



THE CLEVELAND ELECTRIC ILLUMINATING COMPANY

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Dalwyn R. Davidson
VICE PRESIDENT
SYSTEM ENGINEERING AND CONSTRUCTION

June 9, 1982

Mr. A. Schwencer, Chief
Licensing Branch No. 2
Division of Licensing
U. S. Nuclear Regulatory Commission
Washington, D. C. 20555

Dear Mr. Schwencer:

Perry Nuclear Power Plant
Docket Nos. 50-440; 50-441
PROPRIETARY INFORMATION -
Control of Heavy Loads -
RPV Structural Analysis Summary

Attached herewith are five (5) copies of information proprietary to the General Electric Company Reactor Vessel Structural Analysis Summary, NEDE-25525 along with an affidavit prepared by an official of the General Electric Company describing why this information should be withheld from public disclosure in accordance with 10 CFR, Part 2.790(b)(1). This information is provided to supplement the PNPP Control of Heavy Loads Study Report No. 2329, Rev. 1 submitted September 28, 1981.

Very truly yours,

Dalwyn R. Davidson
Vice President
System Engineering and Construction

DRD:mb

cc: Jay Silberg, Esq.
John Stefano
Max Gildner

w/o Attachments

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GENERAL ELECTRIC COMPANY

AFFIDAVIT

I, Glenn G. Sherwood, being duly sworn, depose and state as follows:

1. I am Manager of Safety and Licensing, General Electric Company, 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 consists of NEDE-25525, Structural Analysis of Reactor Pressure Vessel Head Drop, Shroud Head Assembly Drop and Steam Dryer Assembly Drop Conditions.
3. In designating material as proprietary, General Electric utilizes the definition of proprietary information and trade secrets set forth in the American Law Institute's Restatement Of Torts, Section 757. This definition provides:

"A trade secret may consist of any formula, pattern, device or compilation of information which is used in one's business and which gives him an opportunity to obtain an advantage over competitors who do not know or use it.... A substantial element of secrecy must exist, so that, except by the use of improper means, there would be difficulty in acquiring information.... Some factors to be considered in determining whether given information is one's trade secret are: (1) the extent to which the information is known outside of his business; (2) the extent to which it is known by employees and others involved in his business; (3) the extent of measures taken by him to guard the secrecy of the information; (4) the value of the information to him and to his competitors; (5) the amount of effort or money expended by him in developing the information; (6) the ease or difficulty with which the information could be properly acquired or duplicated by others."

4. Some examples of categories of information which fit into the definition of proprietary information are:
 - a. Information that discloses a process, method or apparatus where prevention of its use by General Electric's competitors without license from General Electric constitutes a competitive economic advantage over other companies;

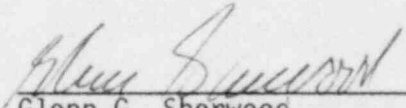
- b. Information consisting of supporting data and analyses, including test data, relative to a process, method or apparatus, the application of which provide a competitive economic advantage, e.g., by optimization or improved marketability;
 - c. Information which if used by a competitor, would reduce his expenditure of resources or improve his competitive position in the design, manufacture, shipment, installation, assurance of quality or licensing of a similar product;
 - d. Information which reveals cost or price information, production capacities, budget levels or commercial strategies of General Electric, its customers or suppliers;
 - e. Information which reveals aspects of past, present or future General Electric customer-funded development plans and programs of potential commercial value to General Electric;
 - f. Information which discloses patentable subject matter for which it may be desirable to obtain patent protection;
 - g. Information which General Electric must treat as proprietary according to agreements with other parties.
5. In addition to proprietary treatment given to material meeting the standards enumerated above, General Electric customarily maintains in confidence preliminary and draft material which has not been subject to complete proprietary, technical and editorial review. This practice is based on the fact that draft documents often do not appropriately reflect all aspects of a problem, may contain tentative conclusions and may contain errors that can be corrected during normal review and approval procedures. Also, until the final document is completed it may not be possible to make any definitive determination as to its proprietary nature. General Electric is not generally willing to release such a document to the general public in such a preliminary form. Such documents are, however, on occasion furnished to the NRC staff on a confidential basis because it is General Electric's belief that it is in the public interest for the staff to be promptly furnished with significant or potentially significant information. Furnishing the document on a confidential basis pending completion of General Electric's internal review permits early acquaintance of the staff with the information while protecting General Electric's potential proprietary position and permitting General Electric to insure the public documents are technically accurate and correct.
6. Initial approval of proprietary treatment of a document is made by the Subsection Manager of the originating component, the man most likely to be acquainted with the value and sensitivity of the information in relation to industry knowledge. Access to such documents within the Company is limited on a "need to know" basis and such documents at all times are clearly identified as proprietary.

7. The procedure for approval of external release of such a document is reviewed by the Section Manager, Project Manager, Principal Scientist or other equivalent authority, by the Section Manager of the cognizant Marketing function (or his delegate) and by the Legal Operation for technical content, competitive effect and determination of the accuracy of the proprietary designation in accordance with the standards enumerated above. Disclosures outside General Electric are generally limited to regulatory bodies, customers and potential customers and their agents, suppliers and licensees only in accordance with appropriate regulatory provisions or proprietary agreements.
8. The document mentioned in paragraph 2 above has been evaluated in accordance with the above criteria and procedures and has been found to contain information which is proprietary and which is customarily held in confidence by General Electric.
9. The information in NEDE 25525, considered proprietary to General Electric, consists of equations developed for component drop analysis.
10. The information, to the best of my knowledge and belief, has consistently been held in confidence by the General Electric Company, no public disclosure has been made, and it is not available in public sources. All disclosures to third parties have been made pursuant to regulatory provisions or proprietary agreements which provide for maintenance of the information in confidence.
11. Public disclosure of the information sought to be withheld is likely to cause substantial harm to the competitive position of the General Electric Company and deprive or reduce the availability of profit-making opportunities for the following reasons:
 1. The cost of developing the proprietary information in the figures mentioned in paragraph 2 above has been estimated to be \$50,000. These costs include services of a consultant, development of a special purpose computer program and other labor costs in formulating and verifying the equations and resultant calculations.
 2. The development of the component drop technology has been in progress since 1976. This has required:
 - a. Consultation by an expert in dynamic behavior of materials and structures.
 - b. Development and qualification of computer programs for application to this specific analysis task.
 - c. Formulation, verification and application of equations and methodology for use in predicting component drop phenomena.

3. The competitors likely to gain from disclosure of this information are Nutech, Quadrex, EDS, EDAL, NUS, etc. who compete directly with General Electric for consulting contracts of this nature.
4. Competitors in the consulting business currently lack the methods capability and experience which GE has developed for performing component drop analyses. Revealing this information would cause GE to lose its current competitive advantage.
5. Availability of this information to competitors would enable them to utilize this information without similar expenditures of effort and money.
6. The information sought to be withheld is not available in public sources.

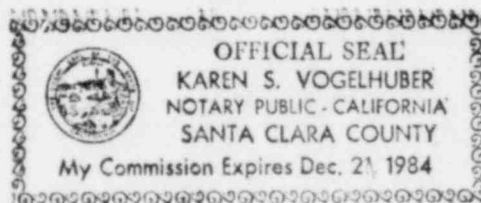
Glenn G. Sherwood, being duly sworn, deposes and says that he has read the foregoing affidavit and the matters stated therein are true and correct to the best of his knowledge, information, and belief.

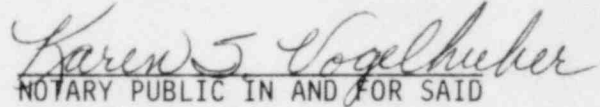
Executed at San Jose, California, this 15 day of April, 1982.


Glenn G. Sherwood
General Electric Company

STATE OF CALIFORNIA)
COUNTY OF SANTA CLARA) ss:

Subscribed and sworn before me this 15 day of April 1982.




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COUNTY AND STATE