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MFN 02-062

Project 717

October 1, 2002

U.S. Nuclear Regulatory Commission  
ATTN: Document Control Desk  
One White Flint North  
11555 Rockville Pike  
Rockville MD, 20852-2738

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

Reference: Letter S. Hucik, GE to S. Collins, NRC, Pre-application Review of ESBWR,  
dated April 18, 2002

Subject: **Presentations to NRC for Explanation and Discussion of Recent ESBWR  
Pre-application Submittals – October 3 and 4, 2002 Meeting**

The enclosed electronic files are GE's presentations, which will be used in the scheduled meeting of October 3 and 4, 2002. The six presentations are entitled:

1. ESBWR Design and Technology Overview, A. Rao, October 3 and 4, 2002
2. ESBWR TAPD, B. Shiralkar, October 3 and 4, 2002
3. ESBWR Test Report – NEDC 33081P, R. Gamble, October 3 and 4, 2002
4. Passive System Testing Summary – NEDC 32606P, R. Gamble, October 3 and 4, 2002
5. TRACG Qualification for SBWR, B. Shiralkar, October 3 and 4, 2002
6. TRACG Qualification for ESBWR, B. Shiralkar, October 3 and 4, 2002

The purpose of this meeting is to explain, clarify, and answer questions related to the submittals made in August 2002 and listed in Enclosure 1. These submittals were made in support of the pre-application review of the ESBWR (Reference).


*Do not  
No CD Distribution  
required*

Presentation 1., "ESBWR Design and Technology Overview", will provide a summary of the August submittals and will not contain proprietary information.

The remaining presentations (#2-6) contain proprietary information of the type which GE maintains in confidence and withholds from public disclosure. The information has been handled and classified as proprietary to GE as indicated in the Enclosure 2 affidavit. GE hereby requests that this information be withheld from public disclosure in accordance with the provisions of 10CFR 2.790 and 9.17.

If you have any questions about the information provided here, please contact Atam Rao at (408) 925-1885, or myself.

Sincerely,

  
C. J. Deacon

Enclosures

- (1) List of Reports Submitted in Support of ESBWR Pre-application Review – August, 2002
- (2) GE Proprietary Information Affidavit, dated October 1, 2002

cc: AE Cabbage USNRC (with enclosures)  
JE Lyons USNRC (w/o enclosures)  
AB Wang USNRC (w/o enclosures)  
GB Stramback - GE (with enclosures)

## Enclosure 1

### List of Reports Submitted in Support of ESBWR Pre-application Review – August, 2002

1. ESBWR Design Description, NEDC-33084P  
Reference document that defines the ESBWR reference design – not for review.
2. ESBWR Test and Analysis Program Description (TAPD), NEDC 33079P  
A road map for the technology program that includes PIRT, adequacy of test program and TRACG qualification plan. A similar document was reviewed for SBWR and the testing plan was found acceptable.
3. TRACG Qualification for SBWR, NEDC-32725P, Rev.1, Vol.1 and 2  
This report contains TRACG comparisons to test data covering extensive passive system testing that was described and found acceptable for SBWR.
4. TRACG Qualification for ESBWR, NEDC-33080P, Rev 0  
This report covers ESBWR specific testing and extends the passive system qualification of TRACG.
5. SBWR Testing Summary Report, NEDC-32606P, Rev 0  
This report covers a summary of all BWR passive system testing and interrelations between tests, that are discussed in detail in item 8 below.
6. Test Reports for Passive Safety Systems  
This covers all previously submitted reports on the passive systems testing for SBWR.
7. ESBWR Test Report, NEDC-33081P, Rev 0  
This report covers integral PCCS systems tests done for the ESBWR configuration. New testing done at PSI.

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## 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 five (5) of the GE presentations enclosed with MFN 02-062, Deacon (GE) to NRC, *Presentations to NRC for Explanation and Discussion of Recent ESBWR Pre-application Submittals – October 3 and 4, 2002*, dated October 1, 2002. The proprietary information is contained in the five presentations, which are identified with "GE Proprietary Information," and therein the proprietary slides are identified with "GE Proprietary Information."
- (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. GE is pursuing patent applications in the US Patent Office.

The information sought to be withheld is considered to be proprietary for the reasons set forth in paragraphs (4)a., (4)b., (4)d and (4)e., 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 test results and interpretations of testing performed in different facilities and their applicability to passive safety systems in BWR designs. It also contains detailed results of analytical models, methods and processes, including computer codes, which GE has developed, and applied to perform

evaluations of the loss-of-coolant accident for the ESBWR. The reporting, evaluation and interpretations of these results was achieved at a significant cost, on the order of several 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 1st day of October 2002.

  
George B. Stramback  
General Electric Company