



GE Nuclear Energy

Nuclear Services
175 Curtner Ave. M/C 747
San Jose, CA 95125
(408) 925-1913, Fax (408) 925-6710
E-mail: george.stramback@gene.ge.com

MFN 02-037

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U.S Nuclear Regulatory Commission
Document Control Desk
Washington, D.C. 20555-0001

Attention: Chief, Information Management Branch
Program Management
Policy Development and Analysis Staff

Subject: Response to NRC's Review of GE's Plan for Addressing NRC SER
Limitations on NEDC-32983P

Reference 1: Letter, Alan Wang (USNRC) to George Stramback (GE-NE), Plan for
Addressing NRC Safety Evaluation Limitations on NEDC-32983P,
"General Electric Methodology to Reactor Pressure Vessel Fast Neutron
Flux Evaluation, (TAC NO. MB2774)," dated June 17, 2002
(MFN-02-035)

Reference 2: Letter, George Stramback (GE-NE) to USNRC, "Plan for Addressing
NRC SER Limitations on NEDC-32983P," dated March 19, 2002 (MFN-
02-015)

In Reference 1, the NRC presented the results of its review of Reference 2, GE's plan for resolving the NRC's Safety Evaluation Report limitations on NEDC-32983P regarding GE's fluence methodology. GE has determined that Reference 1 contains proprietary information as previously communicated to NRC Project Manager, Alan Wang. The attachments hereto identify the proprietary content of Reference 1 and propose a non-proprietary text of the proprietary material that would be acceptable for public release.

GE agrees with the NRC's review presented in Reference 1 and does not find any differences between that proposed by the NRC and what GE proposed in Reference 2. GE agrees that if the additional confirmatory work reveals a substantial change in the bias

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Add: Alan Wang

term, GE would address the validity of the database. As stated in Reference 2, GE would provide the NRC with the comparison of the measurements and, if necessary, a re-evaluation of the bias term.

Further, GE agrees that it will not use the NUREG-6115 information to validate the shroud calculations. The use of the information was an alternative proposed to resolve the shroud fluence limitations. Instead, GE will use the additional shroud sample to which it has access in order to validate the shroud calculations. However, GE does not anticipate obtaining any more shroud samples in the next three years as discussed with the NRC on February 11, 2002.

As stated in Reference 1, the NRC is considering an audit of the analysis, dosimeter measurements, and the quality assurance records associated with NEDC-32983P. Many of the measurements were conducted by organizations other than GE; however, GE would assist in facilitating such an audit.

If there are any questions, please contact Shiva Sitarman at (408) 925-2432, Betty Branlund at (408) 925-1472, or the undersigned at (408) 925-1913.

Sincerely,



George Stramback

Regulatory Services Project Manager

- Attachments
- 1) Identification of Proprietary Content from NRC Letter dated June 17, 2002
 - 2) Proposed Non-proprietary Text
 - 3) Proprietary Affidavit

Attachment 2

MFN-02-037

**Proposed Non-Proprietary Version of NRC Letter
dated June 17, 2002**

The following is a proposed non-proprietary version of the affected paragraphs from NRC letter dated June 17, 2002.

Proposed Non-Proprietary Version

Proposed Plan for the Resolution of the Limitations

GENE proposed to measure surveillance capsules. GENE will: (1) provide to the staff the calculated values of the dosimeter activations, (2) provide comparisons of the calculated and measured dosimetry values for all surveillance capsules, and (3) provide an analysis and conclusions regarding the methodology and the possible need to revise the bias factor.

The staff is considering conducting of an audit of the analysis, the associated dosimetry measurements and the quality assurance records for compliance to the quality assurance criteria of 10 CFR Part 50, Appendix B. GENE should facilitate such an audit.

Shroud Fluence

The staff finds that GENE's request to use the NUREG-6115 benchmark problem (in the mix of the test data) is not acceptable. The benchmark is a purely arithmetic exercise and is not based on a measurement nor does it represent a real reactor. Therefore, GENE should make an effort to increase the number of actual measurements.

Summary

In summary, the staff agrees to: (1) use the additional surveillance capsules for the removal of the vessel fluence limitation and intends to perform an audit of the dosimetry, analyses and quality assurance, (2) use the shroud samples to remove the limitation from the shroud, and (3) complete this work within three years from the date of NEDC-32983P publication (i.e., on or before September 2004).

Attachment 3

MFN-02-037

Proprietary Affidavit

General Electric Company

AFFIDAVIT

I, George B. Stramback, state as follows:

- (1) I am Project Manager, Regulatory Services, General Electric Company ("GE") 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 GE letter MFN 02-037, George Stramback to NRC, *Response to NRC's Review of GE's Plan for Addressing NRC SER Limitations on NEDC-32983P*, dated July 15, 2002. The proprietary information is delineated by a bar marked in the margin adjacent to the specific material in Attachment 1: *MFN-02-037, Identification of Proprietary Content from NRC Letter dated June 17, 2002*.
- (3) In making this application for withholding of proprietary information of which it is the owner, GE relies upon the exemption from disclosure set forth in the Freedom of Information Act ("FOIA"), 5 USC Sec. 552(b)(4), and the Trade Secrets Act, 18 USC Sec. 1905, and NRC regulations 10 CFR 9.17(a)(4), 2.790(a)(4), and 2.790(d)(1) for "trade secrets and commercial or financial information obtained from a person and privileged or confidential" (Exemption 4). The material for which exemption from disclosure is here sought is all "confidential commercial information", and some portions also qualify under the narrower definition of "trade secret", within the meanings assigned to those terms for purposes of FOIA Exemption 4 in, respectively, Critical Mass Energy Project v. Nuclear Regulatory Commission, 975F2d871 (DC Cir. 1992), and Public Citizen Health Research Group v. FDA, 704F2d1280 (DC Cir. 1983).
- (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, including supporting data and analyses, 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 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;

- c. Information which reveals cost or price information, production capacities, budget levels, or commercial strategies of General Electric, its customers, or its suppliers;
- d. Information which reveals aspects of past, present, or future General Electric customer-funded development plans and programs, of potential commercial value to General Electric;
- e. Information which discloses patentable subject matter for which it may be desirable to obtain patent protection.

The information sought to be withheld is considered to be proprietary for the reasons set forth in both paragraphs (4)a. and (4)b., above.

- (5) The information sought to be withheld is being submitted to NRC in confidence. The information is of a sort customarily held in confidence by GE, and is in fact so held. The information sought to be withheld has, to the best of my knowledge and belief, consistently been held in confidence by GE, no public disclosure has been made, and it is not available in public sources. All disclosures to third parties including any required transmittals to NRC, have been made, or must be made, pursuant to regulatory provisions or proprietary agreements which provide for maintenance of the information in confidence. Its initial designation as proprietary information, and the subsequent steps taken to prevent its unauthorized disclosure, are as set forth in paragraphs (6) and (7) following.
- (6) Initial approval of proprietary treatment of a document is made by the manager of the originating component, the person most likely to be acquainted with the value and sensitivity of the information in relation to industry knowledge. Access to such documents within GE is limited on a "need to know" basis.
- (7) The procedure for approval of external release of such a document typically requires review by the staff manager, project manager, principal scientist or other equivalent authority, by the 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. Disclosures outside GE are limited to regulatory bodies, customers, and potential customers, and their agents, suppliers, and licensees, and others with a legitimate need for the information, and then only in accordance with appropriate regulatory provisions or proprietary agreements.
- (8) The information identified in paragraph (2), above, is classified as proprietary because it contains detailed plans to close issues in the NRC staff Safety Evaluation regarding results of analytical models, methods and processes, including computer codes, which GE has developed, obtained NRC approval of, and applied to perform fast neutron flux calculations associated with BWR reactor pressure vessel evaluations.

The development of these methods to perform fast neutron flux calculations was achieved at a significant cost, on the order of ¼ million dollars, to GE.

The development of the evaluation process along with the interpretation and application of the analytical results is derived from the extensive experience database that constitutes a major GE asset.

- (9) Public disclosure of the information sought to be withheld is likely to cause substantial harm to GE's competitive position and foreclose or reduce the availability of profit-making opportunities. The information is part of GE's comprehensive 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 GE.

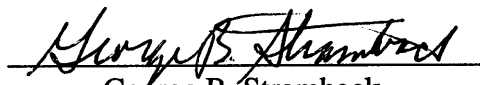
The precise value of the expertise to devise an evaluation process and apply the correct analytical methodology is difficult to quantify, but it clearly is substantial.

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

I declare under penalty of perjury that the foregoing affidavit and the matters stated therein are true and correct to the best of my knowledge, information, and belief.

Executed on this 15th day of July 2002.


George B. Stramback
General Electric Company