



Westinghouse Electric Company
Nuclear Fuel
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USA

Ralph O. Meyer, Senior Technical Advisor
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Your ref:
Our ref: NF-02-62, Rev. 1

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Cooperative Nuclear Fuel Research Program

Dear Dr. Meyer:

After careful consideration, it is our opinion that it is not necessary for your office and Westinghouse Electric Company LLC ("Westinghouse") to enter into a Memorandum of Understanding in order to permit the NRC to conduct certain tests on Westinghouse's advanced ZIRLO™ alloy. We believe the principles set out in this letter will allow the NRC to complete its testing while at the same time protecting Westinghouse's proprietary interests in ZIRLO.

In this regard, Westinghouse proposes the following:

- Westinghouse will provide a mutually agreeable number of ZIRLO specimens to the NRC.
- The NRC may use the Westinghouse-supplied specimens to conduct tests that are specifically directed to gaining knowledge on the behavior of the advanced cladding alloy ZIRLO under loss-of-coolant accident (LOCA) conditions.
- Westinghouse will not be required to provide the NRC with any proprietary information related to ZIRLO or its manufacture.
- The NRC will provide Westinghouse with a reasonable opportunity to review all ZIRLO LOCA proposed tests and test conditions prior to testing.
- The NRC will provide Westinghouse with a reasonable opportunity to review all ZIRLO LOCA test results prior to NRC publication, and to remove from the results to be published any information of a proprietary nature related to ZIRLO manufacture.
- The NRC will permit Westinghouse to provide comments that address the NRC's proposed published test results, and will publish Westinghouse's comments with the NRC test results.

- The NRC will return any unused test materials to Westinghouse.

Please let me know if the NRC agrees with this arrangement. I can be reached at (803) 647-2011. I look forward to working with you and your office to ensure that all the regulatory and proprietary interests can be met.

Very truly yours,



Gary Jacobs, Manager
Marketing Applications & Commercial Policy

cc: D. Colburn
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