

PROPRIETARY INFORMATION – WITHHOLD UNDER 10 CFR 2.390

10 CFR 2.390

RS-12-096

May 29, 2012

U. S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, DC 20555-0001

LaSalle County Station, Units 1 and 2
Facility Operating License Nos. NPF-11 and NPF-18
NRC Docket Nos. 50-373 and 50-374

Subject: Request for Withholding From Public Disclosure, General Electric -
Hitachi (GEH) Information Associated with Power Range Neutron Monitor
(PRNM) Presentation

The purpose of this letter is to provide a request for withholding from public disclosure of proprietary information provided to the staff during the Interim Staff Guidance ISG-06 Phase 0 meeting to discuss LaSalle's proposed PRNM amendment request. The meeting was held at NRC Headquarters on April 5, 2012.

Enclosure 1 to this letter contains a General Electric – Hitachi (GEH) slide presentation that GEH considers to contain proprietary information. The proprietary information is identified by bracketed text. GEH requests that the proprietary information in the enclosed slide presentation be withheld from public disclosure in accordance with the requirements of 10 CFR 2.390, "Public inspections, exemptions, requests for withholding," paragraph (a)(4). A signed affidavit supporting this request is provided in Attachment 2 to this letter. A non-proprietary version was supplied separately to the staff prior to the April 5, 2012 meeting.

**Enclosure 1 herewith contains Proprietary Information.
When separated from Enclosure 1, this document is decontrolled.**

May 29, 2012
U. S. Nuclear Regulatory Commission
Page 2

Should you have any questions concerning this request, please contact Mr. Timothy Byam at (630) 657-3334.

Respectfully,

A handwritten signature in black ink, appearing to read 'K. Borton', with a horizontal line extending to the right.

Kevin Borton
Manager, Licensing - Power Uprate

Enclosure:

1. General Electric-Hitachi (GEH) Nuclear Energy Slide Presentation (Proprietary)
2. GEH Affidavit Supporting Withholding Information in Enclosed Slides

cc: NRC Regional Administrator, Region III
NRC Senior Resident Inspector – LaSalle County Station

Enclosure 1

General Electric-Hitachi (GEH) Nuclear Energy Slide Presentation
(Proprietary)

Enclosure 2

GEH Affidavit Supporting Withholding Information in Enclosed Slides

GE Hitachi Nuclear Energy

AFFIDAVIT

I, **Edward D. Schrull, PE** state as follows:

- (1) I am the Vice President, Regulatory Affairs, Services Licensing, GE-Hitachi Nuclear Energy Americas LLC ("GEH"), and have been delegated the function of reviewing the information described in paragraph (2) which is sought to be withheld, and have been authorized to apply for its withholding.
- (2) The information sought to be withheld is contained in Enclosure 1 of GEH letter, GEH-HA0-142488-038, "LaSalle County Station PRNM DI&C-ISG-06 Phase 0 Meeting Slides," dated March 23, 2012. The GEH proprietary information in Enclosure 1, which is entitled "LaSalle County Station DI&C-ISG-06 Phase 0 Meeting Slides," is identified by double square brackets. [[This sentence is an example.⁽³⁾]] Figures containing GEH proprietary information are identified with double square brackets before and after the object. In each case, the superscript notation ⁽³⁾ refers to Paragraph (3) of this affidavit, which provides the basis for the proprietary determination.
- (3) In making this application for withholding of proprietary information of which it is the owner or licensee, GEH relies upon the exemption from disclosure set forth in the Freedom of Information Act ("FOIA"), 5 USC Sec. 552(b)(4), and the Trade Secrets Act, 18 USC Sec. 1905, and NRC regulations 10 CFR 9.17(a)(4), and 2.390(a)(4) for trade secrets (Exemption 4). The material for which exemption from disclosure is here sought also qualifies under the narrower definition of trade secret, within the meanings assigned to those terms for purposes of FOIA Exemption 4 in, respectively, Critical Mass Energy Project v. Nuclear Regulatory Commission, 975 F2d 871 (DC Cir. 1992), and Public Citizen Health Research Group v. FDA, 704 F2d 1280 (DC Cir. 1983).
- (4) The information sought to be withheld is considered to be proprietary for the reasons set forth in paragraphs (4)a. and (4)b. Some examples of categories of information that fit into the definition of proprietary information are:
 - a. Information that discloses a process, method, or apparatus, including supporting data and analyses, where prevention of its use by GEH's competitors without license from GEH constitutes a competitive economic advantage over other companies;
 - b. Information that, if used 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 of a similar product;
 - c. Information that reveals aspects of past, present, or future GEH customer-funded development plans and programs, resulting in potential products to GEH;

GE Hitachi Nuclear Energy

- d. Information that discloses trade secret and/or potentially patentable subject matter for which it may be desirable to obtain patent protection.
- (5) To address 10 CFR 2.390(b)(4), the information sought to be withheld is being submitted to NRC in confidence. The information is of a sort customarily held in confidence by GEH, and is in fact so held. The information sought to be withheld has, to the best of my knowledge and belief, consistently been held in confidence by GEH, not been disclosed publicly, and not been made available in public sources. All disclosures to third parties, including any required transmittals to the NRC, have been made, or must be made, pursuant to regulatory provisions or proprietary and/or confidentiality agreements that provide for maintaining the information in confidence. The initial designation of this information as proprietary information, and the subsequent steps taken to prevent its unauthorized disclosure, are as set forth in the following paragraphs (6) and (7).
- (6) Initial approval of proprietary treatment of a document is made by the manager of the originating component, who is the person most likely to be acquainted with the value and sensitivity of the information in relation to industry knowledge, or who is the person most likely to be subject to the terms under which it was licensed to GEH. Access to such documents within GEH is limited to a "need to know" basis.
- (7) The procedure for approval of external release of such a document typically requires review by the staff manager, project manager, principal scientist, or other equivalent authority for technical content, competitive effect, and determination of the accuracy of the proprietary designation. Disclosures outside GEH are limited to regulatory bodies, customers, and potential customers, and their agents, suppliers, and licensees, and others with a legitimate need for the information, and then only in accordance with appropriate regulatory provisions or proprietary and/or confidentiality agreements.
- (8) The information identified in paragraph (2), above, is classified as proprietary because it contains detailed GEH design information of the instrumentation and control equipment used in the design and analysis of the power range neutron monitoring system for the GEH Boiling Water Reactor (BWR). Development of these methods, techniques, and information and their application for the design, modification, and analyses methodologies and processes was achieved at a significant cost to GEH.

The development of the evaluation processes along with the interpretation and application of the analytical results is derived from the extensive experience databases that constitute major GEH asset.

GE Hitachi Nuclear Energy

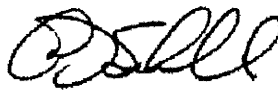
- (9) Public disclosure of the information sought to be withheld is likely to cause substantial harm to GEH's competitive position and foreclose or reduce the availability of profit-making opportunities. The information is part of GEH's comprehensive BWR safety and technology base, and its commercial value extends beyond the original development cost. The value of the technology base goes beyond the extensive physical database and analytical methodology and includes development of the expertise to determine and apply the appropriate evaluation process. In addition, the technology base includes the value derived from providing analyses done with NRC-approved methods.

The research, development, engineering, analytical and NRC review costs comprise a substantial investment of time and money by GEH. The precise value of the expertise to devise an evaluation process and apply the correct analytical methodology is difficult to quantify, but it clearly is substantial. GEH's competitive advantage will be lost if its competitors are able to use the results of the GEH experience to normalize or verify their own process or if they are able to claim an equivalent understanding by demonstrating that they can arrive at the same or similar conclusions.

The value of this information to GEH would be lost if the information were disclosed to the public. Making such information available to competitors without their having been required to undertake a similar expenditure of resources would unfairly provide competitors with a windfall, and deprive GEH of the opportunity to exercise its competitive advantage to seek an adequate return on its large investment in developing and obtaining these very valuable analytical tools.

I declare under penalty of perjury that the foregoing affidavit and the matters stated therein are true and correct to the best of my knowledge, information, and belief.

Executed on this 23rd day of March 2012.



Edward D. Schrull, PE
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