

Enclosure 7

**Affidavits from GEH and the Electric Power Research Institute (EPRI) Supporting the
Withholding of Information in Enclosure 6 from Public Disclosure**

GE-Hitachi Nuclear Energy Americas LLC

AFFIDAVIT

I, **Lisa K. Schichlein**, state as follows:

- (1) I am a Senior Project Manager, NPP/Services Licensing, Regulatory Affairs, GE-Hitachi Nuclear Energy Americas LLC (GEH), 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 GEH proprietary report NEDC-33871P, "Safety Analysis Report for Hope Creek Generating Station Thermal Power Optimization," Revision 0, dated April 2017. GEH proprietary information in NEDC-33871P is identified by a dotted underline inside double square brackets. [[This sentence is an example.^{3}]]. GEH proprietary information in figures and large objects is identified by double square brackets before and after the object. In each case, the superscript notation ^{3} refers to Paragraph (3) of this affidavit, which provides the basis for the proprietary determination.
- (3) In making this application for withholding of proprietary information of which it is the owner or licensee, GEH relies upon the exemption from disclosure set forth in the *Freedom of Information Act* ("FOIA"), 5 U.S.C. §552(b)(4), and the *Trade Secrets Act*, 18 U.S.C. §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 in, respectively, Critical Mass Energy Project v. Nuclear Regulatory Commission, 975 F.2d 871 (D.C. Cir. 1992), and Public Citizen Health Research Group v. FDA, 704 F.2d 1280 (D.C. Cir. 1983).
- (4) The information sought to be withheld is considered to be proprietary for the reasons set forth in paragraphs (4)a and (4)b. Some examples of categories of information that 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 GEH's competitors without a license from GEH constitutes a competitive economic advantage over other companies;
 - b. Information that, if used by a competitor, would reduce its expenditure of resources or improve its competitive position in the design, manufacture, shipment, installation, assurance of quality, or licensing of a similar product;
 - c. Information that reveals aspects of past, present, or future GEH customer-funded development plans and programs, resulting in potential products to GEH;

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- d. Information that discloses trade secret or potentially patentable subject matter for which it may be desirable to obtain patent protection.
- (5) 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 GEH, 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 GEH, not been disclosed publicly, and not been made available in public sources. All disclosures to third parties, including any required transmittals to the NRC, have been made, or must be made, pursuant to regulatory provisions for proprietary or confidentiality agreements or both that provide for maintaining the information in confidence. The initial designation of this information as proprietary information, and the subsequent steps taken to prevent its unauthorized disclosure, are as set forth in the following paragraphs (6) and (7).
- (6) Initial approval of proprietary treatment of a document is made by the manager of the originating component, who is the person most likely to be acquainted with the value and sensitivity of the information in relation to industry knowledge, or who is the person most likely to be subject to the terms under which it was licensed to GEH.
- (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 for technical content, competitive effect, and determination of the accuracy of the proprietary designation. Disclosures outside GEH 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 and/or confidentiality agreements.
- (8) The information identified in paragraph (2) is classified as proprietary because it contains detailed GEH methodology for thermal power optimization for GEH Boiling Water Reactors (BWRs). Development of these methods, techniques, and information and their application for the design, modification, and analyses methodologies and processes was achieved at a significant cost to GEH.

The development of the evaluation processes along with the interpretation and application of the analytical results is derived from the extensive experience and information databases that constitute major GEH assets.

- (9) Public disclosure of the information sought to be withheld is likely to cause substantial harm to GEH's competitive position and foreclose or reduce the availability of profit-making opportunities. The information is part of GEH'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

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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 GEH. 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. GEH's competitive advantage will be lost if its competitors are able to use the results of the GEH 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 GEH 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 GEH of the opportunity to exercise its competitive advantage to seek an adequate return on its large investment in developing and obtaining these very valuable analytical tools.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on this 29th day of March 2017.



Lisa K. Schichlein
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NEIL WILMSHURST
Vice President and
Chief Nuclear Officer

Ref. EPRI Project Number 669

March 27, 2017

Document Control Desk
Office of Nuclear Reactor Regulation
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

Subject: Request for Withholding of the following Proprietary Information Included in:

PSEG, GE Hitachi Nuclear Energy Report titled:
"Safety Analysis Report for Hope Creek Generating Station Thermal Power Optimization" NEDC-33871P,
Revision 0, dated April 2017

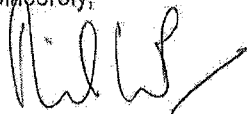
To Whom It May Concern:

This is a request under 10 C.F.R. §2.390(a)(4) that the U.S. Nuclear Regulatory Commission ("NRC") withhold from public disclosure the report identified in the enclosed Affidavit consisting of the proprietary information owned by Electric Power Research Institute, Inc. ("EPRI") identified in the attached report. Proprietary and non-proprietary versions of the Report and the Affidavit in support of this request are enclosed.

EPRI desires to disclose the Proprietary Information in confidence to assist the NRC review of the enclosed submittal to the NRC by PSEG. The Proprietary Information is not to be divulged to anyone outside of the NRC or to any of its contractors, nor shall any copies be made of the Proprietary Information provided herein. EPRI welcomes any discussions and/or questions relating to the information enclosed.

If you have any questions about the legal aspects of this request for withholding, please do not hesitate to contact me at (704) 595-2732. Questions on the content of the Report should be directed to Andy McGehee of EPRI at (704) 502-6440.

Sincerely,



Attachment(s)

Together . . . Shaping the Future of Electricity

AFFIDAVIT

RE: Request for Withholding of the Following Proprietary Information Included In:

PSEG, GE Hitachi Nuclear Energy Report titled:
"Safety Analysis Report for Hope Creek Generating Station Thermal Power Optimization" NEDC-33871P,
Revision 0, dated April 2017

I, Neil Wilmshurst, being duly sworn, depose and state as follows:

I am the Vice President and Chief Nuclear Officer at Electric Power Research Institute, Inc. whose principal office is located at 1300 W. WT Harris Blvd, Charlotte, NC. ("EPRI") and I have been specifically delegated responsibility for the above-listed report that contains EPRI Proprietary Information that is sought under this Affidavit to be withheld "Proprietary Information". I am authorized to apply to the U.S. Nuclear Regulatory Commission ("NRC") for the withholding of the Proprietary Information on behalf of EPRI.

EPRI Proprietary Information is identified in the above referenced report with underlined text inside double brackets. Examples of such identification is as follows:

[[This sentence is an example^(E)]]

Tables containing EPRI Proprietary Information are identified with double brackets before and after the object. In each case the superscript notation ^(E) refers to this affidavit and all the bases included below, which provide the reasons for the proprietary determination.

EPRI requests that the Proprietary Information be withheld from the public on the following bases:

Withholding Based Upon Privileged And Confidential Trade Secrets Or Commercial Or Financial Information (see e.g., 10 C.F.R. § 2.390(a)(4)):

a. The Proprietary Information is owned by EPRI and has been held in confidence by EPRI. All entities accepting copies of the Proprietary Information do so subject to written agreements imposing an obligation upon the recipient to maintain the confidentiality of the Proprietary Information. The Proprietary Information is disclosed only to parties who agree, in writing, to preserve the confidentiality thereof.

b. EPRI considers the Proprietary Information contained therein to constitute trade secrets of EPRI. As such, EPRI holds the Information in confidence and disclosure thereof is strictly limited to individuals and entities who have agreed, in writing, to maintain the confidentiality of the Information.

c. The information sought to be withheld is considered to be proprietary for the following reasons. EPRI made a substantial economic investment to develop the Proprietary Information and, by prohibiting public disclosure, EPRI derives an economic benefit in the form of licensing royalties and other additional fees from the confidential nature of the Proprietary Information. If the Proprietary Information were publicly available to consultants and/or other businesses providing services in the electric and/or nuclear power industry, they would

be able to use the Proprietary Information for their own commercial benefit and profit and without expending the substantial economic resources required of EPRI to develop the Proprietary Information.

d. EPRI's classification of the Proprietary Information as trade secrets is justified by the Uniform Trade Secrets Act which California adopted in 1984 and a version of which has been adopted by over forty states. The California Uniform Trade Secrets Act, California Civil Code §§3426 – 3426.11, defines a "trade secret" as follows:

"Trade secret" means information, including a formula, pattern, compilation, program device, method, technique, or process, that:

(1) Derives independent economic value, actual or potential, from not being generally known to the public or to other persons who can obtain economic value from its disclosure or use; and

(2) Is the subject of efforts that are reasonable under the circumstances to maintain its secrecy."

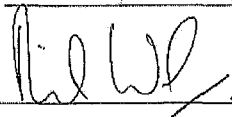
e. The Proprietary Information contained therein are not generally known or available to the public. EPRI developed the Information only after making a determination that the Proprietary Information was not available from public sources. EPRI made a substantial investment of both money and employee hours in the development of the Proprietary Information. EPRI was required to devote these resources and effort to derive the Proprietary Information. As a result of such effort and cost, both in terms of dollars spent and dedicated employee time, the Proprietary Information is highly valuable to EPRI.

f. A public disclosure of the Proprietary Information would be highly likely to cause substantial harm to EPRI's competitive position and the ability of EPRI to license the Proprietary Information both domestically and internationally. The Proprietary Information can only be acquired and/or duplicated by others using an equivalent investment of time and effort.

I have read the foregoing and the matters stated herein are true and correct to the best of my knowledge, information and belief. I make this affidavit under penalty of perjury under the laws of the United States of America and under the laws of the State of North Carolina.

Executed at 1300 W WT Harris Blvd being the premises and place of business of Electric Power Research Institute, Inc.

Date: 3-27-2017



Neil Wilmshurst

(State of North Carolina)

(County of Mecklenburg)

Subscribed and sworn to (or affirmed) before me on this 21st day of March, 2017 by
Nail Wilmschurst, proved to me on the basis of satisfactory evidence to be
the person(s) who appeared before me.

Signature Deborah H. Rouse (Seal)

My Commission Expires 2nd day of April, 2021

