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

October 8, 1992

Docket Nos. 50-361
and 50-362

Mr. Harold B. Ray
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Irvine Operations Center
23 Parker Street
Irvine, California 92718

Mr. Edwin A. Guiles
Vice President
Engineering and Operations
San Diego Gas & Electric Co.
101 Ash Street
San Diego, California 92112

Dear Gentlemen:

SUBJECT: REQUEST FOR WITHHOLDING INFORMATION FROM PUBLIC DISCLOSURE - SAN ONOFRE NUCLEAR GENERATING STATION (SCE) UNITS 2 AND 3 - RESPONSE TO GENERIC LETTER 92-01

By letter dated July 6, 1992, superseded by letter dated August 27, 1992, from SCE and by affidavit dated June 19, 1992, superseded by affidavit dated August 20, 1992, from Combustion Engineering, Inc., SCE responded to Generic Letter 92-01 and the following documents are requested to be withheld from public disclosure pursuant to 10 CFR 2.790:

1. APPENDIX C - SONGS, UNIT 2: MCRs FOR BELTLINE MATERIALS

2. APPENDIX C - SONGS, UNIT 3: MCRs FOR BELTLINE MATERIALS

The July 6, 1992, letter and its June 19, 1992, affidavit did not correctly identify the proprietary information. In the August 27 letter, only the information identified as Appendix C is considered proprietary. Therefore, Attachments A and B with Appendices A, B, D, E, and F for Units 2 and 3, respectively, can be released for public disclosure. SCE's July 6, 1992, letter also included nonproprietary versions of the above documents.

Combustion Engineering stated that the documents cited in Items 1 and 2 should be designated proprietary for the following reasons:

1. The information sought to be withheld from public disclosure, which is owned and has been held in confidence by Combustion Engineering, is the fabrication specifications, certifications, and chemical analysis for the reactor vessel plate and welding materials.

2. The information consists of test data or other similar data concerning a process, method or component, the application of which results in substantial competitive advantage to Combustion Engineering.

DF01

Messrs. Ray and Guiles
Southern California Edison Company

San Onofre Nuclear Generating
Station Unit Nos. 2 and 3

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3. The information is of a type customarily held in confidence by Combustion Engineering and not customarily disclosed to the public. Combustion Engineering 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 details of the aforementioned system were provided to the Nuclear Regulatory Commission via letter DP-537 from F. M. Stern to Frank Schroeder dated December 2, 1974. This system was applied in determining that the subject document herein is proprietary.

4. The information is being transmitted to the Commission in confidence under the provisions of 10 CFR 2.790 with the understanding that it is to be received in confidence by the Commission.

5. The information, to the best of my knowledge and belief, is not available in public sources, and any disclosure to third parties has been made pursuant to regulatory provisions or proprietary agreements which provide for maintenance of the information in confidence.

6. Public disclosure of the information is likely to cause substantial harm to the competitive position of Combustion Engineering because:

   a. A similar product is manufactured and sold by major pressurized water reactor competitors of Combustion Engineering.

   b. Development of this information by C-E required thousands of manhours and millions of dollars. To the best of my knowledge and belief, a competitor would have to undergo similar expense in generating equivalent information.

   c. In order to acquire such information, a competitor would also require considerable time and inconvenience to develop similar fabrication specifications, certifications, and chemical analysis for the reactor vessel plate and welding materials.

   d. The information required significant effort and expense to obtain the licensing approvals necessary for application of the information. Avoidance of this expense would decrease a competitor's cost in applying the information and marketing the product to which the information is applicable.

   e. The information consists of the fabrication specifications, certifications, and chemical analysis for the reactor vessel plate and welding materials, the application of which provides a competitive economic advantage. The availability of such information to competitors would enable them to modify their product to better compete with Combustion Engineering, take marketing or other actions to improve their product's position or impair the position of the Combustion Engineering's product, and

avoid developing similar data and analyses in support of their processes, methods or apparatus.

f. In pricing Combustion Engineering's products and services, significant research, development, engineering, analytical, manufacturing, licensing, quality assurance and other costs and expenses must be included. The ability of Combustion Engineering's competitors to utilize such information without similar expenditure of resources may enable them to sell at prices reflecting significantly lower costs.

g. Use of the information by competitors in the international marketplace would increase their ability to market nuclear steam supply systems by reducing the costs associated with their technology development. In addition, disclosure would have an adverse economic impact on Combustion Engineering's potential for obtaining or maintaining foreign licensees.

We have reviewed your submittal and the material in accordance with the requirements of 10 CFR 2.790 and, on the basis of Combustion Engineering's statements, have determined that the submitted information sought to be withheld contains trade secrets or proprietary commercial information.

Therefore, the version of the submitted information marked as proprietary will be withheld from public disclosure pursuant to 10 CFR 2.790(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 document. 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 should also 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 needs additional information from you or makes a determination adverse to the above, you will be notified in advance of any public disclosure.

Sincerley,

Ted Quay for

Mel Fields, Project Manager
Project Directorate V
Division of Reactor Projects III/IV/V
Office of Nuclear Reactor Regulation

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