INSTRUMENT SETPOINT METHODOLOGY GROUP

N3-1, 2301 Market Street
Philadelphia, Pa. 19101

John F. Carolan
Chairman

September 30, 1985

Mr. B. J. Youngblood, Chief
Licensing Branch No. 1
Division of Licensing
U.S. Nuclear Regulatory Commission
Washington, DC 20555

Subject: Proprietary Treatment of Setpoint Methodology Program Documents.

Reference: Letter from B. J. Youngblood to J. F. Carolan, dated August 13, 1985.

Dear Mr. Youngblood:

In response to your letter of August 13, 1985, I am enclosing the affidavit supplied by General Electric Company attesting to the confidential of the information supplied to the Nuclear Regulatory Commission (NRC) by the Instrument Setpoint Methodology Group (ISMG).

The documents submitted to the NRC, as identified herein, contains information which the General Electric Company customarily maintains in confidence and withholds from public disclosure. The information has been handled, classified, and designated in the documents as proprietary to General Electric, as indicated in the attached affidavit, and we hereby request that the same be withheld from public disclosure in accordance with provisions of 10CFR2.790.

Documents supplied in the ISMG letter dated September 24, 1984, are as follows:

a) Response to NRC Item 5.6, Statistical Methods, September 6, 1984.

b) Response to NRC Item 5.7, Computer Code Modeling Conservations, August 1, 1984.

c) Response to NRC Item 5.8, Safety Limits, August 31, 1984.

d) General Electric Instrument Setpoint Methodology (Preliminary), V. Handa, E. C. Eckert, December 1983.

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Documents supplied in ISMG letter dated March 1, 1984, are as follows:

a) Response to NRC Item 5.2, 5.3, and 5.4, Calculation of Instrument Inaccuracies and Drift Values, October 1, 1984.

b) Response to NRC Item 5.1, Environmental Effects, October 1, 1984.

c) Response to NRC Item 5.4b, APRM Validation Calculation, October 1, 1984.

The following two documents where supplied to the NRC staff in draft form for their comments:

1. Proposed General Electric Instrument Setpoint Methodology, May 1985.

2. Proposed General Electric Instrument Accurary and Drift Validation Methodology, May 1985.

Please contact J. F. Carolan on (215) 841-4659, if there are any questions.

John F. Carolan
Chairman

JFC/sjf/9308501
Enclosure: As stated

GENERAL ELECTRIC

NUCLEAR ENERGY BUSINESS OPERATIONS
GENERAL ELECTRIC COMPANY • 175 CURTNER AVENUE • SAN JOSE, CALIFORNIA 95125

AFFIDAVIT

I, Rudolph Villa, being duly sworn, depose and state as follows:

1. I am Manager, Products Licensing, General Electric Company, 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. The information sought to be withheld is contained in the following documents, and is marked to designate it as proprietary.

   (a) Proposed General Electric Instrument Setpoint Methodology, May 1985

   (b) Proposed General Electric Instrument accuracy and Drift Validation Methodology, May 1985

   (c) General Electric Instrument Setpoint Methodology (Preliminary), V. Handa, E.C. Eckert, December 1983.

   (d) Response to NRC Item 5.1, Environmental Effects, October 1, 1984

   (e) Response to NRC Items 5.2, 5.3, and 5.4, Calculation of Instrument Inaccuracies and Drift Values, October 1, 1984

   (f) Response to NRC Item 5.4b, APRM Validation Calculation, October 1, 1984

   (g) Response to NRC Item 5.6, Statistical Methods, September 6, 1984

   (h) Response to NRC Item 5.7, Computer Code Modeling Conservatisms, August 1, 1984

   (i) Response to NRC Item 5.8, Safety Limits, August 31, 1984

3. In designating material as proprietary, General Electric utilizes the definition of proprietary information and trade secrets set forth in the American Law Institute's Restatement Of Torts, Section 757. This definition provides:

   "A trade secret may consist of any formula, pattern, device or compilation of information which is used in one's business and which gives him an opportunity to obtain an advantage over competitors who do not know or use it.... A substantial element of secrecy must exist, so that, except by the use of improper means, there would be difficulty in acquiring information.... Some factors to be considered in determining whether given information is one's trade secret are: (1) the extent to which the information is known outside

of his business; (2) the extent to which it is known by employees and others involved in his business; (3) the extent of measures taken by him to guard the secrecy of the information; (4) the value of the information to him and to his competitors; (5) the amount of effort or money expended by him in developing the information; (6) the ease or difficulty with which the information could be properly acquired or duplicated by others."

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 where prevention of its use by General Electric's competitors without license from General Electric constitutes a competitive economic advantage over other companies;

   b. Information consisting of supporting data and analyses, including test data, relative to a process, method or apparatus, the application of which provide a competitive economic advantage, e.g., by optimization or improved marketability;

   c. 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;

   d. Information which reveals cost or price information, production capacities, budget levels or commercial strategies of General Electric, its customers or suppliers;

   e. Information which reveals aspects of past, present or future General Electric customer-funded development plans and programs of potential commercial value to General Electric;

   f. Information which discloses patentable subject matter for which it may be desirable to obtain patent protection;

   g. Information which General Electric must treat as proprietary according to agreements with other parties.

5. In addition to proprietary treatment given to material meeting the standards enumerated above, General Electric customarily maintains in confidence preliminary and draft material which has not been subject to complete proprietary, technical and editorial review. This practice is based on the fact that draft documents often do not appropriately reflect all aspects of a problem, may contain tentative conclusions and may contain errors that can be corrected during normal review and approval procedures. Also, until the final document is completed it may not be possible to make any definitive determination as to its proprietary

nature. General Electric is not generally willing to release such a document to the general public in such a preliminary form. Such documents are, however, on occasion furnished to the NRC staff on a confidential basis because it is General Electric's belief that it is in the public interest for the staff to be promptly furnished with significant or potentially significant information. Furnishing the document on a confidential basis pending completion of General Electric's internal review permits early acquaintance of the staff with the information while protecting General Electric's potential proprietary position and permitting General Electric to insure the public documents are technically accurate and correct.

6. Initial approval of proprietary treatment of a document is typically made by the Subsection Manager of the originating component, who is most likely to be acquainted with the value and sensitivity of the information in relation to industry knowledge. Access to such documents within the Company is limited on a "need to know" basis and such documents are clearly identified as proprietary.

7. The procedure for approval of external release of such a document typically requires review by the Section Manager, Project Manager, Principal Scientist or other equivalent authority, by the Section 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 in accordance with the standards enumerated above. Disclosures outside General Electric are generally limited to regulatory bodies, customers and potential customers and their agents, suppliers and licensees only in accordance with appropriate regulatory provisions or proprietary agreements.

8. The documents mentioned in paragraph 2 above have been evaluated in accordance with the above criteria and procedures and have been found to contain information which is proprietary and which is customarily held in confidence by General Electric.

9. The detailed design data, calculation procedures, instrumentation drawings, and process data are considered proprietary.

10. The information to the best of my knowledge and belief, has consistently been held in confidence by the General Electric Company, no public disclosure has been made, and it is not available in public sources. All disclosures to third parties have been made pursuant to regulatory provisions or proprietary agreements which provide for maintenance of the information in confidence.

11. Public disclosure of the information sought to be withheld is likely to cause substantial harm to the competitive position of the General Electric Company and deprive or reduce the profit making opportunities. Specifically:

- Documents listed in items 2d through 2i consist of detailed expert responses to specific topics of interest to the NRC. These documents are synergistic in nature. That is, portions of the documents contain information available to the public and of little commercial value. However, the development and integration of this information into a consistent and technically viable methodology makes it possible to determine setpoints which provide increased plant operating flexibility while at the same time satisfying a number of potentially conflicting operational and licensing requirements. This ability to satisfy potentially conflicting requirements derives directly from an integrated approach toward plant transient, instrument design and plant systems design aspects such that the technical value of the methodology taken as a whole significantly exceeds that of the individual parts.

- Documents 2a, b and c combine in comprehensive fashion the methods developed in documents 2d through 2i. Document 2c is a preliminary version prepared for early review with the NRC. Documents 2a and 2b are final versions prepared for NRC review and acceptance. The synergistic aspects of these documents are more significant even than those of documents 2d through 2i. Documents 2a, b and c provide a total description of the methodology and are usable for virtually any instrument application including BWR applications as well, potentially, as other nuclear and non-nuclear applications.

- The integrated approach contained in the documents represents the combined expert contributions of over 30 individuals and over 10 man-years of effort. The release of the integrated approach supported by these documents would permit competitors to apply the resulting calculation techniques to virtually any reactor plant design and substantially reduce General Electric Company profit making opportunities.

- Actual recent General Electric Company experience with owners of both operating reactors and plants under construction has confirmed that the problem of assembling appropriate expertise and integrating the available knowledge to produce a viable setpoint methodology is indeed a significant technical barrier. A company who had access to the subject information would gain a valuable advantage in overcoming this barrier.

In short, the methodology defined by the information sought to be withheld is a synergistic compilation of significant technical expertise which has significant commercial value to the General Electric Company.

GENERAL ELECTRIC

STATE OF CALIFORNIA)
COUNTY OF SANTA CLARA) ss:

Rudolph Villa, 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 17th day of September, 1985.

Rudolph Villa

Rudolph Villa
General Electric Company

Subscribed and sworn before me this 17th day of September 1985

OFFICIAL SEAL
KAREN S VOGELHUBER
NOTARY PUBLIC - CALIFORNIA
SANTA CLARA COUNTY
My comm. expires DEC 30, 1988

Karen S. Vogelhuber
NOTARY PUBLIC, STATE OF CALIFORNIA

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