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10 CFR 50
10 CFR 51
10 CFR 54

2130-06-20360
July 7, 2006

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

Oyster Creek Generating Station
Facility Operating License No. DPR-16
NRC Docket No. 50-219

Subject: Supplemental Information Related to the Aging Management Program for the Oyster Creek Drywell Shell, Associated with AmerGen's License Renewal Application (TAC No. MC7624)

- References:
1. NRC's "Request for Additional Information for the Review of the Oyster Creek Nuclear Generating Station, License Renewal Application (TAC 7624)", dated March 10, 2006
 2. AmerGen's "Response to NRC Request for Additional Information, dated March 10, 2006, Related to Oyster Creek Generating Station License Renewal Application (TAC No. 7624)," dated April 7, 2006
 3. NRC's "Summary of Meeting Held on June 1, 2006, Between the U.S. Nuclear Regulatory Commission Staff and AmerGen Energy Company, LLC Representatives to Discuss the Staff's Questions Regarding the Drywell Shell and the Oyster Creek Nuclear Generating Station License Renewal Application," dated June 9, 2006 (ADAMS # ML061600368)

In Reference 1, as part of its review of the AmerGen Energy Company (AmerGen) application for license renewal for Oyster Creek Generating Station (Oyster Creek), the NRC Staff requested additional information regarding the aging management program and activities associated with the Oyster Creek drywell containment shell. Reference 2 provided AmerGen's response to these RAIs.

On June 1, 2006, the NRC Staff held a public meeting with representatives from AmerGen to further discuss the drywell aging management program. At that meeting, the Staff posed several specific clarifying questions to AmerGen, as documented in Reference 3. The Staff also indicated that it plans to conduct an engineering analysis of the drywell to confirm the results of General Electric (GE) analysis submitted to the NRC in 1991 and resubmitted in response to RAI 4.7.2-1 (b), Reference 2. Attachment 1 of this letter provides construction drawings requested by the Staff to support its analysis of the containment drywell.

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Attachment 1 begins with the list of drawings contained in Attachment 1, followed by the submitted drawings. These drawings contain information proprietary to Chicago Bridge & Iron Company (CB&I). On behalf of CB&I, AmerGen requests that the documents be withheld from public disclosure in accordance 10 CFR 2.390 (a)(4). An affidavit supporting this request is included as Attachment 2.

Attachment 3 contains additional drawings that are not considered proprietary, and are therefore grouped as a separate attachment.

If you have any questions, please contact Fred Polaski, Manager License Renewal, at 610-765-5935.

I declare under penalty of perjury that the foregoing is true and correct.

Respectfully,

Executed on 07-07-2006


Michael P. Gallagher
Vice President, License Renewal
AmerGen Energy Company, LLC

Attachment 1. Oyster Creek Containment Fabrication Drawings - Proprietary
 2. Chicago Bridge & Iron Company - Proprietary Affidavit
 3. Oyster Creek Containment Drawings – Non-Proprietary

cc: Regional Administrator, USNRC Region I, w/o Enclosures
 USNRC Project Manager, NRR - License Renewal, Safety, w/Enclosures
 USNRC Project Manager, NRR - License Renewal, Environmental, w/o Enclosures
 USNRC Project Manager, NRR - Project Manager, OCGS, w/o Enclosures
 USNRC Senior Resident Inspector, OCGS, w/o Enclosures
 Bureau of Nuclear Engineering, NJDEP, w/Enclosures
 File No. 05040

ATTACHMENT 2

AFFADAVIT SUPPORTING CHICAGO BRIDGE AND IRON REQUEST TO
TREAT DRAWINGS (IN ATTACHMENT 1) AS PROPRIETARY

3 PAGES

AFFIDAVIT

I, **Ned A. Bacon**, state as follows;

(1) I am the Chief Engineer of Chicago Bridge & Iron Company ("CB&I") 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, "Attachment – List of Selected Oyster Creek Containment Fabrication Drawings".

(3) In making this application for withholding of proprietary information of which it is the owner of licensee, CB&I 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 the 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). This 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 CB&I's competitors without license from CB&I 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 CB&I, its customers, or its suppliers;

d. Information which reveals aspects of past, present, or future CB&I customer-funded development plans and programs, of potential commercial value to CB&I;

e. Information which discloses patentable subject matter for which it may be desirable to obtain patent protection.

The information sought to be withheld is considered to be proprietary for the reasons set forth in paragraphs (4)a, (4)b and (4)d, 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 CB&I, 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 CB&I, no public disclosure has been made, and it is not available in public sources.

(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 CB&I.

(7) The procedure for approval of external release of such document typically requires review by the staff engineer, project manager, chief engineer or other equivalent authority, by the manager of the cognizant marketing function (or his delegate), and by Legal, for technical content, competitive effect, and determination of the accuracy of the proprietary designation. Disclosures outside CB&I are limited to regulatory bodies, customers, and their agents, suppliers, and licensees, and others with a legitimate need for the information.

(8) The information identified in paragraph (2) is classified as proprietary because it contains details of CB&I's containment vessel design and fabrication methodology.

The development of the containment vessel design and fabrication methodology, along with testing, development and approval of supporting methodologies was achieved at a significant cost, on the order of several million dollars, to CB&I or its licensor.

(9) Public disclosure of the information sought to be withheld is likely to cause substantial harm to CB&I's competitive position and foreclose or reduce the availability of profit-making opportunities. The containment vessel design and fabrication methodology is part of CB&I's comprehensive technology base, and its commercial value extends beyond the original development cost. The value of the technology base goes beyond the design and fabrication drawings, and includes development of the expertise to determine and apply appropriate methodologies.

The research, development, engineering, analytical and NRC review costs comprise a substantial investment of time and money by CB&I or its licensor.

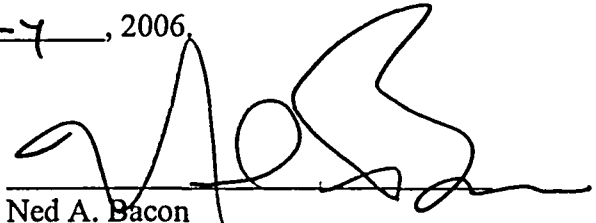
The precise value of the expertise to devise a containment vessel design and fabrication methodology is difficult to quantify, but it clearly is substantial.

CB&I's competitive advantage will be lost if its competitors are able to use the results of the CB&I 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 CB&I 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 CB&I of the opportunity to exercise its competitive advantage to seek an adequate return on its large investment in developing and obtaining the containment vessel design and fabrication methodology.

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 Plainfield this 6th day of JULY, 2006.



Ned A. Bacon
Chicago Bridge & Iron Company

Attachment 3—Oyster Creek Containment Drawings
Non-Proprietary

| | | | |
|------------|---|---|---|
| 1083-09-05 | 1 | B | Torus Downcomer Lateral Support System Installation |
| 1083-09-06 | 1 | B | Torus Downcomer Lateral Support System Details |
| 1083-09-07 | 1 | D | Vent Header Replacement Support Columns Fabrication and Installation |

