



Entergy Operations

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June 19, 1992

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PROPRIETARY INFORMATION

U. S. Nuclear Regulatory Commission
Document Control Desk
Mail Station P1-137
Washington, DC 20555

Subject: Arkansas Nuclear One - Unit 2
Docket No. 50-368
License No. NPF-6
Information Concerning Combustion Engineering
Steam Generator Tube Sleaving Process

Gentlemen:

Entergy Operations has recently discussed with members of the NRR Staff the use of Combustion Engineering's (CE) leak tight sleeves to repair the Arkansas Nuclear One, Unit 2 (ANO-2) steam generators during the upcoming refueling outage (2R9) currently scheduled to begin on September 4, 1992. A proposed Technical Specification change request associated with the use of the CE sleeves was also discussed. CE is currently preparing a site specific licensing report in support of the Technical Specification change. These sleeves have been or soon will be installed in two sets of European steam generators.

To aid in the review of the forthcoming proposed ANO-2 Technical Specification change request, Entergy Operations proposed providing a copy of the licensing report prepared by CE for one of the European facilities. Attachment 1 provides a copy of Asociacion Nuclear Asco, Units 1 & 2 licensing report. This report details analyses and testing performed to verify the adequacy of repair sleeves for installation in a nuclear steam generator tube.

Entergy Operations is planning to use the same type of sleeves as will be installed at ASCO. The ANO-2 report will be essentially identical to the ASCO report with the exception of the site specific analyses in Chapters 8 and 10.

The attached report contains information proprietary to CE, therefore an affidavit is being provided that sets forth the basis on which the information should be withheld from public disclosure by the Commission. Accordingly, it is respectfully requested that Attachment 1 be withheld from public disclosure in accordance with Title 10 of the Code of Federal Regulations, Section 2.790.

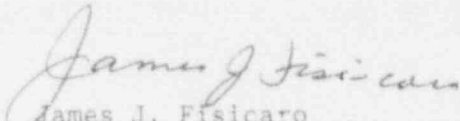
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If you have any questions concerning this submittal, please contact me.

Very truly yours,


James J. Fisicaro
Director, Licensing

JJF/RWC/sjf
Attachment

cc: Mr. Robert Martin
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AFFIDAVIT PURSUANT

TO 10 CFR 2.790

Combustion Engineering, Inc.)
State of Connecticut)
County of Hartford) SS.:

I, S. A. Toelle, depose and say that I am the Manager, Nuclear Licensing, of Combustion Engineering, Inc., duly authorized to make this affidavit, and have reviewed or caused to have reviewed the information which is identified as proprietary and referenced in the paragraph immediately below. I am submitting this affidavit in conformance with the provisions of 10 CFR 2.790 of the Commission's regulations in conjunction with Entergy Operations, Inc. for withholding this information.

The information for which proprietary treatment is sought is contained in the following document:

CEN-600-P, "Asociacion Nuclear Asco Units 1 & 2, Steam Generator Tube Repair Using Leak Tight Sleeves, Final Report," April 1992.

This document has been appropriately designated as proprietary.

I have personal knowledge of the criteria and procedures utilized by Combustion Engineering in designating information as a trade secret, privileged or as confidential commercial or financial information.

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, included in the above referenced document, should be withheld.

1. The information sought to be withheld from public disclosure, which is owned and has been held in confidence by Combustion Engineering, is the design, development, and analysis of the welded steam generator sleeve.
2. The information consists of test data or other similar data concerning a process, method or component, the application of which results in substantial competitive advantage to Combustion Engineering.
3. The information is of a type customarily held in confidence by Combustion Engineering and not customarily disclosed to the public. Combustion Engineering 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 details of the aforementioned system were provided to the Nuclear Regulatory Commission via letter DP-537 from F. M. Stern to Frank Schroeder dated December 2, 1974. This system was applied in determining that the subject document herein is proprietary.
4. The information is being transmitted to the Commission in

confidence under the provisions of 10 CFR 2.790 with the understanding that it is to be received in confidence by the Commission.

5. The information, to the best of my knowledge and belief, is not available in public sources, and any disclosure to third parties has been made pursuant to regulatory provisions or proprietary agreements which provide for maintenance of the information in confidence.
6. Public disclosure of the information is likely to cause substantial harm to the competitive position of Combustion Engineering because:
 - a. A similar product is manufactured and sold by major pressurized water reactor competitors of Combustion Engineering.
 - b. Development of this information by C-E required thousands of manhours and millions of dollars. To the best of my knowledge and belief, a competitor would have to undergo similar expense in generating equivalent information.
 - c. In order to acquire such information, a competitor would also require considerable time and inconvenience to perform the design, development, and analysis of the welded steam generator sleeve.
 - d. The information required significant effort and expense to obtain the licensing approvals necessary for application of

the information. Avoidance of this expense would decrease a competitor's cost in applying the information and marketing the product to which the information is applicable.

- e. The information consists of the design, development, and analysis of the welded steam generator sleeve, the application of which provides a competitive economic advantage. The availability of such information to competitors would enable them to modify their product to better compete with Combustion Engineering, take marketing or other actions to improve their product's position or impair the position of Combustion Engineering's product, and avoid developing similar data and analyses in support of their processes, methods or apparatus.
- f. In pricing Combustion Engineering's products and services, significant research, development, engineering, analytical, manufacturing, licensing, quality assurance and other costs and expenses must be included. The ability of Combustion Engineering's competitors to utilize such information without similar expenditure of resources may enable them to sell at prices reflecting significantly lower costs.
- g. Use of the information by competitors in the international marketplace would increase their ability to market nuclear steam supply systems by reducing the costs associated with their technology development. In addition, disclosure would have an adverse economic impact on Combustion

Engineering's potential for obtaining or maintaining
foreign licensees.

Further the deponent sayeth not.

S. A. Toelle

S. A. Toelle
Manager
Nuclear Licensing

Sworn to before me
this 8th day of June, 1992

Laurie J. White
Notary Public

My commission expires: 3/31/94

ATTACHMENT 1