



**Consumers
Power
Company**

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November 1, 1983

Dennis M Crutchfield, Chief
Operating Reactor Branch No 5
Nuclear Reactor Regulation
US Nuclear Regulatory Commission
Washington, DC 20555

DOCKET 50-255 - LICENSE DPR-20 -
PALISADES PLANT - XN-NF-709, "JUSTIFICATION OF XNB CORRELATION FOR
PALISADES", MAY 1983

Enclosed are 5 copies of the Exxon Nuclear Company Report, XN-NF-709,
"Justification of XNB Correlation for Palisades," which was requested in a
phone conversation with the NRC Staff on October 21, 1983.

Exxon Nuclear Company considers the information contained in XN-NF-709,
"Justification of XNB Correlation for Palisades" to be proprietary. In
accordance with the Commission's Regulation 10 CFR 2.790(b), the attached
affidavit executed by Exxon Nuclear Company's Dr Richard B Stout provides the
necessary information to support the withholding of XN-NF-709 from public
disclosure.

An affidavit to support the withholding of this document from public
disclosure is attached.

Brian D Johnson
Staff Licensing Engineer

CC Administrator, Region III, USNRC
NRC Resident Inspector - Palisades

Attachments

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A F F I D A V I T

STATE OF Washington)

ss.

COUNTY OF Benton)

I, Richard B. Stout, being duly sworn, hereby say and depose:

1. I am Manager, Licensing and Safety Engineering, for Exxon Nuclear Company, Inc. ("ENC"). and as such I am authorized to execute this Affidavit.

2. I am familiar with ENC's detailed document control system and policies which govern the protection and control of information.

3. I am familiar with the document XN-NF-709 entitled "Justification of XNB Correlation for Palisades", referred to as "Document". Information contained in this Document has been classified by ENC as proprietary in accordance with the control system and policies established by ENC for the control and protection of information.

4. The Document contains information of a proprietary and confidential nature and is of the type customarily held in confidence by ENC and not made available to the public. Based on my experience, I am aware that other companies regard information of the kind contained in the Document.

5. The Document has been made available to Consumers Power Company in confidence, with the request that the information contained in the Document not be disclosed or divulged.

6. The Document contains information which is vital to a competitive advantage of ENC and would be helpful to competitors of ENC when competing with ENC.

7. The information contained in the Document is considered to be proprietary by ENC because it reveals certain distinguishing aspects of PWR thermal hydraulic analysis methods which secure competitive economic advantage to ENC for fuel design optimization and improved marketability, and includes information utilized by ENC in its business which affords ENC an opportunity to obtain a competitive advantage over its competitors who do not or may not know or use the information contained in the Document.

8. The disclosure of the proprietary information contained in the Document to a competitor would permit the competitor to reduce its expenditure of money and manpower and to improve its competitive position by giving it extremely valuable insights into PWR thermal hydraulic analysis methods, and would result in substantial harm to the competitive position of ENC.

9. The Document contains proprietary information which is held in confidence by ENC and is not available in public sources.

10. In accordance with ENC's policies governing the protection and control of information, proprietary information contained in the Document has been made available, on a limited basis, to others outside ENC only as required and under suitable agreement providing for non-disclosure and limited use of the information.

11. ENC policy requires that proprietary information be kept in a secured file or area and distributed on a need-to-know basis.

12. This Document provides information which reveals PWR thermal hydraulic analysis methods developed by ENC over the past several years. ENC has invested millions of dollars and many man-years of effort in developing the analysis methods revealed in the Document. Assuming a competitor had available the same background data and incentives as ENC, the competitor might, at a minimum, develop the information for the same expenditure of manpower and money as ENC.

13. Based on my experience in the industry, I do not believe that the background data and incentives of ENC's competitors are sufficiently similar to the corresponding background data and incentives of ENC to reasonably expect such competitors would be in a position to duplicate ENC's proprietary information contained in the Documents.

THAT the statements made hereinabove are, to the best of my knowledge, information, and belief, truthful and complete.

FURTHER AFFIANT SAYETH NOT.

Richard B. Stone

SWORN TO AND SUBSCRIBED

before me this 24 day of

October, 1983

Charles K. Felts

NOTARY PUBLIC