



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

April 26, 2011

Vice President, Operations
Entergy Operations, Inc.
Waterford Steam Electric Station, Unit 3
17265 River Road
Killona, LA 70057-3093

SUBJECT: WATERFORD STEAM ELECTRIC STATION, UNIT 3 – REQUEST FOR
WITHHOLDING INFORMATION FROM PUBLIC DISCLOSURE (TAC
NO. ME3421)

Dear Sir or Madam:

By letter dated March 18, 2011 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML11115A159), you submitted an affidavit dated March 16, 2011, executed by Mr. Steven Gatcomb of Valcor Engineering Corporation (Valcor) requesting that the information contained in the following document (included as Enclosure 1 to the letter dated March 18, 2011) be withheld from public disclosure pursuant to Title 10 of the *Code of Federal Regulations* (10 CFR), Part 2, Section 2.390:

Similarity Qualification Test Report on Solenoid Valve Part Number 214167301
Model Number V526-6040-22.

A nonproprietary copy of this document was not submitted.

The affidavit stated that the submitted information should be considered exempt from mandatory public disclosure because this information has substantial commercial value that gives Valcor competitive advantage over its competitors, disclosure would jeopardize its competitive position, and for the following reasons:

- a. The Report is owned by Valcor and has been held in confidence by Valcor. All entities accepting copies of the Report do so subject to written agreements imposing an obligation upon the recipient to maintain the confidentiality of the Report. The Report is disclosed only to parties who agree, in writing to preserve the confidentiality thereof.
- b. Valcor considers the Report and the proprietary information contained therein (the "Proprietary Information") to constitute trade secrets of Valcor. As such, Valcor holds the Report in confidence and disclosure thereof is strictly limited to individuals and entities who have agreed, in writing, to maintain the confidentiality of the Report. Valcor made a substantial economic investment to develop the Report, and, by prohibiting public disclosure, Valcor may derive an economic benefit in the form of licensing royalties and other additional fees from the confidential nature of the Report. If the Report and the Proprietary Information were publicly available to consultants and/or other businesses

providing services in the electric and/or nuclear power industry, they would be able to use the Report for their own commercial benefit and profit and without expending the substantial economic resources required of Valcor to develop the Report.

- c. Valcor's classification of the Report and the Proprietary Information as trade secrets is justified by the Uniform Trade Secrets Act which California adopted in 1984 and a version of which has been adopted by over forty states. The California Uniform Trade Secrets Act, California Civil Code 3426-3426.11, defines a "trade secret" as follows:

"Trade secret" means information, including a formula, pattern, compilation, program device, method, technique, or process, that:

- (1) Derives independent economic value, actual or potential, from not being generally known to the public or to other persons who can obtain economic value from its disclosure or use; and
- (2) Is the subject of efforts that are reasonable under the circumstances to maintain its secrecy."

- d. The Report and the Proprietary Information contained therein are not generally known or available to the public. Valcor developed the Report only after making a determination that the Proprietary Information was not available from public sources. Valcor made a substantial investment of both money and employee hours in the development of the Report. Valcor was required to devote these resources and effort to derive the Proprietary Information and the Report. As a result of such effort and cost, both in terms of dollars spent and dedicated employee time, the Report is highly valuable to Valcor.
- e. A public disclosure of the Proprietary Information would be highly likely to cause substantial harm to Valcor's competitive position and the ability of Valcor to license the Proprietary Information both domestically and internationally. The Proprietary Information and Report can only be acquired and/or duplicated by others using an equivalent investment of time and effort.

We have reviewed your application and the material in accordance with the requirements of 10 CFR 2.390 and, on the basis of the statements in the affidavit, have determined that the submitted information sought to be withheld contains proprietary commercial information and should be withheld from public disclosure.


Therefore, the version of 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.

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, please contact me at (301) 415-1480 or by e-mail at kaly.kalyanam@nrc.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Kaly Kalyanam", written over a horizontal line.

N. Kalyanam, Project Manager
Plant Licensing Branch IV
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket No. 50-382

cc: Steven Gatcomb, Director
Sales and Marketing - Nuclear
Valcor Engineering Corporation
2 Lawrence Road
Springfield, NJ 07081

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Sincerely,

/RA/

N. Kalyanam, Project Manager
Plant Licensing Branch IV
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

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