#### **Measurement Systems**

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April 2, 2007 CAW 07-07

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

# APPLICATION FOR WITHHOLDING PROPRIETARY INFORMATION FROM PUBLIC DISCLOSURE

Subject: "LEFM✓ + Transducer Installation Sensitivity", Cameron Measurement Systems, Caldon<sup>®</sup> Ultrasonics ER-551P Rev. 1

Gentlemen:

This application for withholding is submitted by Cameron International Corporation, a Delaware Corporation (herein called "Cameron") on behalf of its operating unit, Caldon<sup>®</sup> Ultrasonics Technology Center, pursuant to the provisions of paragraph (b)(1) of Section 2.390 of the Commission's regulations. It contains trade secrets and/or commercial information proprietary to Cameron and customarily held in confidence.

The proprietary information for which withholding is being requested is identified in the subject submittal. In conformance with 10 CFR Section 2.390, Affidavit CAW 07-07 accompanies this application for withholding setting forth the basis on which the identified proprietary information may be withheld from public disclosure.

Accordingly, it is respectfully requested that the subject information, which is proprietary to Cameron, be withheld from public disclosure in accordance with 10 CFR Section 2.390 of the Commission's regulations.

Correspondence with respect to this application for withholding or the accompanying affidavit should reference CAW 07-07 and should be addressed to the undersigned.

Very truly yours,

CK Hasting

Calvin R. Hastings General Manager

Enclosures (Only upon separation of the enclosed confidential material should this letter and affidavit be released.)

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April 2, 2007 CAW 07-07

### **AFFIDAVIT**

### COMMONWEALTH OF PENNSYLVANIA:

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## COUNTY OF ALLEGHENY:

Before me, the undersigned authority, personally appeared Calvin R. Hastings, who, being by me duly sworn according to law, deposes and says that he is authorized to execute this Affidavit on behalf of Cameron International Corporation, a Delaware Corporation (herein called "Cameron") on behalf of its operating unit, Caldon<sup>®</sup> Ultrasonics Technology Center, and that the averments of fact set forth in this Affidavit are true and correct to the best of his knowledge, information, and belief:

Calvin R. Hastings General Manager

Sworn to and subscribed before me

day of this 2007 11 COMMONWEALTH OF PENNSYLVANIA Notarial Seal Joann B. Thomas, Notary Public City of Pittsburgh, Allegheny County My Commission Expires July 28, 2007

Member, Pennsylvania Association of Notaries

 I am the General Manager of Caldon<sup>®</sup> Ultrasonics Technology Center, and as such, I have been specifically delegated the function of reviewing the proprietary information sought to be withheld from public disclosure in connection with nuclear power plant licensing and rulemaking proceedings, and am authorized to apply for its withholding on behalf of Cameron.

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- I am making this Affidavit in conformance with the provisions of 10CFR Section 2.390 of the Commission's regulations and in conjunction with the Cameron application for withholding accompanying this Affidavit.
- 3. I have personal knowledge of the criteria and procedures utilized by Cameron in designating information as a trade secret, privileged or as confidential commercial or financial information.
- Pursuant to the provisions of paragraph (b) (4) of Section 2.390 of the Commission's regulations, the following is furnished for consideration by the Commission in determining whether the information sought to be withheld from public disclosure should be withheld.
  - (i) The information sought to be withheld from public disclosure is owned and has been held in confidence by Cameron.
  - (ii) The information is of a type customarily held in confidence by Cameron and not customarily disclosed to the public. Cameron has a rational basis for determining the types of information customarily held in confidence by it and, in that connection utilizes a system to determine when and whether to hold certain types of information in confidence. The application of that system and the substance of that system constitutes Cameron policy and provides the rational basis required. Furthermore, the information is submitted voluntarily and need not rely on the evaluation of any rational basis.

Under that system, information is held in confidence if it falls in one or more of several types, the release of which might result in the loss of an existing or potential advantage, as follows:

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- (a) The information reveals the distinguishing aspects of a process (or component, structure, tool, method, etc.) where prevention of its use by any of Cameron's competitors without license from Cameron constitutes a competitive economic advantage over other companies.
- (b) It consists of supporting data, including test data, relative to a process (or component, structure, tool, method, etc.), the application of which data secures a competitive economic advantage, e.g., by optimization or improved marketability.
- (c) Its use by a competitor would reduce his expenditure of resources or improve his competitive position in the design, manufacture, shipment, installation, and assurance of quality, or licensing a similar product.
- (d) It reveals cost or price information, production capacities, budget levels, or commercial strategies of Cameron, its customer or suppliers.
- (e) It reveals aspects of past, present or future Cameron or customer funded development plans and programs of potential customer value to Cameron.
- (f) It contains patentable ideas, for which patent protection may be desirable.

There are sound policy reasons behind the Cameron system, which include the following:

(a) The use of such information by Cameron gives Cameron a competitive advantage over its competitors. It is, therefore, withheld from disclosure to protect the Cameron competitive position.

- (b) It is information that is marketable in many ways. The extent to which such information is available to competitors diminishes the Cameron ability to sell products or services involving the use of the information.
- (c) Use by our competitor would put Cameron at a competitive disadvantage by reducing his expenditure of resources at our expense.
- (d) Each component of proprietary information pertinent to a particular competitive advantage is potentially as valuable as the total competitive advantage. If competitors acquire components of proprietary information, any one component may be the key to the entire puzzle, thereby depriving Cameron of a competitive advantage.
- (e) Unrestricted disclosure would jeopardize the position of prominence of Cameron in the world market, and thereby give a market advantage to the competition of those countries.
- (f) The Cameron capacity to invest corporate assets in research and development depends upon the success in obtaining and maintaining a competitive advantage.
- (iii) The information is being transmitted to the Commission in confidence, and, under the provisions of 10CFR Section 2.390, it is to be received in confidence by the Commission.
- (iv) The information sought to be protected is not available in public sources or available information has not been previously employed in the same manner or method to the best of our knowledge and belief.

The proprietary information sought to be withheld in the enclosed submittal, titled "LEFM $\checkmark$  + Transducer Installation Sensitivity", Cameron Measurement Systems, Caldon<sup>®</sup> Ultrasonics ER-551P Rev. 1 is designated therein in accordance with 10 CFR §§ 2.390(b)(1)(i)(A, B), with the reason(s) for confidential treatment noted in the submittal and further described in this affidavit can be found on pages 2, 4, 5, 6, 7, 8, 9, 10, 11, and 12. This information is being submitted per the request of the NRC in their July 5, 2006 Safety Evaluation of the LEFM Check and CheckPlus UFM.

Public disclosure of this proprietary information is likely to cause substantial harm to the competitive position of Cameron because it would enhance the ability of competitors to provide similar flow and temperature measurement systems 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 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 Cameron effort and the expenditure of a considerable sum of money.

In order for competitors of Cameron to duplicate this information, similar products would have to be developed, similar technical programs would have to be performed, and a significant manpower effort, having the requisite talent and experience, would have to be expended for developing analytical methods and receiving NRC approval for those methods.

Further the deponent sayeth not.