January 8, 2001

Mr. John K. Wood
Vice President - Nuclear, Perry
FirstEnergy Nuclear Operating Company
P.O. Box 97, A200
Perry, OH 44081

SUBJECT: PERRY NUCLEAR POWER PLANT, UNIT NO. 1 - REQUEST FOR WITHHOLDING INFORMATION FROM PUBLIC DISCLOSURE (TAC NO. MB0733)

Dear Mr. Wood:

By letter from FirstEnergy dated December 11, 2000 (PY-CEI/NRR-2529L), and Global Nuclear Fuel - Americas, L.L.C. (GNF-A)'s affidavit, executed by Glen A. Watford, dated November 3, 2000, the following proprietary document was submitted:

> "Additional Information Regarding the Cycle Specific SLMCPR for Perry Unit 1 Cycle 9," October 25, 2000

GNF-A requested that the proprietary information be withheld from public disclosure pursuant to 10 CFR 2.790. GNF-A stated that the information should be considered exempt from mandatory public disclosure for the following reasons:

(4)a Information that discloses a process, method, or apparatus, including supporting data and analyses, where prevention of its use by GNF-A's competitors without license from GNF-A constitutes a competitive economic advantage over other companies;

(4)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 licensing of a similar product;

(8) The information provided (in the proprietary report) is classified as proprietary because it contains details of GNF-A's fuel design and licensing methodology.

The development of the methods used in these analyses, along with the testing, development and approval of the supporting methodology was achieved at a significant cost, on the order of several million dollars, to GNF-A or its licensor.

(9) Public disclosure of the information sought to be withheld is likely to cause substantial harm to GNF-A's competitive position and foreclose or reduce the availability of profit-making opportunities. The fuel design and licensing methodology is part of GNF-A's comprehensive boiling-water reactor (BWR) safety and 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. In addition, the technology base includes the value derived from providing analyses done with NRC-approved methods.

The research, development, engineering, analytical, and NRC review costs comprise a substantial investment of time and money by GNF-A or its licensor.

The precise value of the expertise to devise an evaluation process and apply the correct analytical methodology is difficult to quantify, but it clearly is substantial.

GNF-A's competitive advantage will be lost if its competitors are able to use the results of the GNF-A 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 GNF-A 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 GNF-A of the opportunity to exercise its competitive advantage to seek an adequate return on its large investment in developing and obtaining these very valuable analytical tools.

We have reviewed your submittal and the material in accordance with the requirements of 10 CFR 2.790 and, on the basis of GNF-A's statements, have determined that the submitted information sought to be withheld contains trade secrets or proprietary commercial information. Therefore, the information marked as proprietary in your submittal of December 11, 2000, 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 document. If the need arises, we may send copies of this information to our consultants working in this area. We will, or course, ensure that the consultants have signed the appropriate agreements for handling proprietary information.

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

request includes 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,

/RA/

Douglas V. Pickett, Senior Project Manager, Section 2
Project Directorate III
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket No. 50-440

cc: See next page

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Sincerely,

/RA/

Douglas V. Pickett, Senior Project Manager, Section 2
Project Directorate III
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket No. 50-440

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cc:

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