



Westinghouse  
Electric Corporation

Power Systems  
Company

PWR Systems Division  
Box 355  
Pittsburgh Pennsylvania 15230

July 19, 1976  
AW-76-8

Mr. John F. Stolz, Chief  
Light Water Reactors Project  
Division of Project Management  
Office of Nuclear Reactor Regulation  
U. S. Nuclear Regulatory Commission  
7920 Norfolk Avenue  
Bethesda, Maryland 20014

APPLICATION FOR WITHHOLDING PROPRIETARY  
INFORMATION FROM PUBLIC DISCLOSURE

SUBJECT: WCAP-8575 Supplement 1 (Proprietary) Augmented Startup and  
Cycle 1 Physics Program - Supplement 1

REF: Westinghouse Letter No. NS-CE-1139 Eichelinger to Stolz  
dated July 19, 1976

Dear Mr. Stolz:

This application for withholding is submitted by Westinghouse Electric Corporation ("Westinghouse") pursuant to the provisions of paragraph (b)(1) of Section 2.790 of the Commission's regulations. Withholding from public disclosure is requested with respect to the subject information which is further identified in the affidavit accompanying this application.

The undersigned has reviewed the information sought to be withheld and is authorized to apply for its withholding on behalf of Westinghouse, WRD, notification of which was sent to the Secretary of the Commission on April 19, 1976.

The affidavit accompanying this application sets forth the basis on which the information may be withheld from public disclosure by the Commission and addresses with specificity the considerations listed in paragraph (b)(4) of Section 2.790 of the Commission's regulations.

Accordingly it is respectfully requested that the subject information which is proprietary to Westinghouse and which is further identified in the affidavit be withheld from public disclosure in accordance with 10 CFR Section 2.790 of the Commission's regulations.

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P PDR

Mr. John F. Stolz

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Correspondence with respect to this application for withholding or the accompanying affidavit should be addressed to the undersigned.

Very truly yours,



Robert A. Wiesemann, Manager  
Licensing Programs

Enclosure

cc: J. W. Maynard, Esq.  
Office of the Executive Legal Director, NRC

AFFIDAVIT

COMMONWEALTH OF PENNSYLVANIA:

SS

COUNTY OF ALLEGHENY:

Before me, the undersigned authority, personally appeared Robert A. Wiesemann, who, being by me duly sworn according to law, deposes and says that he is authorized to execute this Affidavit on behalf of Westinghouse Electric Corporation ("Westinghouse") and that the averments of fact set forth in this Affidavit are true and correct to the best of his knowledge, information, and belief:

Robert A. Wiesemann  
Robert A. Wiesemann, Manager  
Licensing Programs

Sworn to and subscribed  
before me this 11th day  
of August 1976.

James J. [Signature]  
Notary Public

RECEIVED  
ALLEGHENY COUNTY  
NOTARY COMMISSION EXPIRES APR. 15, 1978

- (1) I am Manager, Licensing Programs, in the Pressurized Water Reactor Systems Division, of Westinghouse Electric Corporation 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 or rule-making proceedings, and am authorized to apply for its withholding on behalf of the Westinghouse Water Reactor Divisions.
- (2) I am making this Affidavit in conformance with the provisions of 10 CFR Section 2.790 of the Commission's regulations and in conjunction with the Westinghouse application for withholding accompanying this Affidavit.
- (3) I have personal knowledge of the criteria and procedures utilized by Westinghouse Nuclear Energy Systems in designating information as a trade secret, privileged or as confidential commercial or financial information.
- (4) Pursuant to the provisions of paragraph (b)(4) of Section 2.790 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 Westinghouse.

- (ii) The information is of a type customarily held in confidence by Westinghouse and not customarily disclosed to the public. Westinghouse 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 Westinghouse policy and provides the rational basis required.

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 competitive 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 Westinghouse's competitors without license from Westinghouse 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.
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- (c) Its use 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 a similar product.
  - (d) It reveals cost or price information, production capacities, budget levels, or commercial strategies of Westinghouse, its customers or suppliers.
  - (e) It reveals aspects of past, present, or future Westinghouse or customer funded development plans and programs of potential commercial value to Westinghouse.
  - (f) It contains patentable ideas, for which patent protection may be desirable.
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- (g) It is not the property of Westinghouse, but must be treated as proprietary by Westinghouse according to agreements with the owner.

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

- (a) The use of such information by Westinghouse gives Westinghouse a competitive advantage over its competitors. It is, therefore, withheld from disclosure to protect the Westinghouse competitive position.
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- (b) It is information which is marketable in many ways. The extent to which such information is available to competitors diminishes the Westinghouse ability to sell products and services involving the use of the information.
  - (c) Use by our competitor would put Westinghouse 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 Westinghouse of a competitive advantage.
  - (e) Unrestricted disclosure would jeopardize the position of prominence of Westinghouse in the world market, and thereby give a market advantage to the competition in those countries.
  - (f) The Westinghouse capacity to invest corporate assets in research and development depends upon the success in obtaining and maintaining a competitive advantage.
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- (iii) The information is being transmitted to the Commission in confidence and, under the provisions of 10 CFR Section 2.790, it is to be received in confidence by the Commission.
- (iv) The information is not available in public sources to the best of our knowledge and belief.
- (v) The proprietary information sought to be withheld in this submittal is that which is appropriately marked in the attachment to Westinghouse letter number NS-CE-1139, Eicheldinger to Stolz, dated July 19, 1976, concerning supplemental information for use in the Augmented Startup and Cycle 1 Physics Program. The letter and attachment are being submitted as part of the above mentioned program in response to concerns of the Advisory Committee on Reactor Safeguards with the new Westinghouse PWR's, which are rated at higher power densities than currently operating Westinghouse reactors.

This information enables Westinghouse to:

- (a) Justify the Westinghouse design correlations.
- (b) Assist its customers to obtain licenses.
- (c) Provide greater flexibility to customers assuring them of safe reliable operation.
- (d) Optimize performance while maintaining a high level of fuel integrity.

- (e) Justify operation at a reduced peaking factor with a wider target band than normal.
- (f) Justify full power operation and meet warranties.

Further, the information gained from the Augmented Startup and Cycle 1 Physics Program is of commercial value and is sold for considerable sums of money as follows:

- (a) Westinghouse uses the information to perform and justify analyses which are sold to customers.
- (b) Westinghouse uses the information to sell to its customers for the purpose of meeting NRC requirements for full power licensing.

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- (c) Westinghouse could sell testing services based on the experience gained and the analytical methods developed using this information.

Public disclosure of this information concerning the Augmented Startup program is likely to cause substantial harm to the competitive position of Westinghouse by allowing its competitors to develop similar analysis methods and models at a much reduced cost.

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The analyses performed, their methods and evaluation represent a considerable amount of highly qualified development effort, which has been underway for many years. If a competitor were able to use the results of the analyses in the attached document, to normalize or verify their own methods or models, the development effort and monetary expenditure required to achieve an equivalent capability would be significantly reduced. In total, a substantial amount of money and effort has been expended by Westinghouse which could only be duplicated by a competitor if he were to invest similar sums of money and provided he had the appropriate talent available.

Further the deponent sayeth not.