



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

December 12, 1996

Mr. Ian C. Rickard, Director
Operations Licensing
Combustion Engineering, Inc.
P.O. Box 500
1000 Prospect Hill Road
Windsor, Connecticut 06095

SUBJECT: REQUEST FOR WITHHOLDING INFORMATION FROM PUBLIC DISCLOSURE FOR ABB-COMBUSTION ENGINEERING LETTER OF FEBRUARY 13, 1996

Dear Mr. Rickard:

Your letter of February 13, 1996, (LD-96-004) submitted presentation material on ABB-Combustion Engineering (ABB-CE) Emergency Core Cooling System (ECCS) safety analysis Appendix K and realistic evaluation models, for the meeting held between the Nuclear Regulatory Commission (NRC) and ABB-CE on January 23, 1996, at the NRC offices in Rockville, Maryland.

In the letter, you stated that certain designated information in Enclosure 1 to the letter was considered proprietary information consisting of trade secrets, privileged or confidential commercial or financial information. You requested that this information be withheld from public disclosure pursuant to 10 CFR 2.790.

You also provided an affidavit, as Enclosure 2 to your letter, dated February 13, 1996, executed by yourself. The affidavit stated, and Enclosure 1 identified, that Enclosure 1 contained designated information owned and held in confidence by Combustion Engineering which should be considered exempt from mandatory public disclosure for the following reasons:

- a. A similar product is manufactured and sold by major pressurized water reactor competitors of Combustion Engineering.
- b. Development of this information by Combustion Engineering required tens of thousands of dollars and hundreds of manhours of effort. 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 related to development of Small Break LOCA Realistic Evaluation Model and Appendix K Evaluation Model methodologies and strategies.

- d. The information consists of Combustion Engineering Small Break LOCA Realistic Evaluation Model and Appendix K Evaluation Model methodologies and strategies 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.
- e. 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.
- f. 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.

We have reviewed your submittal and the material in accordance with the requirements of 10 CFR 2.790 and, on the basis of Combustion Engineering's statements, have determined that the submitted information sought to be withheld does contain trade secrets or proprietary commercial information.

Therefore, we have determined that Enclosure 1 of the letter, which is marked as proprietary, will be withheld from public disclosure pursuant to 10 CFR 2.790(b)(5) and Section 103(b) of the Atomic Energy Act of 1954, as amended.

Withholding from public inspection shall not affect the right, if any, of persons properly and directly concerned to inspect the documents. If the need arises, we may send copies of this information to our consultants working in this area. We will, of course, ensure that the consultants have signed the appropriate agreements for handling proprietary information.

If the basis for withholding this information from public disclosure should change in the future such that the information could then be made available for public inspection, you should promptly notify the Nuclear Regulatory Commission (NRC). You should also understand that NRC may have cause to review this determination in the future if, for example, the scope of a

I. Rickard

- 3 -

December 12, 1996

Freedom of Information Act request included your information. In all review situations, if the NRC needs additional information from you or makes a determination adverse to the above, you will be notified in advance of any public disclosure.

Sincerely,



Stewart L. Magruder, Project Manager
Generic Issues and Environmental Projects Branch
Division of Reactor Program Management
Office of Nuclear Reactor Regulation

cc: See next page

I. Rickard

- 3 -

December 12, 1996

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Sincerely,

Original Signed By:

Stewart L. Magruder, Project Manager
Generic Issues and Environmental Projects Branch
Division of Reactor Program Management
Office of Nuclear Reactor Regulation

cc: See next page

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