

**Studsvik Scandpower, Inc.**

**AFFIDAVIT**

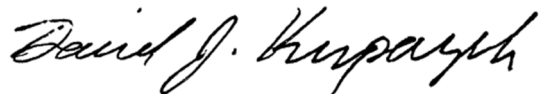
I, Dave Kropaczek, President, Studsvik Scandpower, Inc. ("SSP"), state as follows:

- (1) I, have been delegated the function of reviewing the information described in paragraph (2) which is sought to be withheld, and have been authorized to apply for its withholding.
- (2) The information sought to be withheld is contained in attachments to SSP's letter from Brandon Haugh, dated December 17, 2015, to the NRC, Subject: **Submittal of Generic Application of the Studsvik Scandpower Core Management System to Pressurized Water Reactors (NRC Project No. 0816)**, SSP-14-P01/029-L. The attachments, contain the designation "Studsvik Scandpower Proprietary Information" on the top of each page. The information considered by SSP to be proprietary is identified within brackets, "{ }", in the documents and discloses a process, method, or apparatus, including 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.
- (3) In making this application for withholding of proprietary information of which it is the owner or holder of other rights or obligations, SSP relies upon the exemption from disclosure set forth in the Freedom of Information Act ("FOIA"), 5 USC Sec. 552(b)(4), and the Trade Secrets Act, 18 USC Sec. 1905, and NRC regulations 10 CFR 9.17(a)(4), and 2.390(a)(4) for "trade secrets" (Exemption 4). The material for which exemption from disclosure is here sought also qualifies under the narrower definition of "trade secret", within the meanings assigned to those terms for purposes of FOIA Exemption 4.
- (4) To address 10 CFR 2.390 (b) (4), the information sought to be withheld is being submitted to NRC in confidence. The information is of a sort customarily held in confidence by SSP, and is in fact so held. To the best of my knowledge and belief, the information sought to be withheld has consistently been held in confidence by SSP, no public disclosure has been made, and it is not available in public sources. All disclosures to third parties including any required transmittals to NRC, have been made, or must be made, pursuant to regulatory provisions or proprietary agreements which provide for maintenance of the information in confidence. Its initial designation as proprietary information, and the subsequent steps taken to prevent its unauthorized disclosure, are as set forth in paragraphs (5) and (6) following.
- (5) Initial approval of proprietary treatment of a document is made by the manager of the originating component, the person most likely to be acquainted with the value and sensitivity of the information in relation to industry knowledge. Access to such documents within SSP is limited on a "need to know" basis. A non-proprietary, redacted version of the document is also created.
- (6) The procedure for approval of external release of such a document typically requires review by the staff manager, project manager, principal scientist or other equivalent authority, by the manager of the cognizant marketing function (or his delegate), and by the SSP corporate management, for technical content, competitive effect, and determination of the accuracy of the proprietary designation. Disclosures outside SSP are limited to regulatory bodies, customers, and potential customers, and their agents, suppliers, and licensees, and others with a legitimate need for the information, and then only in accordance with appropriate regulatory provisions or proprietary agreements.
- (7) The information identified in paragraph (2), above, is classified as proprietary because it discloses information about the methods by which input models for safety analysis are developed. SSP and its contractors performed significant research and evaluation to develop a basis for these methods.
- (8) 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. SSP's unique approach to creating reactor analysis software represents a competitive economic advantage over other

companies. Although the exact financial value of this information is difficult to quantify, SSP specific analysis methods have a significant financial value.

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 large investment in developing these very valuable analytical tools.

I declare under penalty of perjury that the foregoing affidavit and the matters stated therein are true and correct to the best of my knowledge, information, and belief.



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David Kropaczek  
President  
Studsvik Scandpower Inc.