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W. G. Hairston, III  
Senior Vice President  
Nuclear Operations

the southern electric system

HL-3050  
004371

November 20, 1992

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

PLANT HATCH - UNITS 1, 2  
NRC DOCKETS 50-321, 50-366  
OPERATING LICENSES DPR-57, NPF-5  
RESPONSE TO REQUEST FOR INFORMATION  
AND APPLICATION FOR WITHHOLDING  
(NRC TAC NOS. M84534 AND M84535)

Gentlemen:

Pursuant to the telephone conference between the Nuclear Regulatory Commission (NRC) and Georgia Power Company (GPC) representatives on November 17, 1992, GPC hereby submits a revised, redacted copy of the September 25, 1992 Draft Nuclear Operating Agreement between Georgia Power Company and Southern Nuclear Operating Company. The attached revised, redacted version of the Nuclear Operating Agreement and the supporting affidavit are submitted to replace the redacted copy of the Nuclear Operating Agreement and the supporting affidavit attached to GPC's October 8, 1992 letter to NRC.

Pursuant to 10 CFR 2.790(b)(1), GPC, on behalf of itself and as agent for Oglethorpe Power Corporation, the Municipal Electric Authority of Georgia and The City of Dalton, Georgia, requests that the full text, confidential version of the Nuclear Operating Agreement submitted by GPC's October 8, 1992 letter, be withheld from public disclosure on the ground that such agreement contains privileged or confidential commercial or financial information. In accordance with 10 CFR 2.790(b)(1), an affidavit in support of this application for withholding, by Mr. W. G. Hairston, III, Senior Vice President of GPC and Executive Vice President of Southern Nuclear, is attached herewith. The affidavit provides the licensee's justification for withholding each provision of the Nuclear Operating Agreement which has been omitted from the attached revised, redacted version. The attached revised, redacted, copy of the Nuclear Operating Agreement is not confidential and may be placed in the NRC's public document room.

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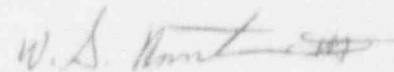
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Should you have any questions concerning this matter, please contact Mr. S. J. Bethay at (205) 877-7392.

Sincerely,

  
W. G. Hairston, III

SJB/cr

Enclosures: 1. Affidavit of W. G. Hairston, III  
2. September 25, 1992 Draft Nuclear Operating Agreement between Georgia Power Company and Southern Nuclear Operating Company - REVISED, REDACTED NON-CONFIDENTIAL

cc: Georgia Power Company  
Mr. R. P. McDonald  
Mr. J. T. Beckham, Jr.  
Mr. H. L. Sumner, General Manager - Nuclear Plant  
NORMS

U.S. Nuclear Regulatory Commission, Washington, D.C.  
Mr. K. Jabbour, Licensing Project Manager - Hatch

U.S. Nuclear Regulatory Commission, Region II  
Mr. S. D. Ebnetter, Regional Administrator  
Mr. L. D. Wert, Senior Resident Inspector - Hatch

State of Georgia  
Mr. J. D. Tanner, Commissioner, Department of Natural Resources

Trotman, Sanders, Lockerman & Ashmore  
Mr. A. Domby

Oglethorpe Power Corporation  
Mr. D. L. Self  
Mr. D. Smith

# A F F I D A V I T

STATE OF ALABAMA

COUNTY OF SHELBY

Personally appeared before the undersigned attesting officer, duly authorized to administer oaths in the State and County aforesaid, W. G. Hairston, III, who, after being duly sworn, states and deposes on oath as follows:

1. My name is W. G. Hairston, III and, as an officer of both the Georgia Power Company (GPC) and the Southern Nuclear Operating Company, I am authorized to execute this Affidavit on behalf of GPC and Southern Nuclear. All statements contained in this Affidavit are true and correct to the best of my knowledge, information and belief.
2. I have read the September 25, 1992 Draft Nuclear Operating Agreement between Georgia Power Company and Southern Nuclear Operating Company (the "Operating Agreement") and have consulted with such employees of GPC and Southern Nuclear as I deemed necessary concerning its contents.
3. The Operating Agreement contains confidential or privileged commercial or financial information which should be withheld from public disclosure pursuant to 10 CFR 2.790 based on the following:
  - a. The Operating Agreement is a draft agreement which is undergoing final approval by the owners of Plants Hatch and Vogtle (GPC, Oglethorpe Power Corporation [a corporation consisting of member electric membership corporation], the Municipal Electric Authority of Georgia, and The City of Dalton, Georgia) (hereafter the "Owners"), their respective legal counsel and governmental authorities having jurisdiction over matters involving the Operating Agreement.
  - b. The Operating Agreement has been held in confidence by GPC and Southern Nuclear and has been disclosed only to Southern Nuclear, the Owners, their respective legal counsel, and such governmental authorities as have jurisdiction over matters involving the Operating Agreement.
  - c. Except as provided in paragraph (b) above, the provisions of the Operating Agreement which are referenced in paragraphs (d) and (e) below are customarily held in confidence by Southern Nuclear.
  - d. The Operating Agreement contains certain provisions (identified by section, page and line on Exhibit A attached hereto and incorporated herein by reference) which, if disclosed to the public could adversely affect the ability of Southern Nuclear to negotiate more favorable terms and conditions in operating agreements for other nuclear facilities and thereby cause substantial economic harm to

Southern Nuclear. Third party owners of other nuclear plants negotiating an operating services contract with Southern Nuclear could utilize the provisions identified on Exhibit A to seek a contract which is more favorable to such owner than the Operating Agreement, to the economic detriment of Southern Nuclear. Further, such disclosure could preclude Southern Nuclear from obtaining contracts with such third parties which are more favorable than the Operating Agreement.

- e. The Operating Agreement contains the following provisions which, if disclosed to the public could provide information to third parties who contract to provide equipment, materials and services to Southern Nuclear which will enable such third parties to gain an advantage during contract negotiations with Southern Nuclear (by virtue of knowing what Southern Nuclear has been authorized by GPC to concede in such contracts) thereby causing Southern Nuclear substantial economic harm:

Section 1.11 (P. 5, L. 6 through P. 6, L. 5)

Section 2.8.2 (P. 21, LL. 6-9 and P. 21, L. 25 through P. 23, L. 23)

FURTHER AFFIANT SAYETH NOT.

W. S. Martin Jr.

Sworn to and subscribed  
before me this 20<sup>th</sup> day  
of November, 1992.

Sherry Ann Mitchell  
Notary Public MY COMMISSION EXPIRES DEC. 15, 1992

(NOTARIAL SEAL)

EXHIBIT A

<u>Section</u>	<u>Page and Lines</u>
1.11	P. 5, L. 6 - P. 6, L. 5
2.7.1	P. 17, LL. 11-21
2.8.1	P. 20, LL. 9-23
2.8.2	P. 21, LL. 6-9 P. 21, L. 25 - P. 23, L. 23
3.2	P. 25, L. 23 - P. 26, L. 8
3.2.1	P. 26, L. 22 - P. 28, L. 20
3.3.5	P. 31, L. 20 - P. 32, L. 5
3.3.6	P. 32, LL. 6-11
3.3.9	P. 32, L. 25 - P. 33, L. 7
3.3.10	P. 33, LL. 15-17
3.4	P. 34, LL. 8-20
3.6	P. 35, LL. 4-23
3.7	P. 36, LL. 7-12
5.1.2	P. 38, L. 26 - P. 39, L. 7 P. 39, LL. 11-12 and 18-24
5.1.4	P. 40, LL. 12-22
5.1.5	P. 41, L. 14
5.1.7	P. 42, L. 10 - P. 43, L. 9
5.2	P. 43, LL. 16-21
6.1	P. 44, LL. 15-20
6.3	P. 45, L. 25 - P. 46, L. 4
7.2	P. 47, L. 24 - P. 48, L. 18
10.1	P. 55, LL. 19-20 P. 56, LL. 20-21