February 17, 2004

Mr. H. A. Sepp Manager of Regulatory Compliance and Plant Licensing Westinghouse Electric Company P.O. Box 355 Pittsburgh, PA 15230-0355

SUBJECT: REQUEST FOR WITHHOLDING INFORMATION FROM PUBLIC

DISCLOSURE, GE14 AND SVEA-96+ THERMAL-HYDRAULIC

COMPATIBILITY REPORT (TAC NO. MC1517)

Dear Mr. Sepp:

By PSEG Nuclear, LLC (PSEG) letter (LR-N03-0388) dated September 8, 2003, and an affidavit executed by J. W. Fasnacht of Westinghouse Electric Company dated September 8, 2003 (Attachment 2 to the same letter), information was provided to the U.S. Nuclear Regulatory Commission (NRC) regarding PSEG's plans to use GE14 fuel. Attachment 1 to PSEG's letter provided information that there was independent verification of the conclusions reached by Global Nuclear Fuels that the introduction of GE14 fuel type will not adversely affect the performance of the SVEA 96+ fuel. This independent verification also concluded that the GE14 and SVEA-96+ fuel types are thermal-hydraulically compatible as evaluated in the Hope Creek Generating Station core. PSEG's letter and the affidavit requested that Attachment 1 be withheld from public disclosure pursuant to Title 10 of the *Code of Federal Regulations* (10 CFR) Section 2.790. The affidavit indicated that Attachment 1, in its entirety, was considered proprietary, and a nonproprietary version of the information was provided in Attachment 1 of PSEG's letter LR-NO3-0406 dated September 17, 2003.

A nonproprietary copy of Attachment 1 to PSEG letter LR-NO3-0406 has been placed in the NRC's Public Document Room and added to the Agencywide Documents Access and Management System (ADAMS) Public Electronic Reading Room.

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

The information sought to be withheld from public disclosure is owned and has been held in confidence by Westinghouse.

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 using SVEA-96+ fuel.
- (b) Westinghouse can sell support and defense of licensing support.

(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 calculations and data 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.

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, Attachment 1 to Letter LR-N03-0388, 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 should also 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.

H. Sepp -3-

If you have any questions regarding this matter, I may be reached at 301-415-2901.

Sincerely,

/RA/

John P Boska, Senior Project Manager, Section 2 Project Directorate 1 Division of Licensing Project Management Office of Nuclear Reactor Regulation

Docket No. 50-354

cc: See next page

H. Sepp -4-

If you have any questions regarding this matter, I may be reached at 301-415-2901.

Sincerely,

/RA/

John P Boska, Senior Project Manager, Section 2 Project Directorate 1 Division of Licensing Project Management Office of Nuclear Reactor Regulation

Docket No. 50-354

cc: See next page <u>DISTRIBUTION</u>

DRoberts HMiller, RGN-I OGC CRaynor

FAkstulewicz JBoska PDI-2 Reading

PUBLIC MGray SRI-HCGS

Accession No.: ML033530326 *See previous concurrence

OFFICE	PDI-2/PM	PDI-2/LA*	SRXB/SC*	OGC*	PDI-2/SC(A)
NAME	JBoska	CRaynor	FAkstulewicz	JHeck	DRoberts
DATE	2/12/04	1/5/04	2/5/04	2/11/04	2/13/04

OFFICIAL RECORD COPY

H. Sepp

Hope Creek Generating Station

CC:

Mr. A. Christopher Bakken, III Senior Vice President - Site Operations PSEG Nuclear - X15 P.O. Box 236 Hancocks Bridge, NJ 08038

Mr. John T. Carlin Vice President - Nuclear Assessment PSEG Nuclear - N10 P.O. Box 236 Hancocks Bridge, NJ 08038

Mr. David F. Garchow Vice President - Eng/Tech Support PSEG Nuclear - N28 P.O. Box 236 Hancocks Bridge, NJ 08038

Mr. James A. Hutton Plant Manager PSEG Nuclear - X15 P.O. Box 236 Hancocks Bridge, NJ 08038

Mr. Steven Mannon
Acting Manager - Nuclear Safety and
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P.O. Box 236
Hancocks Bridge, NJ 08038

Jeffrie J. Keenan, Esquire PSEG Nuclear - N21 P.O. Box 236 Hancocks Bridge, NJ 08038

J.W. Fasnacht Westinghouse Electric Company P.O. Box 355 Pittsburgh, PA 15230-0355 Ms. R. A. Kankus Joint Owner Affairs Exelon Generation Company, LLC Nuclear Group Headquarters KSA1-E 200 Exelon Way Kennett Square, PA 19348

Lower Alloways Creek Township c/o Mary O. Henderson, Clerk Municipal Building, P.O. Box 157 Hancocks Bridge, NJ 08038

Dr. Jill Lipoti, Asst. Director Radiation Protection Programs NJ Department of Environmental Protection and Energy CN 415 Trenton, NJ 08625-0415

Brian Beam
Board of Public Utilities
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Newark, NJ 07102

Regional Administrator, Region I U.S. Nuclear Regulatory Commission 475 Allendale Road King of Prussia, PA 19406

Senior Resident Inspector Hope Creek Generating Station U.S. Nuclear Regulatory Commission Drawer 0509 Hancocks Bridge, NJ 08038