

June 3, 2004

Mr. James J. Sheppard
President and Chief Executive Officer
STP Nuclear Operating Company
South Texas Project Electric
Generating Station
P. O. Box 289
Wadsworth, TX 77483

SUBJECT: STP NUCLEAR OPERATING COMPANY - APPLICATION FOR WITHHOLDING
PROPRIETARY INFORMATION FROM PUBLIC DISCLOSURE FOR SOUTH
TEXAS PROJECT, UNITS 1 AND 2 (TAC NOS. MC2467 AND MC2468)

Dear Mr. Sheppard:

By letter dated May 12, 2004, STP Nuclear Operating Company (STPNOC) submitted an affidavit dated May 11, 2004, executed by you, in which you requested that the information contained in the following documents, included as Attachments 2 and 3 to your letter, be withheld from public disclosure pursuant to Title 10 of the *Code of Federal Regulations* (10 CFR), Part 2, Section 2.390:

Design Change Package (DCP) #01-19793-10, Supplement 0, "ASCO
Solenoid Valve 212-633-1RVF and Document Change Notice (DCN) #JD-885.

A copy of the nonproprietary cover letter, which forwarded the two proprietary documents, has 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 affidavit stated that the submitted information should be considered exempt from mandatory public disclosure for the following reasons:

These documents are a first-of-a-kind activity, which would have commercial benefit for other contractors/vendors if it were disclosed to the public. The documents also contain information that is proprietary to ASCO that is not contained in publicly available ASCO literature. Finally, the documents draw application conclusions that are unique to the South Texas Project, which could be potentially misused by others if the document were disclosed to the public.

- (i) The information has been held in confidence by STPNOC.
- (ii) This information is of a type customarily held in confidence by STPNOC and there is a rational basis for doing so.
- (iii) The information has been transmitted to the NRC in confidence.
- (iv) The information is not available in public sources.

- (v) Public disclosure of the information sought to be withheld is likely to cause substantial harm to the competitive position of STPNOC, taking into account: the value of the information to STPNOC; the amount of money and effort expended by STPNOC in developing the information; and the ease or difficulty with which the information could be properly acquired or duplicated by others.

We have reviewed your application and the material, in accordance with the requirements of 10 CFR 2.390 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, Attachments 2 and 3, marked as proprietary, will be withheld from public disclosure pursuant to 10 CFR 2.390(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 301-415-1347.

Sincerely,

/RA/

Michael Webb, Senior Project Manager, Section 1
Project Directorate IV
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket Nos. 50-498 and 50-499

cc: See next page

- (v) Public disclosure of the information sought to be withheld is likely to cause substantial harm to the competitive position of STPNOC, taking into account: the value of the information to STPNOC; the amount of money and effort expended by STPNOC in developing the information; and the ease or difficulty with which the information could be properly acquired or duplicated by others.

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/RA/

Michael Webb, Senior Project Manager, Section 1
Project Directorate IV
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket Nos. 50-498 and 50-499
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NAME	MWebb	DBaxley	DTerao	RGramm
DATE	6/1/2004	5/27/2004	6/1/2004	6/2/2004

OFFICIAL RECORD COPY

South Texas Project

cc:

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-2-

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