

Duke Power Company  
McGuire Nuclear Generation Department  
12700 Hagers Ferry Road (MG01A)  
Huntersville, NC 28078-8985

T. C. McMEekin  
Vice President  
(704) 875-4800  
(704) 875-4809 FAX



DUKE POWER

February 14, 1994

Document Control Desk  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555

Subject: McGuire Nuclear Station  
Docket Nos: 50-369 and 370

Dear Sir:

By letter dated January 26, 1994, Duke Power Company transmitted to the NRC copies of B & W Nuclear Technologies (BWNT) documents #51-1228682-00, Evaluation of BWNT's Kinetic Sleeving Process (Proprietary) and #51-1228707-01, Evaluation of BWNT's Kinetic Sleeving Process, Non-Proprietary. These reports provided the basis for the susceptibility ranking system developed by BWNT to predict the life factor of sleeved tubes.

These reports have been used as the basis for an evaluation of the McGuire Units 1 and 2 sleeves currently in service. Enclosed are five copies each of BWNT documents #51-1229187-00, McGuire Unit 1 and 2 Kinetic Sleeving Evaluation (Proprietary) and #51-1229188-00, "McGuire Unit 1 & 2 Kinetic Sleeving Evaluation, Non-Proprietary". As this submittal contains information proprietary to BWNT, it is supported by an affidavit signed by BWNT, the owner of the information. The affidavit 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 10CFR2.790(b)(4).

Accordingly, it is requested that the information which is proprietary to BWNT be withheld from public disclosure in accordance with 10CFR2.790. Correspondence with respect to the proprietary aspects of the attachments or the supporting BWNT affidavit should be addressed to J. H. Taylor, Manager, Licensing Services, B&W Nuclear Technologies, 155 Mill Ridge Road, Lynchburg, Va 24502-4341.

With the McGuire Unit 1 steam generators (S/G's) currently scheduled for replacement in late 1995, Duke Power Company has decided to plug all of the sleeves in the Unit 1 S/G's and will further evaluate whether to plug all or part of the sleeves in the McGuire Unit 2 S/G's.

Please contact Robert Sharpe at (704) 875-4447 if there are any questions concerning this submittal.

9403040039 940214  
PDR ADDCK 05000369  
P PDR

Printed on recycled paper

*APOL 1/5 Prop Prop Change NRC PDR 411 Encl 1 INP*

U. S. Nuclear Regulatory Commission  
February 14, 1994  
Page 2

Very truly yours,

*TC McMeekin / TCM*

T. C. McMeekin

xc: Mr. S.D. Ebner  
Administrator, Region II  
U.S. Nuclear Regulatory Commission  
101 Marietta St., NW, Suite 2900  
Atlanta, Ga. 30323

Mr. Victor Nerses  
U.S. Nuclear Regulatory Commission  
Office of Nuclear Reactor Regulation  
Washington, D.C. 20555

Mr. G.F. Maxwell  
NRC Resident Inspector  
McGuire Nuclear Station

AFFIDAVIT OF JAMES H. TAYLOR

- A. My name is James H. Taylor. I am Manager of Licensing Services for B&W Nuclear Technologies (BWNT), and as such I am authorized to execute this Affidavit.
- B. I am familiar with the criteria applied by BWNT to determine whether certain information of BWNT is proprietary and I am familiar with the procedures established within BWNT to ensure the proper application of these criteria.
- C. In determining whether a BWNT 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 BWNT 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 BWNT. Copies of the document are clearly identified as proprietary. In addition, whenever BWNT 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 BWNT, and an applicable version of the proprietary provision is included in all of BWNT'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 BWNT 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 BWNT, its customers or suppliers.
- b. The information reveals data or material concerning BWNT research or development plans or programs of present or potential competitive advantage to BWNT.
- 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 BWNT.
- 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 BWNT.



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 BWNT 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 BWNT.
- (v) Specific information with regard to whether public disclosure of the information is likely to cause harm to the competitive position of BWNT, taking into account the value of the information to BWNT; the amount of effort or money expended by BWNT 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 BWNT because it contains information which falls within one or more of the

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

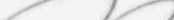
criteria enumerated in Paragraph D, and it is information which is customarily held in confidence and protected as proprietary information by BWNT. This report comprises information utilized by BWNT in its business which afford BWNT an opportunity to obtain a competitive advantage over those who may wish to know or use the information contained in the document(s).

*James H. Taylor*  
JAMES H. TAYLOR

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 25<sup>th</sup> day of January 1994.

Brenda C. Cardona  
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 July 31, 1995

EXHIBITS A & B

EXHIBIT A

BWNT Document 51-1229187-00, "McGuire Units 1 & 2 Kinetic Sleeve Evaluation", January 25, 1994.

EXHIBIT B

The above listed document contains information which is considered Proprietary in accordance with Criteria d and e of the attached affidavit.