO™ cladding with respect to clad oxidation issues. Furthermore, the use of the topical report will greatly enhance the individual plant licensing processes for both the referencing plant operator and the NRC staff by providing a clear path that links all of the affected topical reports. It thus also supports the NRC performance goal of improving regulatory efficiency and effectiveness.

CENP has determined that the information contained in Enclosure 1 is proprietary in nature. Consequently, it is requested that Enclosure 1 be withheld from public disclosure in accordance with the provisions of 10 CFR 2.790 and that copies be appropriately safeguarded. The reasons for the classification of this information as proprietary are delineated in the affidavit provided in Enclosure 2.

If you have any questions regarding this matter, please do not hesitate to call Chuck Molnar of my staff at (860) 285-5205.

Very truly yours,
CE NUCLEAR POWER LLC



Philip W. Richardson
Licensing Project Manager
Windsor Nuclear Licensing

Enclosure(s): As stated

xc: R. Caruso (w/o enclosures, NRC)
M. S. Chatterton (w/o enclosures, NRC)
J. S. Cushing (w/enclosures, NRC)
S. Dembek (w/o enclosures, NRC)
B. S. Montgomery (w/o enclosures, CES/CCNPP)
C. Seaman (w/o enclosures, APS/PVNGS)
J. S. Wermiel (w/o enclosures, NRC)

**CE Nuclear Power LLC
Proprietary Information**

Enclosure 1 to LD-2001-0005

CE NUCLEAR POWER LLC

CENPD-404-P, REV. 0, IMPLEMENTATION OF ZIRLO™ CLADDING MATERIAL IN CE NUCLEAR POWER FUEL DESIGNS

JANUARY 2001

**CE Nuclear Power LLC
Proprietary Information**

CE NUCLEAR POWER LLC

PROPRIETARY AFFIDAVIT FOR CENPD-404-P, REV. 0, IMPLEMENTATION OF ZIRLO™ CLADDING MATERIAL IN CE NUCLEAR POWER FUEL DESIGNS

Proprietary Affidavit

I, Philip W. Richardson, depose and say that I am the Licensing Project Manager, Windsor Nuclear Licensing, of CE Nuclear Power LLC (CENP), duly authorized to make this affidavit, and have reviewed or caused to have reviewed the information which is identified as proprietary and described 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. I have personal knowledge of the criteria and procedures utilized by CENP in designating information as a trade secret, privileged, or as confidential commercial or financial information.

The information for which proprietary treatment is sought, and which documents have been appropriately designated as proprietary, is contained in the following:

CENPD-404-P, Rev. 0, "Implementation of ZIRLO™ Cladding Material in CE Nuclear Power Fuel Designs", January 2001

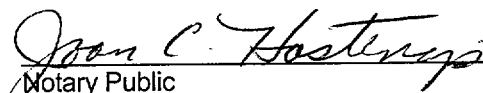
Pursuant to the provisions of Section 2.790(b)(4) of the Commission's regulations, the following is furnished for consideration by the Commission in determining whether the information included in the documents listed above should be withheld from public disclosure.

- i. The information sought to be withheld from public disclosure is owned and has been held in confidence by CENP. It consists of information concerning implementation of ZIRLO™ cladding in CENP fuel designs.
- ii. The information consists of test data or other similar data for the design, development and implementation of ZIRLO™ cladding, the application of which results in substantial competitive advantage to CENP.
- iii. The information is of a type customarily held in confidence by CENP and not customarily disclosed to the public.
- iv. 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 in confidence by the Commission.
- v. 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 that provide for maintenance of the information in confidence.
- vi. Public disclosure of the information is likely to cause substantial harm to the competitive position of CENP because:
 - a. A similar product is manufactured and sold by major competitors of CENP.
 - b. Development of this information by CENP required thousands of man-hours and hundreds of thousands of dollars of effort. A competitor would have to undergo similar expense in generating equivalent information.
 - c. The information consists of implementation plans for the use of ZIRLO™ fuel cladding, the application of which provides a competitive economic advantage. The availability of such information to competitors would enable them to design their product to better compete with CENP, take marketing or other actions to improve their product's position or impair the position of CENP's product, and avoid developing similar technical analysis in support of their processes, methods or apparatus.
 - d. In pricing CENP's products and services, significant research, development, engineering, analytical, manufacturing, licensing, quality assurance and other costs and expenses must be included. The ability of CENP's competitors to utilize such information without similar expenditure of resources may enable them to sell at prices reflecting significantly lower costs.
 - e. Use of the information by competitors in the international marketplace would increase their ability to market a competing product, reducing the costs associated with their technology development.



Philip W. Richardson,
Licensing Project Manager
CE Nuclear Power LLC

Sworn to before me this 22th day of January, 2001



Notary Public
My commission expires: _____

JOAN C. HASTINGS
NOTARY PUBLIC
MY COMMISSION EXPIRES SEP. 30, 2002