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LTR-NRC-12-16, Revision 1

March 13, 2012

Subject:

Westinghouse Input to NRC FRAPCON Models Related to the St. Lucie Unit 2 Extended

Power Uprate (EPU) License Amendment Request (LAR) (Proprietary)

Enclosed is proprietary information transmitted to support assessment of thermal conductivity degradation in conjunction with the St. Lucie Unit 2 EPU project.

Also enclosed is:

- 1. One (1) copy of the Application for Withholding Proprietary Information from Public Disclosure, AW-12-3442 (Non-Proprietary), with Proprietary Information Notice and Copyright Notice.
- 2. One (1) copy of Affidavit (Non-Proprietary).

This submittal contains proprietary information of Westinghouse Electric Company LLC. In conformance with the requirements of 10 CFR Section 2.390, as amended, of the Commission's regulations, we are 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.

The subject document was prepared and classified as Westinghouse Proprietary Class 2. Westinghouse requests that the document be considered proprietary in its entirety. As such, a non-proprietary version will not be issued.

Correspondence with respect to the proprietary aspects of the application for withholding or the Westinghouse affidavit should reference AW-12-3442 and should be addressed to J. A. Gresham, Manager, Regulatory Compliance, Westinghouse Electric Company, Suite 428, 1000 Westinghouse Drive, Cranberry Township, Pennsylvania 16066.

Very truly yours,

J. A. Gresham, Manager Regulatory Compliance

Enclosures

cc: E. Lenning/A. Mendiola/P. Clifford

cc: T. Orf - Cover Page Only

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AW-12-3442 March 13, 2012

APPLICATION FOR WITHHOLDING PROPRIETARY INFORMATION FROM PUBLIC DISCLOSURE

Subject: LTR-NRC-12-16, Revision 1 P-Enclosure, "Westinghouse Input to NRC FRAPCON

Models Related to the St. Lucie Unit 2 Extended Power Uprate (EPU) License Amendment

Request (LAR)" (Proprietary)

Reference: Letter from J. A. Gresham to Document Control Desk, LTR-NRC-12-16, Revision 1, dated

March 13, 2012

The proprietary information for which withholding is being requested in the above-referenced document is further identified in Affidavit AW-12-3442 signed by the owner of the proprietary information, Westinghouse Electric Company LLC. The affidavit, which accompanies this letter, sets for 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 10 CFR Section 2.390 of the Commission's regulations.

The subject document was prepared and classified as Westinghouse Proprietary Class 2. It contains commercial strategic information proprietary to Westinghouse and is customarily held in confidence. Westinghouse requests that the document be considered proprietary in its entirety. As such, a non-proprietary version will not be issued.

Correspondence with respect to the proprietary aspects of this application for withholding or the accompanying affidavit should reference AW-12-3442 and should be addressed to J. A. Gresham, Manager, Regulatory Compliance, Westinghouse Electric Company, Suite 428, 1000 Westinghouse Drive, Cranberry Township, Pennsylvania 16066.

Very truly yours,

B. F. Maurer, Manager ABWR Licensing

Enclosures

AFFIDAVIT

COMMONWEALTH OF PENNSYLVANIA:

SS

COUNTY OF BUTLER:

Before me, the undersigned authority, personally appeared B. F. Maurer, 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 Company LLC (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:

B. F. Maurer, Manager

ABWR Licensing

Sworn to and subscribed before me this 13th day of March 2012

Notary Public

COMMONWEALTH OF PENNSYLVANIA

Notarial Seal Cynthia Olesky, Notary Public Manor Boro, Westmoreland County My Commission Expires July 16, 2014

Member. Pennsylvania Association of Notaries

AW-12-3442

(1) I am Manager, ABWR Licensing, in Nuclear Services, Westinghouse Electric Company LLC (Westinghouse), 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 Westinghouse.

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- (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 Westinghouse Application for Withholding Proprietary Information from Public Disclosure accompanying this Affidavit.
- (3) I have personal knowledge of the criteria and procedures utilized by Westinghouse 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 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:

(a) The information reveals the distinguishing aspects of a process (or component, structure, tool, method, etc.) where prevention of its use by any of

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Westinghouse's competitors without license from Westinghouse constitutes a competitive economic advantage over other companies.

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- (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 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.

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.
- (b) It is information that 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 of 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.
- (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 LTR-NRC-12-16, Revision 1 P-Enclosure, "Westinghouse Input to NRC FRAPCON Models Related to the St. Lucie Unit 2 Extended Power Uprate (EPU) License Amendment Request (LAR)" (Proprietary), for submittal to the Commission, being transmitted by Westinghouse letter, LTR-NRC-12-16, Revision 1, and Application for Withholding Proprietary Information from Public Disclosure, to the Document Control Desk. The proprietary information as submitted by Westinghouse is associated with the ability for the NRC to develop confirmatory FRAPCON models.

This information is part of that which will enable Westinghouse to:

(a) Provide input to the Nuclear Regulatory Commission for the creation of confirmatory FRAPCON models.

Further this information has substantial commercial value as follows:

- (a) Westinghouse plans to sell the use of this information to its customers for purposes of meeting NRC requirements for licensing documentation.
- (b) Westinghouse can further enhance their licensing position with their competitors.
- (c) The information requested to be withheld reveals the distinguishing aspects of a methodology which was developed by Westinghouse.

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

In order for competitors of Westinghouse 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 is the proprietary version of a document furnished to the NRC in connection with requests for approval of the St. Lucie Unit 2 EPU LAR. The document is considered to be proprietary in its entirety.

COPYRIGHT NOTICE

The reports transmitted herewith each bear a Westinghouse 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 Westinghouse, copyright protection notwithstanding. Copies made by the NRC must include the copyright notice in all instances and the proprietary notice if the original was identified as proprietary.