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 MCCORMICK, M.J. Niagara Mohawk Power Corp.
 RECIP. NAME RECIPIENT AFFILIATION
 Document Control Branch (Document Control Desk)

SUBJECT: Forwards proprietary GL 94-03, "Intergranular Stress
 Corrosion Cracking of Core Shrouds in BWRs," as indicated in
 ltr dtd 950328. Encl withheld (ref 10CFR2.790(b)(1)).

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MARTIN J. McCORMICK JR. P.E.
Vice President
Nuclear Safety Assessment and Support

March 31, 1995
NMP1L 0935

U. S. Nuclear Regulatory Commission
Attn: Document Control Desk
Washington, DC 20555

RE: Nine Mile Point Unit 1
Docket No. 50-220
DPR-63

Subject: *Generic Letter 94-03, "Intergranular Stress Corrosion Cracking of Core Shrouds in Boiling Water Reactors" (TAC No. M90102)*

Gentlemen:

As indicated in our letter dated March 28, 1995, documentation supporting the Nine Mile Point Unit 1 core shroud repair was sent by facsimile to the Commission on March 24 and March 27, 1995. The purpose of this letter is to formally submit this documentation. Included as Attachments 1, 2, and 3 to this letter are excerpts from Design Record File (DRF) B13-01739, an evaluation of shroud stiffness with weld H7 cracked and uncracked, and additional shroud stiffness calculations for postulated H2/H3 weld failures, respectively.

This documentation is considered by its preparer, General Electric, to contain proprietary information exempt from disclosure pursuant to 10CFR2.790. Therefore, on behalf of General Electric, Niagara Mohawk hereby makes application to withhold these documents from public disclosure in accordance with 10CFR2.790(b)(1). An affidavit executed by General Electric detailing the reasons for the request to withhold the proprietary information has been included as Attachment 4. Niagara Mohawk asks that upon receipt of these documents and affidavit that the Commission immediately destroy or return the previously submitted documents including any copies of same. Niagara Mohawk will provide the Commission non-proprietary versions of the subject documents as appropriate by April 30, 1995.

Very truly yours,

Martin J. McCormick Jr.
VP - Nuclear Safety Assessment and Support

MJM/JMT/lmc
Enclosures

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xc: Regional Administrator, Region I
Mr. L. B. Marsh, Director, Project Directorate I-1, NRR
Mr. G. E. Edison, Senior Project Manager, NRR
Mr. B. S. Norris, Senior Resident Inspector
Records Management

GENERAL ELECTRIC CO.
San Jose, California

March 29, 1995

cc: Peter Walier
Sam Ranganath

Roy Corieri
Niagara Mohawk Power Corporation
Nine Mile Point, Box 63
Lycoming, NY 13093

Subject: Shroud Repair Affidavits

Dear Roy,

The attached is a compilation of information requested by the NRC in support of the NMP-1 shroud repair. These documents were previously submitted to NMPC and to the NRC on an emergency basis on March 24, 1995, and March 27, 1995. Upon receipt the documents and affidavit, NMPC and the NRC are requested to immediately return or destroy all the emergency basis documents including any copies of same.

This information is from the detailed engineering work records (Design Record File B13-01739-04) which include the backup data and input for the stress report, Nine Mile Point Unit 1 Shroud Repair Hardware Stress Analysis, GE-NE-B13-01739-04, Rev. 0. This document was submitted previously as a proprietary document. This package also includes data and analysis used in GE-NE-B13-01739-04, Supplement 1 to Nine Mile Shroud, Feb. 24, 1995. This document was previously submitted as non-proprietary, but the data and analysis in this transmittal is considered proprietary. The detailed engineering work records are not normally distributed externally and therefore are not prepared to the standards GE uses for preparing documents for external distribution.

This transmittal contains GE-NE proprietary information which is provided under the Niagara Mohawk Power Corporation/GE-NE proprietary information agreement. GE-NE customarily maintains this information in confidence and withholds it from public disclosure.

The attached affidavit identifies that the designated information has been handled and classified as proprietary to GE-NE. Along with the affidavit this information is suitable for review by the NRC. GE-NE hereby requests that the designated information be withheld from public disclosure in accordance with the provisions of 10 CFR 2.790.


Tom Gleason

Reactor and Plant Design Engineering

General Electric Company

AFFIDAVIT

I, **George B. Stramback**, being duly sworn, depose and state as follows:

- (1) I am Project Manager, Licensing Services, General Electric Company ("GE") and 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 the GE proprietary attachments to GE letter Tom Gleason to Roy Corieri, Shroud Repair Affidavits, (General Electric Proprietary Information), dated March 29, 1995. The proprietary information is delineated by bars marked in the margin adjacent to the specific material.
- (3) In making this application for withholding of proprietary information of which it is the owner, GE 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), 2.790(a)(4), and 2.790(d)(1) for "trade secrets and commercial or financial information obtained from a person and privileged or confidential" (Exemption 4). The material for which exemption from disclosure is here sought is all "confidential commercial information", and some portions also qualify under the narrower definition of "trade secret", within the meanings assigned to those terms for purposes of FOIA Exemption 4 in, respectively, Critical Mass Energy Project v. Nuclear Regulatory Commission, 975F2d871 (DC Cir. 1992), and Public Citizen Health Research Group v. FDA, 704F2d1280 (DC Cir. 1983).
- (4) Some examples of categories of information which fit into the definition of proprietary information are:
 - a. Information that discloses a process, method, or apparatus, including supporting data and analyses, where prevention of its use by General Electric's competitors without license from General Electric constitutes a competitive economic advantage over other companies;
 - b. 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;

- c. Information which reveals cost or price information, production capacities, budget levels, or commercial strategies of General Electric, its customers, or its suppliers;
- d. Information which reveals aspects of past, present, or future General Electric customer-funded development plans and programs, of potential commercial value to General Electric;
- e. Information which discloses patentable subject matter for which it may be desirable to obtain patent protection.

The information sought to be withheld is considered to be proprietary for the reasons set forth in both paragraphs (4)a. and (4)b., above.

- (5) The information sought to be withheld is being submitted to NRC in confidence. The information is of a sort customarily held in confidence by GE, and is in fact so held. The information sought to be withheld has, to the best of my knowledge and belief, consistently been held in confidence by GE, 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 (6) and (7) following.
- (6) 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 GE is limited on a "need to know" basis.
- (7) 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 Legal Operation, for technical content, competitive effect, and determination of the accuracy of the proprietary designation. Disclosures outside GE 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.

- (8) The information identified in paragraph (2), above, is classified as proprietary because it contains the supporting Design Record File (DRF) detailed calculations, results and bases for conclusions contained in GE-NE-B13-01739-04, *Nine Mile Point Unit 1 Shroud Repair Hardware Stress Analysis*, Revision 0, (GE Proprietary), January 1995. This report, previously provided to the NRC, and the supporting information identified in paragraph (2) evaluate a hardware design modification (stabilizer for the shroud horizontal welds) intended to be installed in a reactor to resolve the reactor pressure vessel core shroud weld cracking concern. This detailed level of information usually resides in GENE files, only for audit by customers and the NRC. This information shows in specific detail the processes, codes and methods employed to perform the evaluations summarized in the above identified document. The development and approval of this design modification utilized systems, components, and models and computer codes that were developed at a significant cost to GE, on the order of a million dollars.

The development of the supporting processes, as shown in part in this DRF detailed information, was at a significant additional cost to GE, in excess of a million dollars, over and above the large cost of developing the underlying individual proprietary report information.

- (9) Public disclosure of the information sought to be withheld is likely to cause substantial harm to GE's competitive position and foreclose or reduce the availability of profit-making opportunities. The information is part of GE's comprehensive BWR safety and technology base, and its commercial value extends beyond the original development cost. The value of the technology base goes beyond the extensive physical database and analytical methodology and includes development of the expertise to determine and apply the appropriate evaluation process. In addition, the technology base includes the value derived from providing analyses done with NRC-approved methods.

The research, development, engineering, analytical and NRC review costs comprise a substantial investment of time and money by GE.

The precise value of the expertise to devise an evaluation process and apply the correct analytical methodology is difficult to quantify, but it clearly is substantial.

GE's competitive advantage will be lost if its competitors are able to use the results of the GE experience to normalize or verify their own process or if they are able to claim an equivalent understanding by demonstrating that they can arrive at the same or similar conclusions.

The value of this information to GE 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 GE of the opportunity to exercise its competitive advantage to seek an adequate return on its large investment in developing these very valuable analytical tools.

STATE OF CALIFORNIA)
)
COUNTY OF SANTA CLARA) SS:

George B. Stramback, being duly sworn, deposes and says:

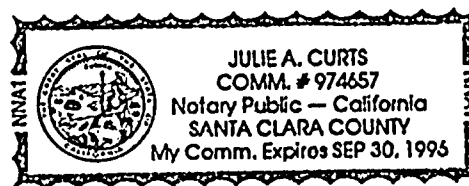
That he has read the foregoing affidavit and the matters stated therein are true and correct to the best of his knowledge, information, and belief.

Executed at San Jose, California, this 29th day of March 1995.

George B. Stramback
George B. Stramback
General Electric Company

Subscribed and sworn before me this 29th day of March 1995.

Julie A. Curtis
Notary Public, State of California



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