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Docket No. 50-270

Duke Power Company  
 ATTN: Mr. William O. Parker, Jr.  
 Vice President  
 Steam Production  
 P. O. Box 2178  
 422 South Church Street  
 Charlotte, North Carolina 28242

Gentlemen:

This is in response to your request dated February 25, 1976, as supplemented April 1, 1977, to withhold from public inspection under 2.790(b) of the Commission's regulations pages 4-5 and 4-6 of Babcock & Wilcox Report BAW-1425 "Oconee Unit 2, Cycle 2 Reload Report".

Your reasons for requesting our withholding were:

1. The information sought to be withheld from public disclosure is not available in open literature and is not known by potential competitors of B&W.
2. The information is of a type generally limited to those involved in B&W fuel design effort.
3. The information is being transmitted to the Nuclear Regulatory Commission in confidence.
4. The information could be used by competitors of B&W to reduce their fuel manufacturing costs and improve their core performance. Such improvements in design could reduce or eliminate B&W's competitive advantage. It is important to note that under present market conditions, a competitive edge can be gained or lost based on smaller factors than when the market is active. A slight competitive edge can make the difference in getting or losing the award of a contract.

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5. B&W has expended a significant effort in our overall clad research programs. B&W has been performing research on zirconium cladding since the mid 1960's. B&W presently has additional programs underway to extend our knowledge on fuel rod creep collapse. The results of these programs have contributed to improve fuel integrity, reduced material cost and increased design margins for B&W fuel.
6. The information cannot be easily acquired or duplicated by others since it results from B&W Engineering evaluations of its detailed R&E programs. The Engineering evaluations start with the basic data and factor in fuel integrity considerations, overall costs and fuel design limits and margins. The information is not available in the form of non-proprietary reports or papers.

We have reviewed your application and material based on the requirements and criteria of 10 CFR 2.790 and have determined that the above mentioned pages 4-5 and 4-6 of BAW-1425 sought to be withheld contain trade secrets or confidential or privileged commercial or financial information.

We have also found at this time that the right of the public to be fully apprised as to the bases for the effects of the proposed licensing action does not outweigh the demonstrated concern for protection of your competitive position. Accordingly, we have determined that the information should be withheld from public disclosure.

We therefore approve your request for withholding pursuant to Section 2.790 of 10 CFR Part 2 and are withholding pages 4-5 and 4-6 of BAW-1425 from public inspection.

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, assure that the consultants have signed the appropriate agreements for handling the data.

Sincerely,

A. Schwencer, Chief  
 Operating Reactors Branch #1  
 Division of Operating Reactors

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