



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

December 29, 2014

Mr. K. Henderson
Site Vice President
Catawba Nuclear Station
Duke Energy Carolinas, LLC
4800 Concord Road
York, SC 29745

Mr. Steven D. Capps
Vice President
McGuire Nuclear Station
Duke Energy Carolinas, LLC
12700 Hagers Ferry Road
Huntersville, NC 28078

Mr. Jerry Umbarger
Studsvik Scandpower, Inc.
309 Waverly Oaks Road
Suite 406
Waltham, MA 02452

SUBJECT: CATAWBA NUCLEAR STATION, UNITS 1 AND 2 AND MCGUIRE NUCLEAR STATION, UNITS 1 AND 2 - REQUEST FOR WITHHOLDING INFORMATION FROM PUBLIC DISCLOSURE (TAC NOS. MF3119, MF3120, MF3121, AND MF3122)

Dear Mr. Henderson, Mr. Capps, and Mr. Umbarger:

By letter dated November 10, 2014 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML14321A530), Duke Energy Carolinas, LLC (Duke, the licensee), submitted a response to a request for additional information (RAI). The response contained an affidavit to the U.S. Nuclear Regulatory Commission (NRC) dated October 22, 2013 (Affidavit included in aforementioned ADAMS Accession No.), and executed by Jerry Umbarger, Chief Financial Officer, Studsvik Scandpower, Inc (SSP). The affidavit requested that the information contained in the following corresponding documents be withheld from public disclosure pursuant to Title 10 of the *Code of Federal Regulations* (10 CFR), Part 2, Section 2.390:

- SSP-98/13, Revision 6, "SIMULATE-3K Models & Methodology"
- SSP-04/443, Revision 2, "LWR Core Reactivity Transients. SIMULATE-3K Models and Assessment"
- SOA-95/18, "SIMULATE-3 Methodology, Advanced Three Dimensional Two-Group Reactor Analysis Code"

A nonproprietary copy of this response to the RAI has been placed in the NRC's Public Document Room and added to the NRC Library in ADAMS at Accession No. ML14321A530.

The affidavit stated that the submitted information should be considered exempt from mandatory public disclosure for the following reasons:

- [It is] Information that discloses a process, method and supporting data and analyses, where prevention of its use by SSP's competitors without license from SSP constitutes a competitive economic advantage over other companies;
- [It is] 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; and
- Public disclosure of the information sought to be withheld is likely to cause substantial harm to SSP's competitive position and foreclose or reduce the availability of profit-making opportunities. The computer codes and methodology are key components of the software and services sold by SSP, and its commercial value extends beyond the original development cost.

SSP's competitive advantage will be lost if its competitors are able to use the results of the SSP's experience.

The value of this information to SSP 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 SSP of the opportunity to exercise its competitive advantage to seek an adequate return on its investment.

We have reviewed your application and the material in accordance with the requirements of 10 CFR 2.390 and, on the basis of the statements in the affidavit, have determined that the submitted information sought to be withheld contains proprietary commercial information and should be withheld from public disclosure.

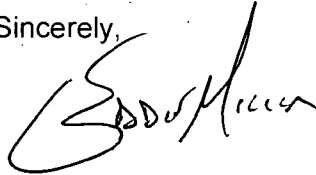
Therefore, the submitted information marked as proprietary will be withheld from public disclosure pursuant to 10 CFR 2.390(b)(5) and Section 103(b) of the Atomic Energy Act of 1954, as amended.

Withholding from public inspection shall not affect the right, if any, of persons properly and directly concerned to inspect the documents. 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 also should 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 makes a determination adverse to the above, you will be notified in advance of any public disclosure.

If you have any questions regarding this matter, I may be reached at (301) 415-2481 or by e-mail at ed.miller@nrc.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "G. Edward Miller". The signature is written in a cursive style with a large initial "G" and "M".

G. Edward Miller, Project Manager
Plant Licensing Branch II-1
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-369, 50-370, 50-413, and 50-414

If you have any questions regarding this matter, I may be reached at (301) 415-2481 or by e-mail at ed.miller@nrc.gov.

Sincerely,

/RA/

G. Edward Miller, Project Manager
Plant Licensing Branch II-1
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-369, 50-370, 50-413, and 50-414

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***via e-mail**

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