



GE Nuclear Energy

J. E. Quinn, Projects Manager
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February 23, 1996

MFN 027-96
Docket 52-004

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

Attention: Theodore E. Quay, Director
Standardization Project Directorate

Subject: **SBWR - Highlights and Transmittal of Proprietary GE Slides from the
GE/NRC Meeting February 15, 1996.**

Reference Letter MFN 026-96, SBWR - Highlights and Transmittal of Non Proprietary GE Slides
from the GE/NRC Meeting February 15, 1996, dated February 23, 1996.

This letter is written to document highlights from the Subject meeting, and to transmit the Proprietary GE Slides as an Attachment to this letter. The Non Proprietary submittal of these materials has been submitted via the referenced letter.

PANTHERS: The results of the PANTHERS Testing will be used for global qualification of the TRACG Code; the basic data from the University of California, Berkeley, (UCB) were used for correlation development. TRACG predicts performance of the PCC over a wide range of conditions. The TRACG post-test analysis results show good agreement with the test data. The NRC consultants' analyses are also showing good predictions of the PANTHERS test data. GE believes no further data are needed to characterize PCC performance. Detailed discussions provided clarifications on what was measured and which instruments should be used for specific data. The discussion was deemed quite useful by the participants in understanding how the data was taken and how it is being used to validate TRACG.

Scaling: The schedule for the review of the Scaling report was discussed. The testing is virtually complete. GE would like to receive agreement from the NRC to the effect that the facilities were scaled properly to capture the phenomenological behavior in the various phases of the LOCA transient, and that the data are appropriate for validation of the TRACG code for SBWR design and analysis. The NRC Staff stated a need for final validation of the scaling by the test data. GE believes the NRC should review the report and comment on the acceptability of the methodology, subject to final validation by the test results. The NRC Consultants presented their findings to date. Review of the Scaling Report is nearing completion and written feedback from the NRC to GE is expected March, 1996.

TRACG Model LTR The TRACG Model Licensing Topical Report (LTR) was submitted to NRC February 23, 1996. NRC agreed that they could respond as to the acceptability of the report for review and conformance to NUREG-1230 and that it addressed previously identified issues by NRC/ACRS within 60 days, April, 1996.

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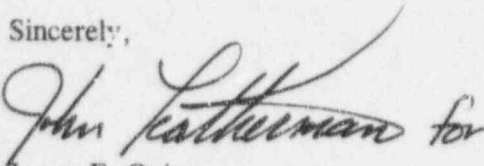


GE Nuclear Energy

MFN 027-96

Should you have any questions concerning the attachments please contact Bharat Shiralkar of our staff on 408-925- 6889.

Sincerely,


James E. Quinn

Attachment: **Proprietary GE Slides from the GE/NRC Meeting February 15, 1996**

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



MFN 027-96

bcc: (E-Mail of transmittal letter only except as noted)

J. A. Beard

R. H. Buchholz

T. Cook (DoE) (2 paper copies w/att. plus E-Mail of transmittal letter only)

R. T. Fernandez (EPRI)

J. N. Fox

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T. J. Mulford (EPRI) (2 paper copies w/att. plus E-Mail of transmittal letter only)

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J. E. Torbeck

GE Master File (1 paper copy w/att. plus E-Mail of transmittal letter only)

SBWR Project File (1 paper copy w/att. plus E-Mail of transmittal letter only)

General Electric Company

AFFIDAVIT

I, Joseph F. Quirk, being duly sworn, depose and state as follows:

- (1) I am Joseph F. Quirk, Project Manager, ABWR Certification, 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 attachment to GE letter MFN 027-96, J. E. Quinn (GE) to T. E. Quay (NRC), **SBWR - Highlights and Transmittal of Proprietary GE Slides from the GE/NRC Meeting February 15, 1996**, dated February 23, 1996. Proprietary information is delineated by bars marked in the right-hand margin adjacent to the specific material.
- (3) In making this application for withholding of proprietary information, 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 licensure 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 contains detailed results of analytical models, methods and processes, including computer codes which would provide other parties, including competitors, with information related to GE (*fuel designs, analysis results and potential commercial offerings for the SBWR plant design*), which were developed at a considerable expense to GE and its associates.

The development of the evaluation process along with the interpretation and application of the analytical results is derived from the extensive experience database that constitutes a major asset 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 testing and an 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.

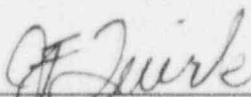
STATE OF CALIFORNIA)
)
COUNTY OF SANTA CLARA)

SS:

Joseph F. Quirk, being duly sworn, deposes and says:

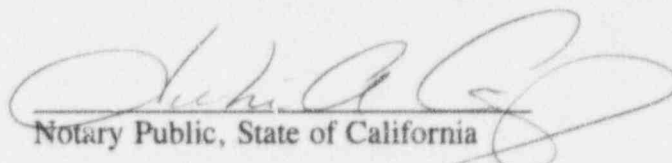
That he has read the foregoing affidavit and the matters stated therein are true and correct to the best of his knowledge, information, and belief.

Executed at San Jose, California, this 23rd day of February 1996.



Joseph F. Quirk
General Electric Company

Subscribed and sworn before me this 23rd day of February 1996.



Notary Public, State of California

