



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

August 2, 1993

Docket No. 50-529

Mr. William F. Conway
Executive Vice President, Nuclear
Arizona Public Service Company
Post Office Box 53999
Phoenix, Arizona 85072-3999

Dear Mr. Conway:

SUBJECT: REQUEST FOR WITHHOLDING INFORMATION FROM PUBLIC
DISCLOSURE - PALO VERDE NUCLEAR GENERATING STATION
UNIT 2

By your letter dated June 18, 1993, and an affidavit dated June 17, 1993, signed by S. A. Toelle, Combustion Engineering, Inc., has requested that the following proprietary document be withheld from public disclosure pursuant to 10 CFR 2.790:

Color contour plots labeled "DEPOSIT PARAMETER" in Enclosure
to 102-02540-TRB/JRP, dated June 18, 1993

The Combustion Engineering affidavit forwarded with the proprietary document stated that the submitted information should be considered exempt from mandatory public disclosure for the following reasons:

1. The information sought to be withheld from public disclosure, which is owned and has been held in confidence by Combustion Engineering, is the thermal-hydraulic design parameters of the System 80TH steam generators.
2. The information consists of test data or other similar data concerning a process, method or component, the application of which results in substantial competitive advantage to Combustion Engineering.
3. 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.
4. Public disclosure of the information is likely to cause substantial harm to the competitive position of Combustion Engineering because:
 - a. A similar product is manufactured and sold by major pressurized water reactor competitors of Combustion Engineering.
 - b. Development of this information by CE required tens of thousands of manhours and millions of dollars. A competitor would have to undergo similar expense in generating equivalent information.

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- c. In order to acquire such information, a competitor would also require considerable time and inconvenience to determine the thermal-hydraulic design parameters of the System 80 steam generators.
- d. The information consists of the flow distribution and thermal-hydraulic performance of the System 80 steam generators, the application of which provides a competitive economic advantage. The availability of such information to competitors would enable them to modify their product to better compete with Combustion Engineering, take marketing or other actions to improve their product's position or impair the position of Combustion Engineering's product, and avoid developing similar data and analyses in support of their processes, methods or apparatus.
- e. Use of the information by competitors in the international marketplace would increase their ability to market nuclear steam supply systems by reducing the costs associated with their technology development.

We have reviewed your letter and the material based on the requirements and criteria of 10 CFR 2.790 and, on the basis of the Combustion Engineering affidavit, have determined that the submitted information sought to be withheld contains trade secrets or proprietary commercial information.

Therefore, we have determined that the document containing the color contour plots labeled "DEPOSIT PARAMETER" in Enclosure to 102-02540-TRB/JRP, dated June 18, 1993, 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 should also understand that the NRC may have cause to review this determination in the

Mr. William F. Conway
Arizona Public Service Company

Palo Verde

cc:

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Mr. William F. Conway

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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.

Sincerely,

A handwritten signature in cursive script that reads "Charles M. Trammell".

Charles M. Trammell, Sr. Project Manager
Project Directorate V
Division of Reactor Projects III/IV/V
Office of Nuclear Reactor Regulation

cc: See next page

August 2, 1993

Mr. William F. Conway

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Sincerely,

Original signed by:

Charles M. Trammell, Sr. Project Manager
Project Directorate V
Division of Reactor Projects III/IV/V
Office of Nuclear Reactor Regulation

cc: See next page

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