December 20, 2001

Mr. Calvin R. Hastings President and CEO Caldon, Inc. 1070 Banksville Avenue Pittsburgh, PA 15216

SUBJECT: REQUEST FOR WITHHOLDING INFORMATION FROM PUBLIC DISCLOSURE - WATERFORD STEAM ELECTRIC STATION, UNIT 3; GRAND GULF NUCLEAR STATION; AND RIVER BEND STATION (TAC NOS. MB2397, MB2468, MB2399)

Dear Mr. Hastings:

By letters dated July 6, October 9, and October 30, 2001, Entergy Operations, Inc. (Entergy) submitted your applications and affidavits dated June 28, September 28, and October 24, 2001, respectively, in which you requested Caldon, Inc. (Caldon) Technical Report ER-157P, "Supplement to Topical Report ER-80P: Basis for a Power Uprate With The LEFM✓<sup>™</sup> or LEFM CheckPlus<sup>™</sup> System," Revisions 3, 4 and 5, be withheld from public disclosure pursuant to Title 10 of the *Code of Federal Regulations* (10 CFR) Section 2.790. Nonproprietary copies of these documents have been placed in the Nuclear Regulatory Commission's (NRC's) Public Document Room and added to the Agencywide Documents Access and Management System's Publicly Available Records System (ADAMS PARS) Library.

In a December 13, 2001, telephone conversation with Mr. Jerry Burford of Entergy, it was clarified that Revisions 3 and 4 of Caldon Technical Report ER-157P do not need to be withdrawn and destroyed, as requested in the letter dated October 30, 2001, if they are determined to be proprietary and properly withheld from public disclosure. It is also noted that in the letter dated October 30, 2001, Entergy identified that Revision 5 to Caldon Technical Report ER-157 supersedes Revisions 3 and 4, and properly reflects Table 1 as nonproprietary.

The affidavits stated that the submitted information should be considered exempt from mandatory public disclosure for the following reasons:

- (a) The use of such information by Caldon gives Caldon a competitive advantage over its competitors. It is, therefore, withheld from disclosure to protect the Caldon competitive position.
- (b) It is information that is marketable in many ways. The extent to which such information is available to competitors diminishes the Caldon ability to sell products or services involving the use of the information.
- (c) Use by our competitor would put Caldon at a competitive disadvantage by reducing his expenditure of resources at our expense.

## C. R. Hastings

- (d) Each component of proprietary information pertinent to a particular competitive advantage is potentially as valuable as the total competitive advantage. If competitors acquire components of proprietary information, any one component may be the key to the entire puzzle, thereby depriving Caldon of a competitive advantage.
- (e) Unrestricted disclosure would jeopardize the position of prominence of Caldon in the world market, and thereby give a market advantage to the competition of those countries.
- (f) The Caldon capacity to invest corporate assets in research and development depends upon the success in obtaining and maintaining a competitive advantage.

We have reviewed your applications and the material in accordance with the requirements of 10 CFR 2.790 and, on the basis of your statements, have determined that the submitted information sought to be withheld contains proprietary commercial information and should be withheld from public disclosure.

Therefore, the versions of the submitted information 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 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 also should 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 makes a determination adverse to the above, you will be notified in advance of any public disclosure.

If you have any questions regarding this matter, I may be reached at 301-415-1924.

Sincerely,

## /RA/

David J. Wrona, Project Manager, Section 1 Project Directorate IV Division of Licensing Project Management Office of Nuclear Reactor Regulation

Docket Nos. 50-382, 50-416 and 50-458

cc: See next page

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Docket Nos. 50-382, 50-416 and 50-458 cc: See next page

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\* See previous concurrence

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