



Global Nuclear Fuel

A Joint Venture of GE, Toshiba, & Hitachi

Margaret E. Harding
Manager, Fuel Engineering Services

Proj-712

April 2, 2004
FLN-2004-005

Document Control Desk
U. S. Nuclear Regulatory Commission
Washington, DC-20852-2738

Attention: Alan Wang

Subject: Presentation material for the April 19-20, 2004 GESTAR II Review Meeting.

This letter transmits the agenda and the presentation material for the GESTAR II Review Meeting to be held April 19-20, 2004 at the USNRC office.

The affidavit contained in Attachment 1 identifies that the information contained in Attachment 3 has been handled and classified as proprietary to GNF. GNF hereby requests that the information of Attachment 3 be withheld from public disclosure in accordance with the provisions of 10 CFR 2.390 and 9.17, and that the GESTAR II review meeting on April 19-20, 2004 be closed to the public.

If you have any questions please contact Jens Andersen at (910) 675-6083 or myself.

Sincerely,

Margaret E. Harding
Fuel Engineering Services
(910) 675-5762, Mail Code F12

Attachments:

1. Affidavit, Margaret E. Harding, dated April 2, 2004
2. Agenda for the April 19-20, 2004 GESTAR II review meeting
3. Presentation material for the April 19-20, 2004 GESTAR II review meeting

cc: F. Akstulewicz (NRC)
G. Stramback (GENE)
J. Andersen (GNF)
M. Colby (GNF)

2066

Document Processing for Week of - April 12 - 16, 2004
Week Number 15

Activity	Count
Total Document packages received at DCD for ADAMS processing Priority & Routine combined	277
Documents requiring special handling, including safeguards, certified mail and acknowledgment receipts	8
Priority/Expedited documents processed by DPC contractor	0
Routine documents processed by DPC contractor	277
Total RIDS document packages (internal and external) distributed by Contractor	85
RIDS document packages submitted by Contractor to reproduction prior to distribution	62
Units (pages) reproduced by White Flint copy center	8,499

Affidavit

I, Margaret E. Harding, state as follows:

- (1) I am Manager, Fuel Engineering Services, Global Nuclear Fuel – Americas, L.L.C. (“GNF-A”) and have been delegated the function of reviewing the information described in paragraph (2) which is sought to be withheld, and have been authorized to apply for its withholding.
- (2) The information sought to be withheld is contained in the attachment, “Presentation material for the April 19-20, 2004 GESTAR II Review Meeting,” dated April 2, 2004. GNF proprietary information is indicated by enclosing it in double brackets. In each case, the superscript notation ^{3} refers to Paragraph (3) of this affidavit, which provides the basis for the proprietary determination.
- (3) In making this application for withholding of proprietary information of which it is the owner or licensee, GNF-A relies upon the exemption from disclosure set forth in the Freedom of Information Act (“FOIA”), 5 USC Sec. 552(b)(4), and the Trade Secrets Act, 18 USC Sec. 1905, and NRC regulations 10 CFR 9.17(a)(4) and 2.390(a)(4) for “trade secrets and commercial or financial information obtained from a person and privileged or confidential” (Exemption 4). The material for which exemption from disclosure is here sought is all “confidential commercial information,” and some portions also qualify under the narrower definition of “trade secret,” within the meanings assigned to those terms for purposes of FOIA Exemption 4 in, respectively, Critical Mass Energy Project v. Nuclear Regulatory Commission, 975F2d871 (DC Cir. 1992), and Public Citizen Health Research Group v. FDA, 704F2d1280 (DC Cir. 1983).
- (4) Some examples of categories of information which fit into the definition of proprietary information are:
 - a. 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;
 - b. 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;
 - c. Information which reveals cost or price information, production capacities, budget levels, or commercial strategies of GNF-A, its customers, or its suppliers;
 - d. Information which reveals aspects of past, present, or future GNF-A customer-funded development plans and programs, of potential commercial value to GNF-A;
 - e. Information which discloses patentable subject matter for which it may be desirable to obtain patent protection.

Affidavit

The information sought to be withheld is considered to be proprietary for the reasons set forth in paragraphs (4)a. and (4)b., above.

- (5) To address the 10 CFR 2.390 (b) (4), the information sought to be withheld is being submitted to NRC in confidence. The information is of a sort customarily held in confidence by GNF-A, and is in fact so held. Its initial designation as proprietary information, and the subsequent steps taken to prevent its unauthorized disclosure, are as set forth in (6) and (7) following. The information sought to be withheld has, to the best of my knowledge and belief, consistently been held in confidence by GNF-A, no public disclosure has been made, and it is not available in public sources. All disclosures to third parties including any required transmittals to NRC, have been made, or must be made, pursuant to regulatory provisions or proprietary agreements which provide for maintenance of the information in confidence.
- (6) Initial approval of proprietary treatment of a document is made by the manager of the originating component, the person most likely to be acquainted with the value and sensitivity of the information in relation to industry knowledge, or subject to the terms under which it was licensed to GNF-A. Access to such documents within GNF-A is limited on a "need to know" basis.
- (7) The procedure for approval of external release of such a document typically requires review by the staff manager, project manager, principal scientist or other equivalent authority, by the manager of the cognizant marketing function (or his delegate), and by the Legal Operation, for technical content, competitive effect, and determination of the accuracy of the proprietary designation. Disclosures outside GNF-A are limited to regulatory bodies, customers, and potential customers, and their agents, suppliers, and licensees, and others with a legitimate need for the information, and then only in accordance with appropriate regulatory provisions or proprietary agreements.
- (8) The information identified in paragraph (2) is classified as proprietary because it 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.

- (9) 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 BWR 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.

Affidavit

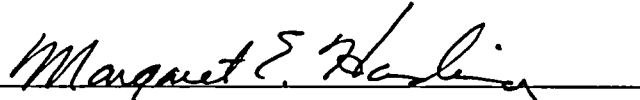
The precise value of the expertise to devise an evaluation process and apply the correct analytical methodology is difficult to quantify, but it clearly is substantial.

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.

I declare under penalty of perjury that the foregoing affidavit and the matters stated therein are true and correct to the best of my knowledge, information, and belief.

Executed at Wilmington, North Carolina, this 2th day of April, 2004.


Margaret E. Harding
Global Nuclear Fuel – Americas, LLC

GESTAR II Review April 19-20 Washington DC

Time	Topic	Presenter
Day 1		
08:30-09:00 Pres. 1	Introduction and Background for GESTAR II <ul style="list-style-type: none"> • Why was GESTAR II generated • What are the benefits of GESTAR II • Amendments and Revisions to GESTAR 	M. Harding
09:00-10:00 Pres. 2	Overview of GESTAR II <ul style="list-style-type: none"> • Where does GESTAR II fit? • GESTAR II Rough Outline • GESTAR II Base document (brief walk through) • GESTAR II US document (brief walk through) 	J. Fawks
10:00-11:00 Pres. 3	Generic fuel licensing – GNF fuel <ul style="list-style-type: none"> • GESTAR II Requirements (Amendment 22) • Process • Implementation (TDP-0121) • Amendment 22 Report 	M. Colby
11:00-11:30 Pres. 4	Overview of entire reload licensing process <ul style="list-style-type: none"> • Standard licensing process • Controlling documents 	M. Colby
13:00-13:30 Pres. 5	Licensing of non GNF fuel <ul style="list-style-type: none"> • Nuclear libraries • GESTR files • Thermal/hydraulic model and GEXL correlation 	M. Colby
13:30-15:30 Pres. 6	Fuel and Core design – RLP <ul style="list-style-type: none"> • Overview of process • Regulatory requirements • Design criteria • Process flow • Time line • Mixed fuel • Implementation (TDPs) 	J. Fawks
15:30-16:30 Pres. 7	SLMCPR <ul style="list-style-type: none"> • Regulatory requirements (GDC 10) • GESTAR II Requirements • LTR and NRC SER (SLMCPR Methodology and Uncertainties) • Implementation (TDP-0049) • Mixed fuel • SLMCPR submittal 	M. Colby

**GESTAR II Review
April 19-20 Washington DC**

Time	Topic	Presenter
Day 2		
	Supplemental Reload Licensing	
08:30-10:00 Pres. 8	Transient <ul style="list-style-type: none"> - Regulatory requirements (GDC 10) - GESTAR II requirements - LTR and NRC SER (ODYN/TASC) - Transient selection process - Mixed fuel - Implementation (TDP-0029-0040-0042 (TT transient)) - Operational flexibility option 	F. Bolger
10:00-11:30 Pres. 9	LOCA <ul style="list-style-type: none"> - Regulatory requirements (Appendix K) - GESTAR II requirements - LTR and NRC SER (SAFER/GESTR) - Mixed fuel - Progression of LOCA analyses - Implementation (TDP-0090-0106) 	W. Marquino
13:00-13:45 Pres. 10	Stability	F. Bolger
13:45-14:15 Pres. 11	ALC Confirmation	J. Fawks
14:15-14:30	Closing Remarks	M. Harding
15 min Pres. 12	GE Thermal Analysis Basis (GETAB) <ul style="list-style-type: none"> • Hensch-Levy to GEXL 	J. Andersen
15 min Pres. 13	GE Thermal Mechanical Limits <ul style="list-style-type: none"> • GEGAP to GESTR 	M. Colby
30 min Pres. 14	Licensing Submittals	M. Harding