



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
WASHINGTON, D.C. 20555-0001

March 18, 2009

Mr. William H. Spence
Executive Vice President
Chief Operating Officer/Chief Nuclear Officer
PPL Corporation
Two North Ninth Street, GENTW16
Allentown, PA 18101-1179

**SUBJECT: SUSQUEHANNA STEAM ELECTRIC STATION, UNITS 1 AND 2 - REQUEST
FOR WITHHOLDING INFORMATION FROM PUBLIC DISCLOSURE
(TAC NO. MD8079 AND ME0772)**

Dear Mr. Spence:

By letter dated February 27, 2009, PPL Susquehanna, LLC, submitted three affidavits, executed by Mr. Tim E. Abney, Vice President, Services Licensing, Regulatory Affairs, GE-Hitachi, Nuclear Energy Americas, LLC ("GEH"), dated February 23, 24, and 26, 2009, requesting that the information contained in the following document be withheld from public disclosure pursuant to Title 10 of the *Code of Federal Regulations* (10 CFR) Section 2.390:

PPL Susquehanna, LLC letter number PLA-6484 titled Susquehanna Steam Electric Station Unit 1 Operating License No. NPF-14, Docket Nos. 50-387, License Conditions 2.C.(36)(b)2, and 2.C.(36)(b)4 and Unit 2 Operating License No. NPF-22, Docket No. 50-388, License Conditions 2.C.(20)(b)1 and 2.C.(20)(b)2, dated February 27, 2009, as follows:

1. Enclosure 1 (proprietary version) and Enclosure 5 (non-proprietary version), Engineering Report, GE-NE-0000-0095-2113-P-R0, DRF 0000-0094-9920, Class III, February 2009, "Susquehanna Replacement Steam Dryer Updated Stress Analysis at Extended Power Uprate Conditions." (Affidavit dated February 23, 2009)
2. Enclosure 2 (proprietary version) and Enclosure 6 (non-proprietary version), "Revised Susquehanna Replacement Steam Dryer Limit Curves – Main Steam Line Mounted Instrumentation." (Affidavit dated February 26, 2009)
3. Enclosure 4 (proprietary version) and Enclosure 7 (non-proprietary version), "SSES Dryer Component Worst Case Fatigue Margin Under Projected EPU Conditions." (Affidavit dated February 24, 2009)

All above referenced affidavits executed by Mr. Abney stated that the submitted information should be considered exempt from mandatory public disclosure for the following reasons:

- (3) In making this application for withholding of proprietary information of which it is the owner or licensee, GEH 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" (Exemption 4). The material for which exemption from disclosure is here sought 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)a. Information that discloses a process, method, or apparatus, including supporting data and analyses, where prevention of its use by GEH's competitors without license from GEH constitutes a competitive economic advantage over other companies;
- (4)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;
- (8) The information identified in paragraph (2) [of the affidavit] is classified as proprietary because it contains results and details of structural analysis methods and techniques developed by GEH for evaluations of BWR Steam Dryers. Development of these methods, techniques, and information and their application to the design, modification, and analyses methodologies and processes for the Steam Dryer Program was achieved at a significant cost to GEH.

The development of the evaluation process along with the interpretation and application of the analytical results is derived from the extensive experience database that constitutes a major GEH asset.

- (9) Public disclosure of the information sought to be withheld is likely to cause substantial harm to GEH's competitive position and foreclose or reduce the availability of profit-making opportunities. The information is part of GEH's comprehensive BWR [boiling-water reactor] 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 [U.S. Nuclear Regulatory Commission] NRC-approved methods.

The research, development, engineering, analytical, and NRC review costs comprise a substantial investment of time and money by GEH.

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.

GEH's competitive advantage will be lost if its competitors are able to use the results of the GEH 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 GEH 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 GEH 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.

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, the submitted information 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.

A nonproprietary copy of this document has been placed in the NRC's Public Document Room and added to the Agencywide Documents Access and Management System Public Electronic Reading Room.

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.

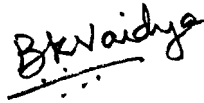
If the basis for withholding this information from public inspection should change in the future such that the information could then be made available for public inspection, you should promptly notify the NRC. You also should understand that the NRC may have cause to review this determination in the 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.

W. H. Spence

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If you have any questions regarding this matter, I may be reached at 301-415-3308.

Sincerely,

A handwritten signature in black ink, appearing to read "B.K. Vaidya", with a horizontal line underneath.

Bhalchandra K. Vaidya, Project Manager
Plant Licensing Branch I-1
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-387 and 50-388

cc: see next page

PPL Corporation

Susquehanna Steam Electric Station, Units 1 and 2

cc:

Mr. Tim E. Abney
Vice President, Services Licensing
GE-Hitachi Nuclear Energy Americas LLC
3901 Castle Hayne Road
Wilmington, NC 28401

Additional distribution via Listserv

W. H. Spence

- 4 -

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Sincerely,

/RA/

Bhalchandra K. Vaidya, Project Manager
Plant Licensing Branch I-1
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

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cc: see next page

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