



Westinghouse Electric Company
Nuclear Power Plants
P.O. Box 355
Pittsburgh, Pennsylvania 15230-0355
USA

U.S. Nuclear Regulatory Commission
ATTENTION: Document Control Desk
Washington, D.C. 20555

Direct tel: 412-374-5355
Direct fax: 412-374-5456
e-mail: corletmm@westinghouse.com

Your ref: Docket No. 52-006
Our ref: DCP/NRC1595

June 2, 2003

SUBJECT: Transmittal of OSU APEX-1000 Test Reports

Attached please find proprietary and non-proprietary versions of the following reports related to the Oregon State University APEX-1000 test program:

- Scaling Assessment for the Design of the OSU APEX-1000 Test Facility
- OSU APEX-1000 Test Facility Description Report

As discussed at our recent meeting at your offices on May 29, 2003, Westinghouse plans to use test data from the APEX-1000 test program to resolve thermal-hydraulic issues that have been raised in your requests for additional information.

The Westinghouse Electric Company Application for Withholding and Affidavit are also attached to this submittal letter as Enclosure 1. Attachment 1 contains Westinghouse proprietary information consisting of trade secrets, commercial information or financial information which we consider privileged or confidential pursuant to 10 CFR 2.790. Therefore, it is requested that the Westinghouse proprietary information attached hereto be handled on a confidential basis and be withheld from public disclosures. Attachment 2 contains no proprietary information.

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 Commission, the Office of Nuclear Reactor Regulation, the Office of Nuclear Regulatory Research and the necessary subcontractors that have signed a proprietary non-disclosure agreement with Westinghouse without the express written approval of Westinghouse.

June 2, 2003

Correspondence with respect to the application for withholding should reference AW-03-1653, and should be addressed to Hank A. Sepp, Manager of Regulatory and Licensing Engineering, Westinghouse Electric Company, P.O. Box 355, Pittsburgh, Pennsylvania, 15230-0355.

Please contact me at 412-374-5355 if you have any questions concerning this submittal.

Very truly yours,



M. M. Corletti
Passive Plant Projects & Development
AP600 & AP1000 Projects

*/*Enclosure

1. Westinghouse Electric Company Copyright Notice, Proprietary Information Notice, Application for Withholding, and Affidavit AW-03-1653.

*/*Attachments

1. Proprietary Reports: (1) Scaling Assessment for the Design of the OSU APEX-1000 Test Facility; (2) OSU APEX-1000 Test Facility Description Report
2. Non-proprietary Reports: (1) Scaling Assessment for the Design of the OSU APEX-1000 Test Facility; (2) OSU APEX-1000 Test Facility Description Report

cc: Dr. Jose Reyes - Oregon State University

DCP/NRC1595
Docket No. 52-006

June 2, 2003

Enclosure 1

Westinghouse Electric Company
Application for Withholding and Affidavit



Westinghouse Electric Company
Nuclear Power Plants
P.O. Box 355
Pittsburgh, Pennsylvania 15230-0355
USA

June 2, 2003

AW-03-1653

Document Control Desk
U.S. Nuclear Regulatory Commission
Washington, DC 20555

ATTENTION: Mr. John Segala

APPLICATION FOR WITHHOLDING PROPRIETARY
INFORMATION FROM PUBLIC DISCLOSURE

SUBJECT: Transmittal of Westinghouse Proprietary Class 2 Documents Related to
Oregon State University APEX-1000 Test Program

Dear Mr. Segala:

The application for withholding is submitted by Westinghouse Electric Company, LLC ("Westinghouse") pursuant to the provisions of paragraph (b)(1) of Section 2.790 of the Commission's regulations. It contains commercial strategic information proprietary to Westinghouse and customarily held in confidence.

The proprietary material for which withholding is being requested is identified in the proprietary version of the subject documents. In conformance with 10 CFR Section 2.790, Affidavit AW-03-1653 accompanies this application for withholding setting forth the basis on which the identified proprietary information may be withheld from public disclosure.

Accordingly, it is respectfully requested that the subject information which is proprietary to Westinghouse be withheld from public disclosure in accordance with 10 CFR Section 2.790 of the Commission's regulations.

Correspondence with respect to this application for withholding or the accompanying affidavit should reference AW-03-1653 and should be addressed to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'M. M. Corletti'.

M. M. Corletti
Passive Plant Projects & Development
AP600 & AP1000 Projects

/Enclosures

COMMONWEALTH OF PENNSYLVANIA:

SS

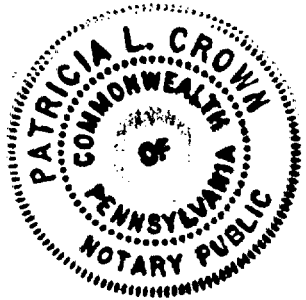
COUNTY OF ALLEGHENY:

Before me, the undersigned authority, personally appeared James W. Winters, 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.

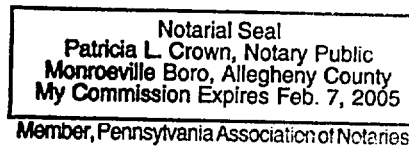


James W. Winters, Manager
Passive Plant Projects & Development
Nuclear Power Plants Business Unit
Westinghouse Electric Company, LLC

Sworn to and subscribed
before me this 2nd day
of June, 2003



Notary Public



- (1) I am Manager, Passive Plant Projects & Development, in the Nuclear Power Plants Business Unit, of the 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 rulemaking 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 10 CFR 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 which 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 10 CFR 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 Attachment 1 as Proprietary Class 2 in the Oregon State University Documents (1) Scaling Assessment for the Design of the OSU APEX-1000 Test Facility; (2) OSU APEX-1000 Test Facility Description Report.

This information is being transmitted by Westinghouse's letter and Application for Withholding Proprietary Information from Public Disclosure, being transmitted by Westinghouse Electric Company (W letter AW-03-1653) and to the Document Control Desk, Attention: John Segala, DIPM/NRLPO, MS O-4D9A.

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

- (a) Provide documentation supporting determination of APP-GW-GL-022, "AP1000 Probabilistic Risk Assessment," analysis on a plant specific basis
- (b) Provide the applicable engineering evaluation which establishes the Tier 2 requirements as identified in APP-GW-GL-022.

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 meeting NRC requirements for Licensing Documentation.
- (b) Westinghouse can sell support and defense of AP1000 Design Certification.

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 methodologies 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 for performing and analyzing tests.

Further the deponent sayeth not.

June 2, 2003

Attachment 1

Oregon State University Proprietary Reports

OSU-APEX-03001, Revision 0

“Scaling Assessment for the Design of the OSU APEX-1000 Test Facility”

and

OSU-APEX-03002, Revision 0

“OSU APEX-1000 Test Facility Description Report”

June 2, 2003

Attachment 2

Oregon State University Non-Proprietary Reports

OSU-APEX-03001, Revision 0

“Scaling Assessment for the Design of the OSU APEX-1000 Test Facility”

and

OSU-APEX-03002, Revision 0

“OSU APEX-1000 Test Facility Description Report”