



Westinghouse Electric Company
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U.S. Nuclear Regulatory Commission
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Our ref: LTR-NRC-03-3

February 13, 2003

Subject: Transmittal of Westinghouse Proprietary Class 2 Presentation Material from February 6, 2003 Meeting (Westinghouse Nuclear Fuel's M. Mutyala, et. al., to NRC's A. Thadani, F. Eltawila, S. Black):

- "Westinghouse Nuclear Fuel," Meena Mutyala, Vice President, Fuel Engineering
- "High Burnup and Advanced Cladding Materials," Lars Hallstadius, Leader, Materials Center of Excellence
- "Westinghouse Industry Leadership Philosophy of Testing/Criteria for Simulated Accident Scenarios," D. Colburn, Westinghouse Electric Company
- "CHF Test Facility," Don Rowland, Manager, Fuel Licensing

Enclosed are:

1. 5 copies of Westinghouse Proprietary Presentation Material from February 6, 2003 Meeting

This submittal contains Westinghouse proprietary information of trade secrets, commercial, or financial information which we consider privilege or confidential pursuant to 10 CFR 9.17(a)(4). Therefore, it is requested that the Westinghouse proprietary information attached hereto be handled on a confidential basis and be withheld from public disclosure.

This material is for your internal use only and may be used for the purpose for which it is submitted. It should not be otherwise used, disclosed, duplicated or disseminated, in whole or in part, to any other person or organization outside the Office of Nuclear Reactor Regulation without the express written approval of Westinghouse. Correspondence with respect to the Application for Withholding should reference AW-03-1599, and should be addressed to H. A. Sepp, Manager of Regulatory and Licensing, Westinghouse Electric Company, P.O. Box 355, Pittsburgh, Pennsylvania 15230-0355.

Very truly yours,

H. A. Sepp, Manager
Regulatory and Licensing Engineering

Enclosures

Tooy Add: Rids Res Det Erab
A Thadani
F. Eltawila
S. Black
G. Shukla

A BNFL Group company

cc: A. Thadani
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February 13, 2003

APPLICATION FOR WITHHOLDING PROPRIETARY
INFORMATION FROM PUBLIC DISCLOSURE

Reference: Westinghouse Letter LTR-NRC-03-3, dated February 13, 2003 (Mr. H. Sepp to U.S. Nuclear Regulatory Commission Document Control Desk)

Subject: Transmittal of Westinghouse Proprietary Class 2 Presentation Material from February 6, 2003 Meeting (Westinghouse Nuclear Fuel's M. Mutyala, et. al., to NRC's A. Thadani, F. Eltawila, S. Black):

- "Westinghouse Nuclear Fuel," Meena Mutyala, Vice President, Fuel Engineering
- "High Burnup and Advanced Cladding Materials," Lars Hallstadius, Leader, Materials Center of Excellence
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- "CHF Test Facility," Don Rowland, Manager, Fuel Licensing

The subject presentation material transmitted by the reference letter contains information proprietary to the Westinghouse Electric Company.

The material will not be employed as a part of a license application or other action identified in 10 CFR 2.790(a) at this time. It will be separately submitted with an Application for Withholding accompanied by an affidavit meeting the requirements of 10 CFR 2.790(b) prior to such use.

Accordingly, we request that the material be treated as proprietary information within the provisions of 10 CFR 9.17a(4), "Freedom of Information Act Regulations". If there is a need to make public disclosure of the material prior to a separate Westinghouse submittal for docket in accordance with the provisions of 10 CFR 2.790(a), please notify Westinghouse prior to making a disclosure determination.

Correspondence with respect to the proprietary aspects of this submittal should reference AW-03-1599 and should be addressed to the undersigned.

Very truly yours,



H. A. Sepp, Manager
Regulatory and Licensing Engineering

Enclosures

cc: A. Thadani
F. Eltavila
S. Black
G. Shukla/NRR

AFFIDAVIT

COMMONWEALTH OF PENNSYLVANIA:

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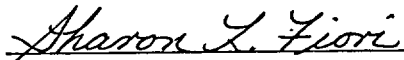
COUNTY OF ALLEGHENY:

Before me, the undersigned authority, personally appeared H. A. Sepp, who, being by me duly sworn according to law, deposes and says that he is authorized to execute this Affidavit on behalf of Westinghouse Electric Company LLC ("Westinghouse"), and that the averments of fact set forth in this Affidavit are true and correct to the best of his knowledge, information, and belief:



H. A. Sepp, Manager
Regulatory and Licensing Engineering

Sworn to and subscribed
before me this 14th day
of February, 2003



Notary Public



Notarial Seal
Sharon L. Fiori, Notary Public
Monroeville Boro, Allegheny County
My Commission Expires January 29, 2007
Member, Pennsylvania Association Of Notaries

- (1) I am Manager, Regulatory and Licensing Engineering, in Nuclear Services, Westinghouse Electric Company LLC ("Westinghouse"), and as such, I have been specifically delegated the function of reviewing the proprietary information sought to be withheld from public disclosure in connection with nuclear power plant licensing and rule making proceedings, and am authorized to apply for its withholding on behalf of the Westinghouse Electric Company LLC.
- (2) I am making this Affidavit in conformance with the provisions of 10CFR Section 2.790 of the Commission's regulations and in conjunction with the Westinghouse application for withholding accompanying this Affidavit.
- (3) I have personal knowledge of the criteria and procedures utilized by the Westinghouse Electric Company LLC in designating information as a trade secret, privileged or as confidential commercial or financial information.
- (4) Pursuant to the provisions of paragraph (b)(4) of Section 2.790 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 should be withheld.
 - (i) The information sought to be withheld from public disclosure is owned and has been held in confidence by Westinghouse.
 - (ii) The information is of a type customarily held in confidence by Westinghouse and not customarily disclosed to the public. Westinghouse 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. The application of that system and the substance of that system constitutes Westinghouse policy and provides the rational basis required.

Under that system, information is held in confidence if it falls in one or more of several types, the release of which might result in the loss of an existing or potential competitive advantage, as follows:

 - (a) The information reveals the distinguishing aspects of a process (or component, structure, tool, method, etc.) where prevention of its use by any of

Westinghouse's competitors without license from Westinghouse constitutes a competitive economic advantage over other companies.

- (b) It consists of supporting data, including test data, relative to a process (or component, structure, tool, method, etc.), the application of which data secures a competitive economic advantage, e g., by optimization or improved marketability.
- (c) Its use 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 a similar product.
- (d) It reveals cost or price information, production capacities, budget levels, or commercial strategies of Westinghouse, its customers or suppliers.
- (e) It reveals aspects of past, present, or future Westinghouse or customer funded development plans and programs of potential commercial value to Westinghouse.
- (f) It contains patentable ideas, for which patent protection may be desirable.

There are sound policy reasons behind the Westinghouse system which include the following:

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

- (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 Westinghouse of a competitive advantage.
- (e) Unrestricted disclosure would jeopardize the position of prominence of Westinghouse in the world market, and thereby give a market advantage to the competition of those countries.
- (f) The Westinghouse capacity to invest corporate assets in research and development depends upon the success in obtaining and maintaining a competitive advantage.
- (iii) The information is being transmitted to the Commission in confidence and, under the provisions of 10CFR Section 2.790, it is to be received in confidence by the Commission.
- (iv) The information sought to be protected is not available in public sources or available information has not been previously employed in the same original manner or method to the best of our knowledge and belief.
- (v) The proprietary information sought to be withheld in this submittal is that which is appropriately marked in proprietary attachments, Westinghouse Proprietary Presentation Material from February 6, 2003 Meeting,
- “Westinghouse Nuclear Fuel,” Meena Mutyala, Vice President, Fuel Engineering
 - “High Burnup and Advanced Cladding Materials,” Lars Hallstadius, Leader, Materials Center of Excellence
 - “Westinghouse Industry Leadership Philosophy of Testing/Criteria for Simulated Accident Scenarios,” D. Colburn, Westinghouse Electric Company
 - “CHF Test Facility,” Don Rowland, Manager, Fuel Licensing
- for submittal to the Commission, being transmitted by Westinghouse Electric Company LLC Application for Withholding Proprietary Information from Public Disclosure, Henry A Sepp, Westinghouse LLC, Manager Regulatory and Licensing Engineering to the Document Control Desk

This information is part of that which will enable Westinghouse to:

- (a) Assist customers in improving fuel performance.
- (b) Assist customers to obtain license changes resulting from the fuel design improvements.

Further this information has substantial commercial value as follows:

- (a) Westinghouse plans to sell the use of similar information to its customers for purposes of improving fuel performance.
- (b) Westinghouse can use this information to further enhance their licensing position with competitors.
- (c) The information requested to be withheld reveals the distinguishing aspects of a methodology which was developed by Westinghouse

Public disclosure of this proprietary information is likely to cause substantial harm to the competitive position of Westinghouse because it would enhance the ability of competitors to provide similar fuel performance improvement features and licensing defense services for commercial power reactors without commensurate expenses. Also, public disclosure of the information would enable others to use the information to meet NRC requirements for licensing documentation without purchasing the right to use the information

The development of the technology described in part by the information is the result of applying the results of many years of experience in an intensive Westinghouse effort and the expenditure of a considerable sum of money.

In order for competitors of Westinghouse to duplicate this information, similar technical programs would have to be performed and a significant manpower effort, having the requisite talent and experience, would have to be expended.

Further the deponent sayeth not.

PROPRIETARY INFORMATION NOTICE

Transmitted herewith are proprietary versions of documents furnished to the NRC in connection with requests for generic and/or plant-specific review and approval.

In order to conform to the requirements of 10 CFR 2.790 of the Commission's regulations concerning the protection of proprietary information so submitted to the NRC, the information which is proprietary in the proprietary versions is contained within brackets, and where the proprietary information has been deleted in the non-proprietary versions, only the brackets remain (the information that was contained within the brackets in the proprietary versions having been deleted). The justification for claiming the information so designated as proprietary is indicated in both versions by means of lower case letters (a) through (f) located as a superscript immediately following the brackets enclosing each item of information being identified as proprietary or in the margin opposite such information. These lower case letters refer to the types of information Westinghouse customarily holds in confidence identified in Sections (4)(ii)(a) through (4)(ii)(f) of the affidavit accompanying this transmittal pursuant to 10 CFR 2.790(b)(1).

COPYRIGHT NOTICE

The reports transmitted herewith each bear a Westinghouse copyright notice. The NRC is permitted to make the number of copies of the information contained in these reports which are necessary for its internal use in connection with generic and plant-specific reviews and approvals as well as the issuance, denial, amendment, transfer, renewal, modification, suspension, revocation, or violation of a license, permit, order, or regulation subject to the requirements of 10 CFR 2.790 regarding restrictions on public disclosure to the extent such information has been identified as proprietary by Westinghouse, copyright protection notwithstanding. With respect to the non-proprietary versions of these reports, the NRC is permitted to make the number of copies beyond those necessary for its internal use which are necessary in order to have one copy available for public viewing in the appropriate docket files in the public document room in Washington, DC and in local public document rooms as may be required by NRC regulations if the number of copies submitted is insufficient for this purpose. Copies made by the NRC must include the copyright notice in all instances and the proprietary notice if the original was identified as proprietary.