

PROPRIETARY



Nuclear Innovation
North America LLC
4000 Avenue F, Suite A
Bay City, Texas 77414

May 17, 2012
U7-C-NINA-NRC-120030

U. S. Nuclear Regulatory Commission
Attention: Document Control Desk
One White Flint North
11555 Rockville Pike
Rockville, MD 20852-2738

South Texas Project
Units 3 and 4
PROJ0772
Fuel Related Schedule for STP 3 & 4

Reference: Letter from Mark McBurnett to the Document Control Desk, "Project and Fuel Related Schedule for STP 3 & 4," U7-C-NINA-NRC-110101, August 2, 2011 (ML11216A222)

This letter provides an update of the schedule of the activities related to a proposed fuel license amendment that Nuclear Innovation North America (NINA) is planning to submit after receipt of the Combined License for STP 3 & 4. This schedule was previously provided in the reference. This schedule update is provided in Attachment 1.

Attachment 1 contains information proprietary to Westinghouse Electric Corporation. Since this contains information proprietary to Westinghouse Electric Company LLC, it is supported by an affidavit signed by Westinghouse, the owner of the information. The affidavit 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 2.390 of the Commission's regulations.

Accordingly, it is respectfully requested that the information which is proprietary to Westinghouse be withheld from public disclosure in accordance with 10 CFR Section 2.390 of the Commission's regulations.

Correspondence with respect to the copyright or proprietary aspects of this information or the supporting Westinghouse Affidavit should reference letter CAW-12-3473 and should be addressed

D091
NRD

STI 33445454

to: J. A. Gresham, Manager, Regulatory Compliance and Plant Licensing, Westinghouse Electric Company LLC, Suite 428, Cranberry Township, Pennsylvania, 16066.

If the proprietary information in Attachment 1 becomes separated from this letter, the letter is no longer proprietary. The Westinghouse affidavit requesting this information be withheld from disclosure is provided in Attachment 2.

There are no commitments in this letter.

If there are any questions regarding this letter other than the aforementioned Westinghouse proprietary aspects, please contact me at (361) 972-7136, or Bill Mookhoek at (361) 972-7274.



Scott Head
Manager, Regulatory Affairs
South Texas Project Units 3 & 4

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Attachments:

1. STP 3 & 4 Fuel LTR Schedule Update
2. Request for Withholding Proprietary Information

cc: w/o enclosure except*
(paper copy)

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CAW-12-3473

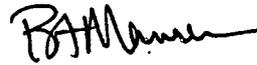
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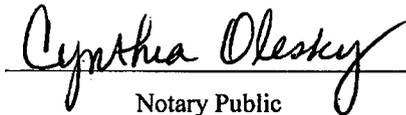
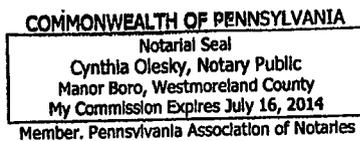
COUNTY OF BUTLER:

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 15th day of May 2012


Notary Public

- (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.
- (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 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.
- (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 U7-C-NINA-NRC-120030, Attachment 3, "Update on Fuel-Related LTR Schedule for STP 3&4" (Proprietary) for submittal to the Commission, being transmitted by Nuclear Innovation North America (NINA) letter and Application for Withholding Proprietary Information from Public Disclosure, to the Document Control Desk. The proprietary information as submitted by Westinghouse provides fuel related schedule information for STP Units 3&4.

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

- (a) Maintain a strategic advantage over competitors.

Further this information has substantial commercial value as follows:

- (a) Westinghouse plans to use this information to further its licensing position with its customers.

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 technical evaluations 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 documents furnished to the NRC in connection with requests for generic and/or plant-specific review and approval. The documents are to be considered proprietary in their entirety.

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