

Toshiba Corporation

1-1, SHIBAURA 1-CHOME, MINATO-KU TOKYO 105-8001, JAPAN
PHONE: (03)3457-3734
FACSIMILE: (03)5444-9195

No. TOS-CR-FPG-2015-0003
March 4, 2015

NRC Project Number: PROJ0729

Document Control Desk
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

Subject: **Submittal of Response to the Action Items from January 28, 2015 Meeting on Toshiba FPGA LTR**

On January 28, 2015 representatives of Toshiba Corporation ("Toshiba") met with the U.S. Nuclear Regulatory Commission (NRC) staff. The purpose of the meeting was to discuss information regarding Toshiba's Field Programmable Gate Array (FPGA) Based I&C Platform. Enclosure 2 to this letter (titled: Response to the Action Items from January 28, 2015 Meeting on Toshiba FPGA LTR) is a proprietary version of the response to the action items from the meeting. As nearly all the document is considered to be proprietary, no non-proprietary version is being submitted.

This submittal contains proprietary information of Toshiba Corporation. Accordingly it is requested that Enclosure 2 be withheld from public disclosure in conformance with the requirements of 10 CFR Section 2.390, as amended, of the Commission's regulations. An affidavit setting forth the basis on which the information identified as proprietary may be withheld from public disclosure is provided in Enclosure 1.

Communication with respect to the proprietary aspects of the application for withholding or the Toshiba affidavit should be addressed to Robert W. Schrauder at 704-548-7640 or rschrauder@tane.toshiba.com.

Sincerely,

Masayoshi Tahira
Mar. 4, 2015

Masayoshi Tahira
Senior Manager
I&C Systems Design and Engineering Dept.
Nuclear Energy Systems & Services Division
Power Systems Company
Toshiba Corporation

*Proprietary-Withhold from public disclosure pursuant to 10 CFR 2.390.
Upon removing Enclosure 2, this document can be made public.*

*T007
MRK*

PROPRIETARY

Enclosures: (1) 10 C.F.R. § 2.390 Supporting Affidavit
(2) IM-2015-000152 Rev.0 Response to the Action Items from January 28, 2015 Meeting on Toshiba FPGA LTR (Proprietary)

Contact Information:

Mr. Robert W. Schrauder
Vice President – Licensing, US ABWR Projects & Technologies
Toshiba America Nuclear Energy Corporation
3545 Whitehall Park Drive, Suite 500
Charlotte, NC 28273
RSchrauder@tane.toshiba.com
(704) 548-7640
Facsimile: (704) 548-7701

cc: (electronic copies) without enclosures

Anthony Mendiola
Joseph Holonich
U. S. Nuclear Regulatory Commission

Akira Fukumoto
Tadashi Miyazaki
Kenji Arai
Shigeru Suzuki
Toshiba Corporation

Richard DiSalvo
Robert W. Schrauder
Dale R. Wuokko
Chikako Ogura
Toshiba America Nuclear Energy

Daniel F. Stenger
Hogan Lovells US LLP

Affidavit for Withholding Confidential and Proprietary Information from Public Disclosure
under 10 CFR § 2.390

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

AFFIDAVIT

I, Robert W Schrauder, hereby affirm and state that I am the Vice President, Licensing US ABWR Projects & Technology, Toshiba America Nuclear Energy Corporation; that I am duly authorized by Toshiba Corporation to sign and file with the Nuclear Regulatory Commission the following application for withholding Toshiba Corporation's confidential and proprietary information from public disclosure; that I am familiar with the content thereof; and that the matters set forth therein are true and correct to the best of my knowledge and belief.

In accordance with 10 CFR § 2.390(b)(ii), I hereby affirm and state as follows on behalf of Toshiba Corporation:

- (A) Toshiba Corporation seeks to withhold from public disclosure the document entitled and identified, IM-2015-000152 Rev.0 Response to the Action Items from January 28, 2015 Meeting on Toshiba FPGA LTR (Proprietary) and all information identified as "Proprietary" therein.
- (B) The Confidential Information is owned by Toshiba Corporation. In my position as Vice President, Licensing US ABWR Projects & Technology, Toshiba America Nuclear Energy Corporation, I have been specifically delegated the function of reviewing the Confidential Information and have been authorized to apply for its withholding on behalf of Toshiba Corporation.
- (C) This document provides Toshiba's lifecycle process and qualification activities for developing and qualifying Non-Rewritable (NRW) Field Programmable Gate Array (FPGA) Based Safety I&C systems to the Nuclear Regulatory Commission. The Confidential Information which is entirely confidential and proprietary to Toshiba Corporation is identified as "Proprietary" in the document.
- (D) Consistent with the provisions of 10 CFR § 2.390(a)(4), the basis for proposing that the Confidential Information be withheld is that it constitutes Toshiba Corporation's trade secrets and confidential and proprietary commercial information.
- (E) Public disclosure of the Confidential Information is likely to cause substantial harm to Toshiba Corporation's competitive position by (1) disclosing confidential and proprietary commercial information about the design, manufacture and operation of the FPGA based I&C platform for nuclear power reactors to other parties whose commercial interests may be adverse to those of Toshiba Corporation, and (2) giving such parties access to and use of such information at little or no cost, in contrast to the significant costs incurred by Toshiba Corporation to develop such information.

Toshiba Corporation has a rational basis for determining the types of information customarily held in confidence by it, and utilizes a system to determine when and whether to hold certain types of information in

confidence.

The basis for claiming the information so designated as proprietary is 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 Toshiba Corporation's competitors without license from Toshiba Corporation 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 Toshiba Corporation, its customers or suppliers.
- (e) It reveals aspects of past, present, or future Toshiba Corporation or customer funded development plans and programs of potential commercial value to Toshiba Corporation.
- (f) It contains patentable ideas, for which patent protection may be desirable.
- (g) It contains security information that could reasonably be expected to be useful to a potential adversary.
- (h) It contains privacy act and personally identifiable information.

There are sound policy reasons behind the Toshiba Corporation system which include the following:

- (a) The use of such information by Toshiba Corporation gives Toshiba Corporation a competitive advantage over its competitors. It is, therefore, withheld from disclosure to protect the Toshiba Corporation competitive position.
- (b) It is information that is marketable in many ways. The extent to which such information is available to competitors diminishes the Toshiba Corporation ability to sell products and services involving the use of the information.
- (c) Use by our competitor would put Toshiba Corporation 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 Toshiba Corporation of a competitive advantage.
- (e) Unrestricted disclosure would jeopardize the position of prominence of Toshiba Corporation in the

world market, and thereby give a market advantage to the competition of those countries.

- (f) The Toshiba Corporation capacity to invest corporate assets in research and development depends upon the success in obtaining and maintaining a competitive advantage.
- (g) SECY-04-0191 states that security information should be withheld from public disclosure.
- (h) Personally identifiable information is required to be protected from public disclosure by 10 CFR § 2.390.

Further, on behalf of Toshiba Corporation, I affirm that:

- (i) The Confidential Information is confidential and proprietary information of Toshiba Corporation.
- (ii) The Confidential Information is information of a type customarily held in confidence by Toshiba Corporation, and there is a rational basis for doing so given the sensitive and valuable nature of the Confidential Information as discussed above in paragraphs (D) and (E).
- (iii) The Confidential Information is being transmitted to the NRC in confidence.
- (iv) The Confidential Information is not available in public sources.
- (v) Public disclosure of the Confidential Document is likely to cause substantial harm to the competitive position of Toshiba Corporation, taking into account the value of the Confidential Information to Toshiba Corporation, the amount of money and effort expended by Toshiba Corporation in developing the Confidential Information, and the ease or difficulty with which the Confidential Information could be properly acquired or duplicated by others.



Robert W Schrauder

3/3/2015

Date

Vice President, Licensing
US ABWR Projects & Technologies
Toshiba America Nuclear Energy Corporation