

March 16, 2005

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

SUBJECT: PALO VERDE NUCLEAR STATION, UNIT 3 - RE: REQUEST  
FOR WITHHOLDING INFORMATION FROM PUBLIC DISCLOSURE  
(CAW-04-1904) (TAC NO. MC2390)

Dear Mr. Gresham:

By letter dated October 21, 2004, Arizona Public Service Company submitted an affidavit dated October 13, 2004, executed by you requesting that the information contained in the following documents be withheld from public disclosure pursuant to Title 10 of the *Code of Federal Regulations* (10 CFR), Part 2, Section 2.390:

WCAP-16044-P, "Structural Integrity Evaluation of Reactor Vessel Upper Head Penetrations to Support Continued Operation: Palo Verde Unit 3"

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

- (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.
- (c) Its use by a competitor would reduce his expenditure of resources or improve his competitive position in design, manufacture, shipment, installation, assurance of quality, or licensing a similar product.
- (e) It reveals aspects of past, present, or future Westinghouse or customer funded development plans and programs of potential commercial value to Westinghouse.

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, WCAP-16044-P, "Structural Integrity Evaluation of Reactor Vessel Upper Head Penetrations to Support Continued Operation: Palo Verde Unit 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 301-415-3062.

Sincerely,

***/RA/***

Mel Fields, Senior Project Manager, Section 2  
Project Directorate IV  
Division of Licensing Project Management  
Office of Nuclear Reactor Regulation

Docket Nos. STN 50-530

cc: See next page

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 301-415-3062.

Sincerely,

**/RA/**

Mel Fields, Senior Project Manager, Section 2  
Project Directorate IV  
Division of Licensing Project Management  
Office of Nuclear Reactor Regulation

Docket Nos. STN 50-530

cc: See next page

DISTRIBUTION:

- PUBLIC
- PDIV-2 Reading
- RidsNrrDlpmLpdiv (HBerkow)
- RidsNrrDlpmLpdiv2 (RGramm)
- RidsNrrLADBaxley
- RidsNrrPMMFields
- TChan
- RidsOgcRp
- RidsAcrcAcnwMailCenter
- RidsRgn4MailCenter (AHowell)

**Accession Number: ML050820294**

**NRR-084**

OFFICE	PM:PDIV-2	LA:PDIV-1	EMEB	SC:PDIV-2
NAME	MFields:db	DBaxley	GGeorgiev for TChan	RGramm
DATE	3/15/05	3/15/05	3/11/05	3/15/05

**OFFICIAL RECORD COPY**

E:\Filenet\ML050820294.wpd

Palo Verde Generating Station, Units 1, 2, and 3

cc:

Mr. Steve Olea  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, AZ 85007

Douglas Kent Porter  
Senior Counsel  
Southern California Edison Company  
Law Department, Generation Resources  
P.O. Box 800  
Rosemead, CA 91770

Senior Resident Inspector  
U.S. Nuclear Regulatory Commission  
P. O. Box 40  
Buckeye, AZ 85326

Regional Administrator, Region IV  
U.S. Nuclear Regulatory Commission  
Harris Tower & Pavillion  
611 Ryan Plaza Drive, Suite 400  
Arlington, TX 76011-8064

Chairman  
Maricopa County Board of Supervisors  
301 W. Jefferson, 10th Floor  
Phoenix, AZ 85003

Mr. Aubrey V. Godwin, Director  
Arizona Radiation Regulatory Agency  
4814 South 40 Street  
Phoenix, AZ 85040

Mr. M. Dwayne Carnes, Director  
Regulatory Affairs/Nuclear Assurance  
Palo Verde Nuclear Generating Station  
P.O. Box 52034  
Phoenix, AZ 85072-2034

Mr. Hector R. Puente  
Vice President, Power Generation  
El Paso Electric Company  
310 E. Palm Lane, Suite 310  
Phoenix, AZ 85004

Mr. John Taylor  
Public Service Company of New Mexico  
2401 Aztec NE, MS Z110  
Albuquerque, NM 87107-4224

Ms. Cheryl Adams  
Southern California Edison Company  
5000 Pacific Coast Hwy Bldg DIN  
San Clemente, CA 92672

Mr. Robert Henry  
Salt River Project  
6504 East Thomas Road  
Scottsdale, AZ 85251

Mr. Jeffrey T. Weikert  
Assistant General Counsel  
El Paso Electric Company  
Mail Location 167  
123 W. Mills  
El Paso, TX 79901

Mr. John Schumann  
Los Angeles Department of Water & Power  
Southern California Public Power Authority  
P.O. Box 51111, Room 1255-C  
Los Angeles, CA 90051-0100

Brian Almon  
Public Utility Commission  
William B. Travis Building  
P. O. Box 13326  
1701 North Congress Avenue  
Austin, TX 78701-3326

Mr. Gregg R. Overbeck  
Senior Vice President, Nuclear  
Arizona Public Service Company  
P. O. Box 52034  
Phoenix, AZ 85072-2034