



GE Nuclear Energy

J. E. Quinn, Projects Manager
LMR and SBWR Programs

General Electric Company
175 Curtner Avenue, M/C 165 San Jose, CA 95125-1014
408 925-1005 (phone) 408 925-3991 (facsimile)

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MFN No. 083-95
Docket STN 52-004

Document Control Desk
U. S. Nuclear Regulatory Commission
Washington DC 20555

Attention: Theodore E. Quay, Director
Standardization Project Directorate

Subject: **SBWR, UPDATED AFFIDAVIT FOR THE ENCLOSURE TO GE LETTER
MFN No. 039-95.**

Reference: GE Letter MFN No. 039-95, J. E. Quinn (GE) to R. W. Borchardt (NRC),
GE GIRAFFE TESTING AND TRACG COMPUTER CODE, dated March
8, 1995.

The enclosure to this letter is sent to replace the affidavit for the enclosure to the
referenced letter. This update of the affidavit is made to more clearly describe the
ownership of the transmitted information.

Sincerely,

James E. Quinn

James E. Quinn, Projects Manager
LMR and SBWR Programs

Enclosure: **AFFIDAVIT**

cc:	P. A. Boehnert	(NRC/ACRS)	(2 paper copies w/encl. plus E-Mail w/encl.)
	I. Catton	(ACRS)	(1 paper copy w/encl. plus E-Mail w/encl.)
	S. Q. Ninh	(NRC)	(2 paper copies w/encl. plus E-Mail w/encl.)
	D. C. Scaletti	(NRC)	(1 paper copy w/encl. plus E-Mail)
	J. H. Wilson	(NRC)	(1 paper copy w/encl. plus E-Mail w/encl.)

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General Electric Company

AFFIDAVIT

I, **George B. Stramback**, being duly sworn, depose and state as follows:

- (1) I am Project Manager, General Electric Company ("GE") 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) GE is an owner of the information sought to be withheld. This information is contained in the GE proprietary presentation material used during the March 8 & 9, 1995 meeting between Nuclear Regulatory Commission Staff and GE, to discuss GIRAFFE Testing and TRACG computer code.
- (3) In making this application for withholding of proprietary information, GE claims to have an unrestricted right to dissemination of this information and has a royalty-free license to any patent relating to this information, as defined in the contract with its associates. GE relies upon the exemption from disclosure set forth in the Freedom of Information Act ("FOIA"), 5 USC Sec. 552(b)(4), and the Trade Secrets Act, 18 USC Sec. 1905, and NRC regulations 10 CFR 9.17(a)(4), 2.790(a)(4), and 2.790(d)(1) for "trade secrets and commercial or financial information obtained from a person and privileged or confidential" (Exemption 4). The material for which exemption from disclosure is here sought is all "confidential commercial information", and some portions also qualify under the narrower definition of "trade secret", within the meanings assigned to those terms for purposes of FOIA Exemption 4 in, respectively, Critical Mass Energy Project v. Nuclear Regulatory Commission, 975F2d871 (DC Cir. 1992), and Public Citizen Health Research Group v. FDA, 704F2d1280 (DC Cir. 1983).
- (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, including supporting data and analyses, where prevention of its use by GE's competitors without license from GE constitutes a competitive economic advantage over other companies;
 - b. 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;
 - c. Information which reveals cost or price information, production capacities, budget levels, or commercial strategies of GE, its customers, or its suppliers;

- d. Information which reveals aspects of past, present, or future GE customer-funded development plans and programs, of potential commercial value to GE;
- e. Information which discloses patentable subject matter for which it may be desirable to obtain patent protection.

The information sought to be withheld is considered to be proprietary for the reasons set forth in both paragraphs (4)a., (4)b. and (4)d., above.

- (5) The information sought to be withheld is being submitted to NRC in confidence. The information is of a sort customarily held in confidence by GE and its associates, and is in fact so held. The information sought to be withheld has, to the best of my knowledge and belief, consistently been held in confidence by GE and its associates, no public disclosure has been made, and it is not available in public sources. All disclosures to third parties including any required transmittals to NRC, have been made, or must be made, pursuant to regulatory provisions or proprietary agreements which provide for maintenance of the information in confidence. Its initial designation as proprietary information, and the subsequent steps taken to prevent its unauthorized disclosure, are as set forth in paragraphs (6) and (7) following.
- (6) Initial approval of proprietary treatment of a document is made by the manager of the component to whom the work was provided, the person most likely to be acquainted with the value and sensitivity of the information in relation to industry knowledge. Access to such documents within GE is limited on a "need to know" basis.
- (7) The procedure for approval of external release of such a document typically requires review by the staff manager, project manager, principal scientist or other equivalent authority, by the 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. Disclosures outside GE are limited to regulatory bodies, customers, and potential customers, and their agents, suppliers, and licensees, and others with a legitimate need for the information, and then only in accordance with appropriate regulatory provisions or proprietary agreements.
- (8) The information identified in paragraph (2), above, is classified as proprietary because it would provide other parties, including competitors, with information related to GE fuel designs, analysis results and potential commercial offerings, which were developed at a considerable expense to GE and its associates.
- (9) Public disclosure of the information sought to be withheld is likely to cause substantial harm to GE's competitive position and foreclose or reduce the availability of profit-making opportunities. The information is part of GE's comprehensive BWR technology base, and its commercial value extends beyond the original development cost. The value of the technology base goes beyond the extensive physical database and analytical

methodology and includes development of the expertise to determine and apply the appropriate evaluation process.

The research, development, engineering, and analytical costs comprise a substantial investment of time and money by GE and its associates.

The precise value of the expertise to devise an test and evaluation process, and apply the correct analytical methodology is difficult to quantify, but it clearly is substantial.

GE's competitive advantage will be lost if its competitors are able to use the results of the GE experience to normalize or verify their own process or if they are able to claim an equivalent understanding by demonstrating that they can arrive at the same or similar conclusions.

The value of this information to GE would be lost if the information were disclosed to the public. Making such information available to competitors without their having been required to undertake a similar expenditure of resources would unfairly provide competitors with a windfall, and deprive GE of the opportunity to exercise its competitive advantage to seek an adequate return on its large investment in developing these very valuable analytical tools.

STATE OF CALIFORNIA)
)
COUNTY OF SANTA CLARA)

 ss:

George B. Stramback, 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 9th day of June 1995.

George B. Stramback
George B. Stramback
General Electric Company

Subscribed and sworn before me this 9th day of June 1995.

Julie A. Curtis
Notary Public, State of California

