



U.S. Nuclear Regulatory Commission  
Document Control Desk  
Washington, DC 20555-0001

March 25, 2011

Subject: CS Innovations ALS Topical Report Supporting Documents Submittal  
NRC Project Number 779/Attention: Andrew Hon

Enclosed:

1. Document titled "6002-31110 ALS-311 Core A Requirements Traceability Matrix," Rev. B, marked proprietary

Also Enclosed:

2. Application for Withholding Proprietary Information from Public Disclosure (non-proprietary)
3. Affidavit (non-proprietary) with Proprietary Information Notice and Copyright Notice

The subject document is being submitted by CS Innovations as a Phase 2 submittal per the Task Working Group #6: Licensing Process Interim Staff Guidance.

This submittal contains proprietary information of CS Innovations. In conformance with the requirements of 10 CFR Section 2.390, as amended, of the Commission's regulations, CS Innovations is enclosing with this submittal an Application for Withholding Proprietary Information from Public Disclosure and an Affidavit. The affidavit sets forth the basis on which the information identified as proprietary may be withheld from public disclosure by the Commission.

Correspondence with respect to the application for withholding or the CS Innovations affidavit should reference this cover letter and should be addressed to Ms. Kyra Durinsky - Project Manager, Westinghouse Electric Company LLC, 5000 Ericsson Drive, Warrendale, PA 15086.

Sincerely,

A handwritten signature in black ink that reads 'William Hadovski'.

William Hadovski, Chief Operating Officer  
CS Innovations, LLC

Enclosures

cc: Kyra Durinsky, Project Manager

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MRO



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APPLICATION FOR WITHHOLDING PROPRIETARY  
INFORMATION FROM PUBLIC DISCLOSURE

Subject: CS Innovations ALS Topical Report Supporting Documents Submittal

Reference: Cover letter from Mr. William Hadovski – Chief Operating Officer, CS Innovations dated March 25, 2011.

The Application for Withholding Proprietary Information from Public Disclosure is submitted by CS Innovations (CSI), pursuant to the provisions of paragraph (b)(1) of Section 2.390 of the Commission's regulations. It contains commercial strategic information proprietary to CSI and customarily held in confidence.

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

CS Innovations does not intend to submit additional non-proprietary versions of the documentation listed as proprietary only due to the extensive proprietary information contained within the documentation. A non-proprietary version would be of no value to the public.

Accordingly, it is respectfully requested that the subject information which is proprietary to CSI 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 the cover letter and be sent to Ms. Kyra Durinsky - Project Manager, Westinghouse Electric Company, 5000 Ericsson Drive, Warrendale, PA, 15086.

Sincerely,



William Hadovski, Chief Operating Officer  
CS Innovations, LLC

Enclosures

cc: Kyra Durinsky, Project Manager



AFFIDAVIT

State of Arizona  
County of Maricopa

Before me, the undersigned authority, personally appeared William Hadovski, who, being by me duly sworn according to law, deposes and says that he is authorized to execute this Affidavit on behalf of CS Innovations (CSI), and that the averments of fact set forth in this Affidavit are true and correct to the best of his knowledge, information, and belief:

William Hadovski, Chief Operating Officer  
CS Innovations, LLC

Sworn to and subscribed  
before me this 28 day  
of MARCH, 2011

  
Notary Public

- (1) I am Chief Operating Officer, CS Innovations (CSI), 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 rule making proceedings, and am authorized to apply for its withholding on behalf of CSI.
- (2) I am making this Affidavit in conformance with the provisions of 10 CFR Section 2.390 of the Commission's regulations and in conjunction with the CSI "Application for Withholding" accompanying this Affidavit.
- (3) I have personal knowledge of the criteria and procedures utilized by CSI 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 2.390 of the Commission's regulations, the following is furnished for consideration by the Commission in determining 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 been held in confidence by CSI.
  - (ii) The information is of a type customarily held in confidence by CSI and not customarily disclosed to the public. CSI has a rational basis for determining the types of information customarily held in confidence by it and, in that connection, utilizes a system to determining when and whether to hold certain types of information in confidence. The application of that system and substance of that system constitutes CSI 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:

- (a) The information reveals the distinguishing aspects of a process (or component structure, tool, method, etc.) where prevention of its use by any of CSI's competitors without license from CSI 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, assurance of quality, or licensing a similar product.
- (d) It reveals costs or price information, production capacities, budget levels, or commercial strategies of CSI, its customers or suppliers.

- (e) It reveals aspects of past, present, or future CSI or customer funded development plans and programs of potential commercial value to CSI.
- (f) It contains patentable ideas, for which patent protection may be desirable.

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

- (a) The use of such information by CSI gives CSI a competitive advantage over its competitors. It is, therefore, withheld from disclosure to protect the CSI competitive position.
  - (b) It is information that is marketable in many ways. The extent to which such information is available to competitors diminishes the CSI ability to sell products and services involving the use of the information.
  - (c) Use by our competitor would put CSI 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 CSI of a competitive advantage.
  - (e) The CSI 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 10 CFR 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 original manner or method 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 documents listed in the cover letter from Mr. William Hadovski, Chief Operating Officer, CS Innovations, dated March 25, 2011 and with the subject "CS Innovations ALS Topical Report Supporting Documents Submittal". The information is being submitted in support of a topical report submittal and is being transmitted by the cover letter mentioned prior and an Application for Withholding Proprietary Information from Public

Disclosure, to the Nuclear Regulatory Commission's Document Control Desk.

This information is part of that which will enable CSI to develop a generic ALS platform for using in IE safety systems.

Further, this information has substantial commercial value as follows:

- (a) The information requested to be withheld reveals the distinguishing aspects of a methodology which was developed by CSI.
- (b) The information requested to be withheld reveals trade secrets.
- (c) The information requested to be withheld reveals details of CSI intellectual property.
- (d) The information requested to be withheld reveals commercial strategies.

Public disclosure of this proprietary information is likely to cause substantial harm to the competitive position of CSI because it would enhance the ability of competitors to provide similar products 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 purchasing 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 CSI effort and the expenditure of a considerable sum of money.

In order for competitors of CSI to duplicate this information, similar technical programs would have to be performed and a significant manpower effort, having the requisite talent and experience, would have to be expended.

Further, the deponent sayeth not.

## **PROPRIETARY INFORMATION NOTICE**

Transmitted herewith are proprietary and/or non-proprietary versions of documents furnished to the NRC in connection with requests for generic and/or plant-specific review and approval.

In order to conform to the requirements of 10 CFR 2.390 of the Commission's regulations concerning the protection of proprietary information so submitted to the NRC, the information which is proprietary in the proprietary versions is contained within brackets, and where the proprietary information has been deleted in the non-proprietary versions, only the brackets remain (the information that was contained within the brackets in the proprietary versions having been deleted). The justification for claiming the information so designated as proprietary is indicated in both versions by means of lower case letters (a) through (f) located as a superscript immediately following the brackets enclosing each item of information being identified as proprietary or in the margin opposite such information. These lower case letters refer to the types of information CS Innovations customarily holds in confidence identified in Sections (4)(ii)(a) through (4)(ii)(f) of the affidavit accompanying this transmittal pursuant to 10 CFR 2.390(b)(1).

## **COPYRIGHT NOTICE**

The reports transmitted herewith each bear a CS Innovations copyright notice. The NRC is permitted to make the number of copies of the information contained in these reports which are necessary for its internal use in connection with generic and plant-specific reviews and approvals as well as the issuance, denial, amendment, transfer, renewal, modification, suspension, revocation, or violation of a license, permit, order, or regulation subject to the requirements of 10 CFR 2.390 regarding restrictions on public disclosure to the extent such information has been identified as proprietary by CS Innovations, copyright protection notwithstanding. With respect to the non-proprietary versions of these reports, the NRC is permitted to make the number of copies beyond those necessary for its internal use which are necessary in order to have one copy available for public viewing in the appropriate docket files in the public document room in Washington, DC, and in local public document rooms as may be required by NRC regulations if the number of copies submitted is insufficient for this purpose. Copies made by the NRC must include the copyright notice in all instances and the proprietary notice if the original was identified as proprietary.