

June 11, 2003

Mr. Calvin R. Hastings  
President and Chief Executive Officer  
Caldon, Inc.  
1070 Banksville Avenue  
Pittsburgh, PA 15216

SUBJECT: CALDON, INC., REQUEST FOR WITHHOLDING INFORMATION FROM  
PUBLIC DISCLOSURE FOR INDIAN POINT NUCLEAR GENERATING UNIT  
NO. 2 (TAC NO. MB6950)

Dear Mr. Hastings:

By letter dated April 3, 2003, Entergy Nuclear Operations, Inc., (the licensee) submitted a response to a request for additional information (RAI) from the U.S. Nuclear Regulatory Commission (NRC) for the Indian Point Nuclear Generating Unit No. 2 (IP2). The NRC staff requested the information in order to complete its review of the licensee's application for an amendment regarding a 1.4% measurement uncertainty recapture power uprate. In its April 3 letter, the licensee included your letter and affidavit dated April 1, 2003, requesting that the following documents be withheld from public disclosure pursuant to Title 10 of the *Code of Federal Regulations* (10 CFR) Section 2.790:

1. Caldon, Inc. Report ER-290, "Bounding Uncertainty Analysis for Thermal Power Determination at Indian Point Unit 2 Nuclear Power Station using the LEFM-Check System," dated November 2002;
2. MPR Associates, Inc. Report MPR-1614, "Feedwater Flow Measurement with LEFM Chordal Systems at Indian Point Unit 2 - Configuration and Uncertainty Analysis," dated October 1995; and
3. Responses to Questions 13, 14, and 16 of the NRC Request for Additional Information.

Nonproprietary copies of these documents have been placed in the NRC's Public Document Room and added to the Agencywide Documents Access and Management System (ADAMS) Public Electronic Reading Room.

The affidavit stated, in part, that the information is held in confidence, the release of which might result in the loss of an existing or potential advantage, as follows:

- (a) The information sought to be withheld from public disclosure is owned and has been held in confidence by Caldon
- (b) The information is of a type customarily held in confidence by Caldon and not customarily disclosed to the public. Caldon 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 constitutes Caldon policy and provides the rational basis required.

- (c) The information reveals the distinguishing aspects of a process (or component, structure, tool, method, etc.) where prevention of its use by any of Caldon's competitors without license from Caldon constitutes a competitive economic advantage over other companies.
- (d) 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.
- (e) Its use by a competitor would reduce his expenditure of resources or improve his competitive position in the design, manufacture, shipment, installation, assurance of quality, or licensing a similar product.

We have reviewed your application and the material in accordance with the requirements of 10 CFR 2.790. On the basis of the staff's review of the information and your statements, we have determined that the submitted information sought to be withheld contains proprietary commercial information and should be withheld from public disclosure because it includes trade secrets and other privileged commercial information, which if released, could potentially deprive Caldon of a valuable competitive advantage. Public disclosure of this proprietary information could enhance the ability of Caldon's competitors to provide similar equipment and systems without commensurate expenses. This information is also of a type normally held in confidence by its owner.

Therefore, the version of the submitted information marked as proprietary will be withheld from public disclosure pursuant to 10 CFR 2.790(b)(5) and Section 103(b) of the Atomic Energy Act of 1954, as amended.

Withholding from public inspection shall not affect the right, if any, of persons properly and directly concerned to inspect the documents. If the need arises, we may send copies of this information to our consultants working in this area. We will, of course, ensure that the consultants have signed the appropriate agreements for handling proprietary information.

If the basis for withholding this information from public inspection should change in the future such that the information could then be made available for public inspection, you should promptly notify the NRC. You also should understand that the NRC may have cause to review this determination in the future, for example, if the scope of a Freedom of Information Act request includes your information. In all review situations, if the NRC makes a determination adverse to the above, you will be notified in advance of any public disclosure.

C. R. Hastings

- 3 -

If you have any questions regarding this matter, I may be reached at 301-415-1457.

Sincerely,

***/RA/***

Patrick D. Milano, Senior Project Manager, Section 1  
Project Directorate I  
Division of Licensing Project Management  
Office of Nuclear Reactor Regulation

Docket No. 50-247

cc: See next page

If you have any questions regarding this matter, I may be reached at 301-415-1457.

Sincerely,

**/RA/**

Patrick D. Milano, Senior Project Manager, Section 1  
Project Directorate I  
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Office of Nuclear Reactor Regulation

Docket No. 50-247

cc: See next page

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\*See previous concurrence

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Official Record Copy

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