

# CATEGORY 1

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ACCESSION NBR: 9605230178      DOC. DATE: 96/05/22      NOTARIZED: YES  
FACIL: 50-270 Oconee Nuclear Station, Unit 2, Duke Power Co.  
AUTH. NAME      AUTHOR AFFILIATION  
PALJUG, J.R.      Babcock & Wilcox Co.  
RECIP. NAME      RECIPIENT AFFILIATION  
LABARGE, D.E.

DOCKET #  
05000270

*See  
Reports*

SUBJECT: Forwards proprietary & non-proprietary versions of Framatome Technologies, Inc calculation relevant to conclusions of engineering evaluation.

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50-270



Integrated Nuclear Services

May 22, 1996  
INS-96-6074

Mr. David E. LaBarge  
Division of Reactor Projects  
Project Directorate II-3  
U.S. Nuclear Regulatory Commission  
Mail Stop 14B21  
Washington, DC 20555-0001

Dear Mr. LaBarge:

As you are aware, Duke Power Company and Framatome Technologies, Inc. (FTI) have completed an inspection of two CRDM nozzles at Oconee 2 during the April outage. The results of the eddy current, dye penetrant and visual inspections of nozzles 23 and 63 were then input to an engineering evaluation that justified another 2 cycles of operation without further inspection. Mr. James Medoff is currently preparing a safety evaluation for this subject and has requested an FTI calculation that is relevant to the conclusions of the engineering evaluation. That calculation, FTI #32-1240855-00, titled "Flaw Evaluation for Oconee 2 CRDM Nozzle No. 23", is classified as proprietary to FTI. Accordingly, please find attached the Affidavit of James H. Taylor, the proprietary calculation, and a non-proprietary version of the calculations.

FTI requests that you process the attached documentation in accordance with the Affidavit. If I can be of further assistance, please call me at (804) 832-3674.

Sincerely,

A handwritten signature in dark ink, appearing to read 'J.R. Paljug', written in a cursive style.

J.R. Paljug  
Project Manager  
Business Operations

2300008

JRP/lab

cc: D. Whitaker - DPC w/o Attach.  
J. Medoff - USNRC w/o Attach.  
J. Taylor - FTI w/Attach.

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AFFIDAVIT OF JAMES H. TAYLOR

- A. My name is James H. Taylor. I am Manager of Licensing Services for Framatome Technologies, Inc. (FTI), and as such, I am authorized to execute this Affidavit.
- B. I am familiar with the criteria applied by FTI to determine whether certain information of FTI is proprietary and I am familiar with the procedures established within FTI to ensure the proper application of these criteria.
- C. In determining whether an FTI document is to be classified as proprietary information, an initial determination is made by the Unit Manager, who is responsible for originating the document, as to whether it falls within the criteria set forth in Paragraph D hereof. If the information falls within any one of these criteria, it is classified as proprietary by the originating Unit Manager. This initial determination is reviewed by the cognizant Section Manager. If the document is designated as proprietary, it is reviewed again by Licensing personnel and other management within FTI as designated by the Manager of Licensing Services to assure that the regulatory requirements of 10 CFR Section 2.790 are met.
- D. The following information is provided to demonstrate that the provisions of 10 CFR Section 2.790 of the Commission's regulations have been considered:
  - (i) The information has been held in confidence by FTI. Copies of the document are clearly identified as proprietary. In addition, whenever FTI transmits the information to a customer, customer's agent, potential customer or regulatory agency, the transmittal requests the recipient to hold the information as proprietary. Also, in order to strictly limit any potential or actual customer's use of proprietary information, the substance of the following provision is included in all agreements entered into by FTI, and an equivalent version of the proprietary provision is included in all of FTI's proposals:

AFFIDAVIT OF JAMES H. TAYLOR (Cont'd.)

"Any proprietary information concerning Company's or its Supplier's products or manufacturing processes which is so designated by Company or its Suppliers and disclosed to Purchaser incident to the performance of such contract shall remain the property of Company or its Suppliers and is disclosed in confidence, and Purchaser shall not publish or otherwise disclose it to others without the written approval of Company, and no rights, implied or otherwise, are granted to produce or have produced any products or to practice or cause to be practiced any manufacturing processes covered thereby.

Notwithstanding the above, Purchaser may provide the NRC or any other regulatory agency with any such proprietary information as the NRC or such other agency may require; provided, however, that Purchaser shall first give Company written notice of such proposed disclosure and Company shall have the right to amend such proprietary information so as to make it non-proprietary. In the event that Company cannot amend such proprietary information, Purchaser shall prior to disclosing such information, use its best efforts to obtain a commitment from NRC or such other agency to have such information withheld from public inspection.

Company shall be given the right to participate in pursuit of such confidential treatment."

AFFIDAVIT OF JAMES H. TAYLOR (Cont'd.)

- (ii) The following criteria are customarily applied by FTI in a rational decision process to determine whether the information should be classified as proprietary. Information may be classified as proprietary if one or more of the following criteria are met:
- a. Information reveals cost or price information, commercial strategies, production capabilities, or budget levels of FTI, its customers or suppliers.
  - b. The information reveals data or material concerning FTI research or development plans or programs of present or potential competitive advantage to FTI.
  - c. The use of the information by a competitor would decrease his expenditures, in time or resources, in designing, producing or marketing a similar product.
  - d. The information consists of test data or other similar data concerning a process, method or component, the application of which results in a competitive advantage to FTI.
  - e. The information reveals special aspects of a process, method, component or the like, the exclusive use of which results in a competitive advantage to FTI.
  - f. The information contains ideas for which patent protection may be sought.

AFFIDAVIT OF JAMES H. TAYLOR (Cont'd.)

The document(s) listed on Exhibit "A", which is attached hereto and made a part hereof, has been evaluated in accordance with normal FTI procedures with respect to classification and has been found to contain information which falls within one or more of the criteria enumerated above. Exhibit "B", which is attached hereto and made a part hereof, specifically identifies the criteria applicable to the document(s) listed in Exhibit "A".

- (iii) The document(s) listed in Exhibit "A", which has been made available to the United States Nuclear Regulatory Commission was made available in confidence with a request that the document(s) and the information contained therein be withheld from public disclosure.
- (iv) The information is not available in the open literature and to the best of our knowledge is not known by Combustion Engineering, EXXON, General Electric, Westinghouse or other current or potential domestic or foreign competitors of FTI.
- (v) Specific information with regard to whether public disclosure of the information is likely to cause harm to the competitive position of FTI, taking into account the value of the information to FTI; the amount of effort or money expended by FTI developing the information; and the ease or difficulty with which the information could be properly duplicated by others is given in Exhibit "B".

E. I have personally reviewed the document(s) listed on Exhibit "A" and have found that it is considered proprietary by FTI because it contains information which falls within one or more of the criteria enumerated in Paragraph D, and it is information which is customarily held in confidence and protected as proprietary information by FTI. This report comprises information

AFFIDAVIT OF JAMES H. TAYLOR (Cont'd.)

utilized by FTI in its business which afford FTI an opportunity to obtain a competitive advantage over those who may wish to know or use the information contained in the document(s).

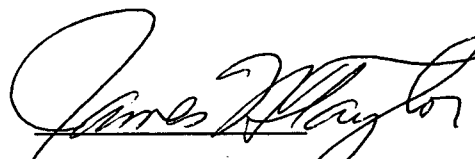
  
JAMES H. TAYLOR


State of Virginia)


) SS. Lynchburg

City of Lynchburg)

James H. Taylor, being duly sworn, on his oath deposes and says that he is the person who subscribed his name to the foregoing statement, and that the matters and facts set forth in the statement are true.

  
JAMES H. TAYLOR

  
Subscribed and sworn before me  
this 17<sup>th</sup> day of May 1996.

  
Notary Public in and for the City  
of Lynchburg, State of Virginia.

My Commission Expires July 31, 1999