



**Palo Verde
Nuclear Generating Station**
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Tel: (623) 393-5764

102-06819-TNW/RKR
January 16, 2014

ATTN: Document Control Desk
U.S. Nuclear Regulatory Commission
11555 Rockville Pike
Rockville, Maryland 20852

References:

1. APS to NRC letter number 102-06784, *Palo Verde Nuclear Generating Station, Units 1, 2, and 3, Docket Nos. STN 50-528/529/530, Application for Technical Specification Change Regarding Moderator Temperature Coefficient (MTC) Surveillance for Startup Test Activity Reduction (STAR) Program Using the Consolidated Line Item Improvement Process (CLIIP)*, dated November 20, 2013
2. APS to NRC letter number 102-06785, *Palo Verde Nuclear Generating Station, Units 1, 2, and 3, Docket Nos. STN 50-528/529/530, Transmittal of Proprietary Documents for Startup Test Activity Reduction (STAR) Program License Amendment Request (LAR)*, dated November 20, 2013

Dear Sirs:

**Subject: Palo Verde Nuclear Generating Station
Units 1, 2, and 3
Docket Nos. STN 50-528/529/530
Transmittal of Updated Affidavit from Westinghouse for
Proprietary Document for Startup Test Activity Reduction
(STAR) Program License Amendment Request (LAR)**

In accordance with the provisions of 10 CFR 50.90 Arizona Public Service Company (APS) submitted a request for an amendment to the technical specifications (TS) for Palo Verde Nuclear Generating Station (PVNGS) Units 1, 2, and 3. The proposed amendment would modify moderator temperature coefficient (MTC) TS surveillance requirements (SR) associated with implementation of WCAP-16011-P-A, *Startup Test Activity Reduction (STAR) Program*, Revision 0.

Reference 1 provided the formal license amendment request and non-proprietary supporting documents. Reference 2 provided the proprietary versions of two

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Transmittal of Updated Affidavit from Westinghouse for Proprietary Document for
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supporting documents. Specifically, WCAP-16011-P-A, *Startup Test Reduction Activity Program*, and WCAP-17787, *Palo Verde Nuclear Generating Station STAR Program Implementation Report*. The affidavits to support the proprietary nature of the documents and the basis for being withheld from public disclosure, pursuant to 10 CFR 2.390, were included with each document.

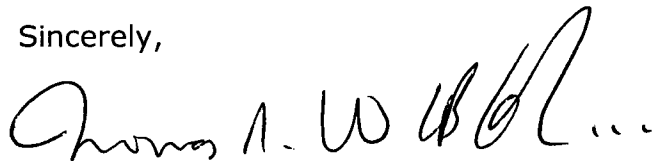
After submittal of the proprietary documents, APS was informed by the NRC staff that the affidavit to support the proprietary nature of WCAP-16011-P-A, *Startup Test Reduction Activity Program*, Revision 0, needed to be updated. This letter transmits the requested updated affidavit from Westinghouse.

The affidavit is 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 the proprietary documents or the supporting Westinghouse affidavits should reference Westinghouse letter CAW-14-3885 for WCAP-16011-P-A, and should be addressed to James A. Gresham, Manager, Regulatory Compliance, Westinghouse Electric Company, Suite 310, 1000 Westinghouse Drive, Cranberry Township, Pennsylvania 16066.

No commitments are being made to the NRC in this letter. Should you need further information regarding this submittal, please contact Robert K. Roehler, Licensing Section Leader, at (623) 393-5241.

Sincerely,



TNW/RKR/CJS/hsc

Attachment: Westinghouse letter CAW-14-3885, dated January 10, 2014

cc:	M. L. Dapas	NRC Region IV Regional Administrator
	J. K. Rankin	NRC NRR Project Manager for PVNGS
	A. E. George	NRC NRR Project Manager
	M. A. Brown	NRC Senior Resident Inspector for PVNGS
	A. V. Godwin	Arizona Radiation Regulatory Agency (ARRA)
	T. Morales	Arizona Radiation Regulatory Agency (ARRA)

ATTACHMENT

Westinghouse letter CAW-14-3885, dated January 10, 2014

Related to WCAP-16011, *Startup Test Reduction Activity Program*



Westinghouse Electric Company
Engineering, Equipment and Major Projects
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Cranberry Township, Pennsylvania 16066
USA

U.S. Nuclear Regulatory Commission
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e-mail: greshaja@westinghouse.com
Proj letter: NF-APS-14-1

CAW-14-3885

January 10, 2014

APPLICATION FOR WITHHOLDING PROPRIETARY
INFORMATION FROM PUBLIC DISCLOSURE

Subject: WCAP-16011-P-A, Revision 0, "Startup Test Activity Reduction Program" (Proprietary)

The proprietary information for which withholding is being requested in the above-referenced report is further identified in Affidavit CAW-14-3885 signed by the owner of the proprietary information, Westinghouse Electric Company LLC. The Affidavit, which accompanies this letter, 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 10 CFR Section 2.390 of the Commission's regulations.

Accordingly, this letter authorizes the utilization of the accompanying Affidavit by Arizona Public Service.

Correspondence with respect to the proprietary aspects of the application for withholding or the Westinghouse Affidavit should reference CAW-14-3885 and should be addressed to James A. Gresham, Manager, Regulatory Compliance, Westinghouse Electric Company, Suite 310, 1000 Westinghouse Drive, Cranberry Township, Pennsylvania 16066.

Very truly yours,

A handwritten signature in black ink, appearing to read 'J. A. Gresham', written in a cursive style.

James A. Gresham, Manager
Regulatory Compliance

Enclosures

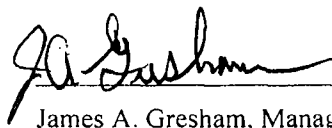
AFFIDAVIT

COMMONWEALTH OF PENNSYLVANIA:

SS

COUNTY OF BUTLER:

Before me, the undersigned authority, personally appeared James A. Gresham, 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:

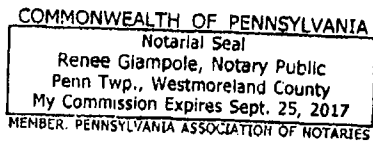


James A. Gresham, Manager
Regulatory Compliance

Sworn to and subscribed before me
this 10th day of January 2014



Notary Public



- (1) I am Manager, Regulatory Compliance, in Engineering, Equipment and Major Projects, 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.
- (iii) 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.
- (iv) 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.
- (v) 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.
- (vi) The proprietary information sought to be withheld in this submittal is that which is appropriately marked in WCAP-16011-P-A, Revision 0, "Startup Test Activity Reduction Program" (Proprietary), dated February 2005, for submittal to the Commission, being transmitted by Arizona Public Service letter and Application for Withholding Proprietary Information from Public Disclosure, to the Document Control Desk. The proprietary information as submitted by Westinghouse is that associated with Westinghouse's request for NRC approval of WCAP-16011-P-A, and may be used only for that purpose.

- (a) This information is part of that which will enable Westinghouse to:
 - (i) Support NRC approval of Arizona Public Service's License Amendment Request for implementation of the STAR Program on the Palo Verde Nuclear Generating Station."
- (b) Further this information has substantial commercial value as follows:
 - (i) Westinghouse plans to sell the use of similar information to its customers for purposes of meeting NRC requirements for licensing documentation.
 - (ii) Westinghouse can sell support and defense of the STAR Program.
 - (iii) The information requested to be withheld reveals the distinguishing aspects of methodology that 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 technical evaluation justifications 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

The proprietary version of the document furnished to the NRC in connection with requests for generic and/or plant-specific review and approval were provided to the NRC by Arizona Public Service Company (APS) letter number 102-06785 dated November 20, 2013 (ADAMS Accession No. ML 13329A700 for the transmitted letter.) The non-proprietary version is available as ADAMS Accession No. ML 050660118.

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 Westinghouse 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 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. 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.