Palo Verde Nuclear
Generating Station

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10 CFR 50.90
10 CFR 2.790

102-04528-CDM/SAB/JAP
February 8, 2000

U.S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Mail Station P1-37
Washington, DC 20555-0001

References: 1) Letter dated June 8, 2000 "Request for Amendment to Technical Specification 5.6.5, Core Operating Limits Report (COLR) (CASMO-4/SIMULATE-3)," from C. D. Mauldin, Arizona Public Service Co., to USNRC

Dear Sirs:

Subject: **Palo Verde Nuclear Generating Station (PVNGS)**
Units 1, 2 and 3
Docket Nos. STN 50-528/529/530
Proprietary Affidavit for CASMO-4/SIMULATE-3
Technical Specification 5.6.5 Amendment Request

In Reference 1 Arizona Public Service Company (APS) submitted to the NRC a Technical Specification (TS) amendment request for the addition of CASMO-4/SIMULATE-3 to TS 5.6.5. Reference 1 contained proprietary information. At that time, APS referenced previously submitted affidavits to support withholding the proprietary information contained in the TS amendment request from public disclosure. Subsequent to the June 8, 2000 letter, the NRC staff has determined that a separate affidavit for the TS amendment request is required. Enclosure 1 to this letter contains this affidavit.

No commitments are being made to the NRC by this letter.

Should you have any questions, please contact Scott A. Bauer at (623) 393-5978.

Sincerely,

David D Mauldin

CDM/SAB/JAP/kg

Enclosure

cc: E. W. Merschoff
J. N. Donohew
J. H. Moorman

A001

ENCLOSURE 1

Proprietary Affidavit for CASMO-4/SIMULATE-3 Technical Specification Amendment Request

AFFIDAVIT PURSUANT TO 10 CFR 2.790

I, Philip W. Richardson, depose and say that I am the Licensing Project Manager, CE Nuclear Power LLC (CENP), 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 and in conjunction with the application of Arizona Public Service Company for withholding this information.

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

> Enclosure 2 to 102-04455-CDM/SAB/JAP, "Arizona Public Service PWR Reactor Physics Methodology Using CASMO-4/SIMULATE-3", June 8, 2000

This document has been appropriately designated as proprietary.

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

Pursuant to the provisions of Section 2.790(b)(4) 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, is owned and has been held in confidence by CENP. It consists of biases, uncertainties, and other statistical data and methods from CENPD-153P — "Evaluation of Uncertainty in the Nuclear Form Factor Measured by Self-Powered Fixed In-Core Detector Systems"; CENPD-266-P — "The ROCS and DIT Computer Codes for Nuclear Design"; CENPD-382-P — "Methodology for Core Designs Containing Erbium Burnable Absorbers, Part I – Material Properties and Behavior" and Supplement 1 — "Methodology for Core Designs Containing Erbium Burnable Absorbers, Part II – Physics Properties, Methods and Performance Verification"; and the verified ENDF/B-VI DIT cross section library biases and uncertainties presented in Enclosure 1-P to LD-99-016 — "Application of a DIT Cross Section Library Based On ENDF/B-VI".
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 CENP.
3. The information is of a type customarily held in confidence by CENP and not customarily disclosed to the public. CENP 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.
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 CENP because:
   a. A similar product is manufactured and sold by major pressurized water reactor competitors of CENP.
   b. Development of this information by CENP required hundreds of thousands of dollars and thousands of man-hours 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 to develop similar biases, uncertainties, and other statistical data and methods to those from CENPD-153P — "Evaluation of Uncertainty in the Nuclear Form Factor Measured by Self-Powered Fixed In-Core Detector Systems"; CENPD-266-P — "The ROCS and DIT Computer Codes for Nuclear Design"; CENPD-382-P — "Methodology for Core Designs Containing Erbium Burnable Absorbers, Part I – Material Properties and Behavior" and Supplement 1 — "Methodology for Core Designs Containing Erbium Burnable Absorbers, Part II – Physics Properties, Methods and Performance Verification"; and the verified ENDF/B-VI DIT cross section library biases and uncertainties presented in Enclosure 1-P to LD-99-016 — "Application of a DIT Cross Section Library Based On ENDF/B-VI".
   d. The information consists of biases, uncertainties, and other statistical data and methods from CENPD-153P — "Evaluation of Uncertainty in the Nuclear Form Factor Measured by Self-Powered Fixed In-Core Detector Systems"; CENPD-266-P — "The ROCS and DIT Computer

Codes for Nuclear Design"; CENPD-382-P — "Methodology for Core Designs Containing Erbium Burnable Absorbers, Part I – Material Properties and Behavior" and Supplement 1 — "Methodology for Core Designs Containing Erbium Burnable Absorbers, Part II – Physics Properties, Methods and Performance Verification"; and the verified ENDF/B-VI DIT cross section library biases and uncertainties presented in Enclosure 1-P to LD-99-016 — "Application of a DIT Cross Section Library Based On ENDF/B-VI", 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 CENP, take marketing or other actions to improve their product's position or impair the position of CENP's product, and avoid developing similar data and analyses in support of their processes, methods or apparatus.

e. In pricing CENP's products and services, significant research, development, engineering, analytical, manufacturing, licensing, quality assurance and other costs and expenses must be included. The ability of CENP'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 CENP 's potential for obtaining or maintaining foreign licensees.

Further the deponent sayeth not.

Philip W. Richardson, Licensing Project Manager
CE Nuclear Power LLC

Sworn to before me

this 29th day of January, 2001

Janey Bruno

Notary Public

My commission expires: _____

JANEY BRUNO
NOTARY PUBLIC
MY COMMISSION EXPIRES APR. 30, 2001