



93-00331

Westinghouse
Electric Corporation

Energy Systems

Box 355
Pittsburgh Pennsylvania 15230-0355



February 26, 1993
CAW-93-426

Document Control Desk
US Nuclear Regulatory Commission
Washington, DC 20555

Attention: Dr. Thomas Murley, Director

APPLICATION FOR WITHHOLDING PROPRIETARY
INFORMATION FROM PUBLIC DISCLOSURE

Subject: WCNOC, "Reload Safety Evaluation Methodology for the Wolf Creek Generating Station"
(Proprietary)

Dear Dr. Murley:

The proprietary information for which withholding is being requested in the above-referenced letter is further identified in Affidavit CAW-93-426 signed by the owner of the proprietary information, Westinghouse Electric Corporation. The affidavit, which accompanies this letter, sets forth the basis on which the information may be withheld from public disclosure by the Commission and addresses with specificity the considerations listed in paragraph (b)(4) of 10 CFR Section 2.790 of the Commission's regulations.

Accordingly, this letter authorizes the utilization of the accompanying Affidavit by Wolf Creek Nuclear Operating Corporation.

Correspondence with respect to the proprietary aspects of the application for withholding or the Westinghouse affidavit should reference this letter, CAW-93-426, and should be addressed to the undersigned.

Very truly yours,

N. J. Liparulo, Manager
Nuclear Safety & Regulatory Activities

Enclosures

cc: Kevin Bohrer/NRC (12H5)

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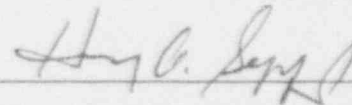
AFFIDAVIT

COMMONWEALTH OF PENNSYLVANIA:

SS

COUNTY OF ALLEGHENY:

Before me, the undersigned authority, personally appeared Henry A. Sepp, who, being by me duly sworn according to law, deposes and says that he is authorized to execute this Affidavit on behalf of Westinghouse Electric Corporation ("Westinghouse") and that the averments of fact set forth in this Affidavit are true and correct to the best of his knowledge, information, and belief:



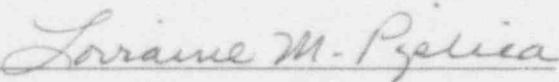
Henry A. Sepp, Manager

Strategic Licensing Issues

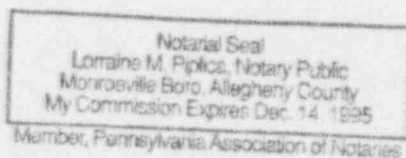
Sworn to and subscribed

before me this 26th day

of February, 1993



Notary Public



- (1) I am Manager, Strategic Licensing Issues, in the Nuclear and Advanced Technology Division, of the Westinghouse Electric Corporation and as such, I have been specifically delegated the function of reviewing the proprietary information sought to be withheld from public disclosure in connection with nuclear power plant licensing and rulemaking proceedings, and am authorized to apply for its withholding on behalf of the Westinghouse Energy Systems Business Unit.
- (2) I am making this Affidavit in conformance with the provisions of 10CFR Section 2.790 of the Commission's regulations and in conjunction with the Westinghouse application for withholding accompanying this Affidavit.
- (3) I have personal knowledge of the criteria and procedures utilized by the Westinghouse Energy Systems Business Unit in designating information as a trade secret, privileged or as confidential commercial or financial information.
- (4) Pursuant to the provisions of paragraph (b)(4) of Section 2.790 of the Commission's regulations, the following is furnished for consideration by the Commission in determining whether the information sought to be withheld from public disclosure should be withheld.
 - (i) The information sought to be withheld from public disclosure is owned and has been held in confidence by Westinghouse.
 - (ii) The information is of a type customarily held in confidence by Westinghouse and not customarily disclosed to the public. Westinghouse 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 Westinghouse policy and provides the rational basis required.

Under that system, information is held in confidence if it falls in one or more of several types, the release of which might result in the loss of an existing or potential competitive advantage, as follows:

- (a) The information reveals the distinguishing aspects of a process (or component, structure, tool, method, etc.) where prevention of its use by any of Westinghouse's competitors without license from Westinghouse constitutes a competitive economic advantage over other companies.
- (b) 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.
- (c) 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.
- (d) It reveals cost or price information, production capacities, budget levels, or commercial strategies of Westinghouse, its customers or suppliers.
- (e) It reveals aspects of past, present, or future Westinghouse or customer funded development plans and programs of potential commercial value to Westinghouse.
- (f) It contains patentable ideas, for which patent protection may be desirable.

There are sound policy reasons behind the Westinghouse system which include the following:

- (a) The use of such information by Westinghouse gives Westinghouse a competitive advantage over its competitors. It is, therefore, withheld from disclosure to protect the Westinghouse competitive position.
- (b) It is information which is marketable in many ways. The extent to which such information is available to competitors diminishes the Westinghouse ability to sell products and services involving the use of the information.

- (c) Use by our competitor would put Westinghouse at a competitive disadvantage by reducing his expenditure of resources at our expense.
 - (d) Each component of proprietary information pertinent to a particular competitive advantage is potentially as valuable as the total competitive advantage. If competitors acquire components of proprietary information, any one component may be the key to the entire puzzle, thereby depriving Westinghouse of a competitive advantage.
 - (e) Unrestricted disclosure would jeopardize the position of prominence of Westinghouse in the world market, and thereby give a market advantage to the competition of those countries.
 - (f) The Westinghouse capacity to invest corporate assets in research and development depends upon the success in obtaining and maintaining a competitive advantage.
- (iii) The information is being transmitted to the Commission in confidence and, under the provisions of 10CFR Section 2.790, it is to be received in confidence by the Commission.
- (iv) The information sought to be protected is not available in public sources or available information has not been previously employed in the same original manner or method to the best of our knowledge and belief.
- (v) The proprietary information sought to be withheld in this submittal is that which is appropriately marked in "Reload Safety Evaluation Methodology for the Wolf Creek Generating Station", January, 1993 for the Wolf Creek Generating Station, being transmitted by the Wolf Creek Nuclear Operating Corporation (WCNOC) letter and Application for Withholding Proprietary Information from Public Disclosure, WCNOC to NRC Document Control Desk. The proprietary information as submitted for use by Wolf Creek Nuclear Operating Corporation for the Wolf Creek Generating Station is expected to be applicable in other licensee submittals in response to certain NRC requirements for justification of reload safety evaluation methodology.

This information is part of that which will enable Westinghouse to:

- (a) Provide documentation of the methods for plant reload safety evaluations.
- (b) Identify parameters which must be considered when performing a reload safety evaluation.
- (c) Establish applicable analytical techniques.
- (d) Assist the customer to obtain NRC approval.

Further this information has substantial commercial value as follows:

- (a) Westinghouse plans to sell the use of similar information to its customers for purposes of obtaining approval for reload safety evaluation methodology.
- (b) Westinghouse can sell support and defense of the technology to its customers in the licensing process.

Public disclosure of this proprietary information is likely to cause substantial harm to the competitive position of Westinghouse because it would enhance the ability of competitors to provide similar reload safety evaluation methodologies and licensing defense services for commercial power reactors without commensurate expenses. Also, public disclosure of the information would enable others to use the information to meet NRC requirements for licensing documentation without purchasing the right to use the information.

The development of the technology described in part by the information is the result of applying the results of many years of experience in an intensive Westinghouse effort and the expenditure of a considerable sum of money.

In order for competitors of Westinghouse to duplicate this information, similar technical programs would have to be performed and a significant manpower effort,

having the requisite talent and experience, would have to be expended for developing the analytical methods for reload safety evaluations.

Further the deponent sayeth not.

AFFIDAVIT OF JAMES H. TAYLOR

- A. My name is James H. Taylor. I am Manager of Licensing Services in the B&W Nuclear Services Company (BWNS), which is a part of B&W Nuclear Technologies (BWNT). The B&W Fuel Company is administratively responsible to B&W Nuclear Technologies and utilizes the BWNS Licensing Services. Therefore I am authorized to execute this Affidavit.
- B. I am familiar with the criteria applied by B&W to determine whether certain information of B&W is proprietary and I am familiar with the procedures established within B&W, particularly the Nuclear Services Company, to ensure the proper application of these criteria.
- C. In determining whether a B&W 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 BWNS 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 B&W. Copies of the document are clearly identified as proprietary. In addition, whenever B&W transmits the

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

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 following provision is included in all proposals submitted by B&W, and an applicable version of the proprietary provision is included in all of B&W's contracts:

"Purchaser may retain Company's proposal for use in connection with any contract resulting therefrom, and, for that purpose, make such copies thereof as may be necessary. 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

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

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."

- (ii) The following criteria are customarily applied by B&W 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 B&W, its customers or suppliers.
 - b. The information reveals data or material concerning B&W research or development plans or programs of present or potential competitive advantage to B&W.
 - 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 Babcock & Wilcox.
 - 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 Babcock & Wilcox.

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

- f. The information contains ideas for which patent protection may be sought.


The document(s) listed on Exhibit "A", which is attached hereto and made a part hereof, has been evaluated in accordance with normal B&W 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 B&W.
- (v) Specific information with regard to whether public disclosure of the information is likely to cause harm to the competitive position of B&W, taking into account the value of the information to B&W; the amount of effort or money expended by B&W 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 B&W because it contains information which falls within one or more of the

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

criteria enumerated in Paragraph D, and it is information which is customarily held in confidence and protected as proprietary information by B&W. This report comprises information utilized by B&W in its business which afford B&W 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
JAMES H. TAYLOR

Subscribed and sworn before me
this 3rd day of March 1993.

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

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

My Commission expires 4/30/96

Exhibit A

AN 93-0065

February 22, 1993

Exhibit B

<u>Description of Material</u>	<u>Applicable Criteria</u>
Attachment to AN 93-0065, Page 5 of 9, Material enclosed in brackets.	b,c,d