

November 16, 2012

Office of Nuclear Reactor Regulation  
U.S. Nuclear Regulatory Commission  
ATTN: Document Control Desk  
Washington, DC 20555-0001

Duane Arnold Energy Center (DAEC)  
Docket 50-331  
Renewed Op. License No. DPR-49

Subject: Core Operating Limits Report for DAEC Cycle 24 Operation

In accordance with the requirements of Duane Arnold Energy Center (DAEC) Technical Specifications Section 5.6.5.d, a copy of the Core Operating Limits Report (COLR) for Cycle 24 operation of the DAEC is enclosed (Enclosure 1).

Please note that Enclosure 1 contains information that Global Nuclear Fuels (GNF) considers to be proprietary in nature and subsequently, pursuant to 10 CFR 9.17(a)(4) and 2.390(a)(4), requests that such information be withheld from public disclosure. GNF, as the owner of the proprietary information, has executed the enclosed affidavit (Enclosure 2), which identifies that the enclosed proprietary information has been handled and classified as proprietary, is customarily held in confidence, and has been withheld from public disclosure. The proprietary information was provided to NextEra Energy Duane Arnold, LLC in a GNF transmittal that is referenced by the affidavit. The proprietary information has been faithfully reproduced in the enclosed documentation such that the affidavit remains applicable. Enclosure 3 is the redacted version of Enclosure 1, with the GNF proprietary material removed, suitable for public disclosure.

No new commitments or changes to any previous commitments are being made in this letter.

If you have any questions regarding this matter, please contact Tom Byrne at (319) 851-7929.



Richard L. Anderson  
Vice President, Duane Arnold Energy Center  
NextEra Energy Duane Arnold, LLC

Enclosure 1 transmitted herewith contains Proprietary information. When separated from this enclosure, this document is decontrolled.

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Enclosures (3)

cc: Administrator, Region III, USNRC  
Project Manager, Duane Arnold Energy Center, USNRC  
Resident Inspector, Duane Arnold Energy Center, USNRC

**Global Nuclear Fuel**  
**Affidavit of Proprietary Information**

**3 pages to follow**

## Global Nuclear Fuel – Americas

### AFFIDAVIT

I, **Lukas Trosman**, state as follows:

- (1) I am Engineering Manager, Reload Design and Analysis, Global Nuclear Fuel–Americas, LLC (GNF-A), and have been delegated the function of reviewing the information described in paragraph (2) which is sought to be withheld, and have been authorized to apply for its withholding.
- (2) The information sought to be withheld is contained in Enclosure 1 of GNF’s letter, JMT-NEE-KE1-12-109, Jeanne M. Thome to Jimmie Perryman (NextEra Energy), entitled “Duane Arnold Energy Center C24 COLR,” October 1, 2012. GNF proprietary information in Enclosure 1, which is entitled “Duane Arnold Energy Center Cycle 24 Core Operating Limits Report,” is identified by a dotted underline inside double square brackets. [[This sentence is an example.<sup>{3}</sup>]] A “[” marking at the beginning of a table, figure, or paragraph closed with a “]” marking at the end of the table, figure or paragraph is used to indicate that the entire content between the double brackets is proprietary. In each case, the superscript notation <sup>{3}</sup> refers to Paragraph (3) of this affidavit, which provides the basis for the proprietary determination.
- (3) In making this application for withholding of proprietary information of which it is the owner or licensee, GNF-A relies upon the exemption from disclosure set forth in the Freedom of Information Act (“FOIA”), 5 USC Sec. 552(b)(4), and the Trade Secrets Act, 18 USC Sec. 1905, and NRC regulations 10 CFR 9.17(a)(4), and 2.390(a)(4) for “trade secrets” (Exemption 4). The material for which exemption from disclosure is here sought also qualify under the narrower definition of “trade secret”, within the meanings assigned to those terms for purposes of FOIA Exemption 4 in, respectively, Critical Mass Energy Project v. Nuclear Regulatory Commission, 975F2d871 (DC Cir. 1992), and Public Citizen Health Research Group v. FDA, 704F2d1280 (DC Cir. 1983).
- (4) Some examples of categories of information which fit into the definition of proprietary information are:
  - a. Information that discloses a process, method, or apparatus, including supporting data and analyses, where prevention of its use by GNF-A’s competitors without license from GNF-A constitutes a competitive economic advantage over other companies;
  - b. Information which, if used 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 of a similar product;

- c. Information which reveals aspects of past, present, or future GNF-A customer-funded development plans and programs, resulting in potential products to GNF-A;
- d. Information which discloses patentable subject matter for which it may be desirable to obtain patent protection.

The information sought to be withheld is considered to be proprietary for the reasons set forth in paragraphs (4)a. and (4)b. above.

- (5) To address 10 CFR 2.390 (b) (4), the information sought to be withheld is being submitted to NRC in confidence. The information is of a sort customarily held in confidence by GNF-A, and is in fact so held. The information sought to be withheld has, to the best of my knowledge and belief, consistently been held in confidence by GNF-A, no public disclosure has been made, and it is not available in public sources. All disclosures to third parties including any required transmittals to NRC, have been made, or must be made, pursuant to regulatory provisions or proprietary agreements which provide for maintenance of the information in confidence. Its initial designation as proprietary information, and the subsequent steps taken to prevent its unauthorized disclosure, are as set forth in paragraphs (6) and (7) following.
- (6) Initial approval of proprietary treatment of a document is made by the manager of the originating component, the person most likely to be acquainted with the value and sensitivity of the information in relation to industry knowledge, or subject to the terms under which it was licensed to GNF-A. Access to such documents within GNF-A is limited on a "need to know" basis.
- (7) The procedure for approval of external release of such a document typically requires review by the staff manager, project manager, principal scientist or other equivalent authority, by the manager of the cognizant marketing function (or his delegate), and by the Legal Operation, for technical content, competitive effect, and determination of the accuracy of the proprietary designation. Disclosures outside GNF-A are limited to regulatory bodies, customers, and potential customers, and their agents, suppliers, and licensees, and others with a legitimate need for the information, and then only in accordance with appropriate regulatory provisions or proprietary agreements.
- (8) The information identified in paragraph (2) is classified as proprietary because it contains details of GNF-A's fuel design and licensing methodology. The development of this methodology, along with the testing, development and approval was achieved at a significant cost to GNF-A.

The development of the fuel design and licensing methodology along with the interpretation and application of the analytical results is derived from an extensive experience database that constitutes a major GNF-A asset.

- (9) Public disclosure of the information sought to be withheld is likely to cause substantial harm to GNF-A's competitive position and foreclose or reduce the availability of profit-making opportunities. The information is part of GNF-A's comprehensive BWR safety and technology base, and its commercial value extends beyond the original development cost. The value of the technology base goes beyond the extensive physical database and analytical methodology and includes development of the expertise to determine and apply the appropriate evaluation process. In addition, the technology base includes the value derived from providing analyses done with NRC-approved methods.

The research, development, engineering, analytical, and NRC review costs comprise a substantial investment of time and money by GNF-A.

The precise value of the expertise to devise an evaluation process and apply the correct analytical methodology is difficult to quantify, but it clearly is substantial.

GNF-A's competitive advantage will be lost if its competitors are able to use the results of the GNF-A experience to normalize or verify their own process or if they are able to claim an equivalent understanding by demonstrating that they can arrive at the same or similar conclusions.

The value of this information to GNF-A would be lost if the information were disclosed to the public. Making such information available to competitors without their having been required to undertake a similar expenditure of resources would unfairly provide competitors with a windfall, and deprive GNF-A of the opportunity to exercise its competitive advantage to seek an adequate return on its large investment in developing and obtaining these very valuable analytical tools.

I declare under penalty of perjury that the foregoing affidavit and the matters stated therein are true and correct to the best of my knowledge, information, and belief.

Executed on this 1st day of October 2012.



Lukas Trosman  
Engineering Manager, Reload Design and Analysis  
Global Nuclear Fuel – Americas, LLC