

March 31, 2003

Mr. Jens G. Andersen, Fellow
Global Nuclear Fuel - Americas, LLC
Castle Hayne Road
Wilmington, NC 28401

SUBJECT: GLOBAL NUCLEAR FUEL - AMERICAS, LLC, REQUEST FOR WITHHOLDING
INFORMATION FROM PUBLIC DISCLOSURE FOR DRESDEN NUCLEAR
POWER STATION, UNIT 2 (TAC NO. MB7523)

Dear Mr. Andersen:

By letters dated January 31, 2003, and March 7, 2003, Exelon Generation Company, LLC, (Exelon) submitted two affidavits dated January 14, 2003, and one affidavit dated March 6, 2003, executed by you requesting that the following documents be withheld from public disclosure pursuant to Title 10 of the *Code of Federal Regulations* (10 CFR) Section 2.790:

- 1) Attachment D of Exelon's January 31, 2003, letter, "Additional Information Regarding the Cycle Specific SLMCPR for Dresden Unit 2 Cycle 18," dated January 14, 2003;
- 2) Attachment F of Exelon's January 31, 2003, letter, "Response to Request for Additional Information Relating to Amendment Request for Cycle 18 SLMCPR Quad Cities Nuclear Power Station, Unit 1, Docket No. 50-254 Edited for Dresden Unit 2 cycle 18," dated January 14, 2003; and
- 3) Attachment A of Exelon's March 7, 2003, letter, "Request for Additional Information Relating to Request for SLMCPR Amendment for Dresden Nuclear Power Station, Unit 2, Docket No. 50-237," dated March 6, 2003.

Attachments E and G of Exelon's January 31, 2003, letter, and Attachment C of Exelon's March 7, 2003, letter, are nonproprietary versions of Attachments D, F, and A, and have been placed in the Nuclear Regulatory Commission's (NRC's) Public Document Room and added to the Agencywide Documents Access and Management System Public Electronic Reading Room.

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

It is information that discloses a process, method, or apparatus, including supporting data and analyses, where prevention of its use by GNF-A's competitors without license from GNF-A constitutes a competitive economic advantage over other companies.

It is 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.

It is information that contains details of GNF-A's fuel design and licensing methodology. The development of the methods used in these analyses, along with the testing, development, and approval of the supporting methodology was achieved at a significant cost, on the order of several million dollars, to GNF-A or its licensor.

Public disclosure of the information sought to be withheld is likely to cause substantial harm to GNF-A's competitive position and foreclose or reduce the availability of profit-making opportunities. The fuel design and licensing methodology is part of GNF-A's comprehensive boiling-water reactor 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 GNF-A or its licensor.

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.

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

We have reviewed your application 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 301-415-2863.

Sincerely,

/RA/

Lawrence W. Rossbach, Project Manager, Section 2
Project Directorate III
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket No. 50-237

cc: See next page

Dresden Nuclear Power Units 2 and 3

cc:

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Dresden Nuclear Power Station Plant Manager
Exelon Generation Company, LLC
6500 N. Dresden Road
Morris, IL 60450-9765

Regulatory Assurance Manager - Dresden
Exelon Generation Company, LLC
6500 N. Dresden Road
Morris, IL 60450-9765

U.S. Nuclear Regulatory Commission
Dresden Resident Inspectors Office
6500 N. Dresden Road
Morris, IL 60450-9766

Chairman
Grundy County Board
Administration Building
1320 Union Street
Morris, IL 60450

Regional Administrator
U.S. NRC, Region III
801 Warrenville Road
Lisle, IL 60532-4351

Illinois Department of Nuclear Safety
Office of Nuclear Facility Safety
1035 Outer Park Drive
Springfield, IL 62704

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