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REGULATORY INFORMATION DISTRIBUTION SYSTEM (RIDS) ACCESSION NBR:8809090159 DOC.DATE: 88/08/30 NOTARIZED: YES DOCKET # FACIL:STN-50-528 Palo Verde Nuclear Station, Unit 1, Arizona Publi STN-50-529 Palo Verde Nuclear Station, Unit 2, Arizona Publi STN-50-530 Palo Verde Nuclear Station, Unit 3, Arizona Publi 05000528 05000529 05000530 AUTH.NAME AUTHOR AFFILIATION Arizona Nuclear Power Project (formerly Arizona Public Serv KARNER, D.B. RECIP.NAME RECIPIENT AFFILIATION 586 Document Control Branch (Document Control Desk) SUBU SUBJECT: Forwards proprietary & nonproprietary Rev 1 to CEN-356(V), CGN 356-1 "Modified Statistical Combination of Uncertainties." R 35GAP Ŧ DISTRIBUTION CODE: APOID COPIES RECEIVED:LTR  $\underline{1}$  ENCL  $\underline{5}$  SIZE: 64 TITLE: Proprietary Review Distribution - Operating Reactor D NOTES:Standardized plant. Standardized plant. 05000528 05000529 S 1. 1 Standardized plant. 05000530 COPIES RECIPIENT COPIES RECIPIENT LTTR ENCL LTTR ENCL ID CODE/NAME ID CODE/NAME PD5 PD 15-17 PD5 LA 1 1 1 D 3512 DAVIS, M LICITRA, E З 3 **INTERNAL: ACRS** 6 ÅEOD/DOA 1 6 1274 AEOD/DSP/TPAB NUDOCS-ABSTRACT 1 1 OGC/HDS1 1 0 . REG FILE 01 1 0 EXTERNAL: LPDR 1 0 NRC PDR 1 NOTES: 1 1

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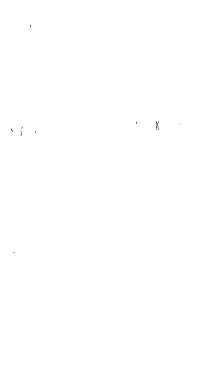
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## Arizona Nuclear Power Project P.O. BOX 52034 • PHOENIX, ARIZONA 85072-2034

161-01286-DBK/BJA August 30, 1988

Docket Nos. STN 50-528/529/530

Document Control Desk U.S. Nuclear Regulatory Commission Mail Station P1-137 Washington, D.C. 20555

References: 1. Letter from J. G. Haynes, ANPP, to USNRC Document Control Desk, dated May 15, 1987 (161-00214). Subject: Submittal of Modified Statistical Combination of Uncertainties (SCU) Topical.

- Letter from J. G. Haynes, ANPP, to USNRC Document Control Desk, dated July 13, 1987 (161-00361). Subject: Submittal of Modified Statistical Combination of Uncertainties (SCU) Topical, Revision 1.
- Letter from E. A. Licitra, NRC, to E. E. Van Brunt, Jr., ANPP, dated October 21, 1987. Subject: Issuance of Amendment No. 24 to Facility Operating License No. NPF-41 for the Palo Verde Nuclear Generating Station, Unit No. 1.

Dear Sirs:

8809090159 88083

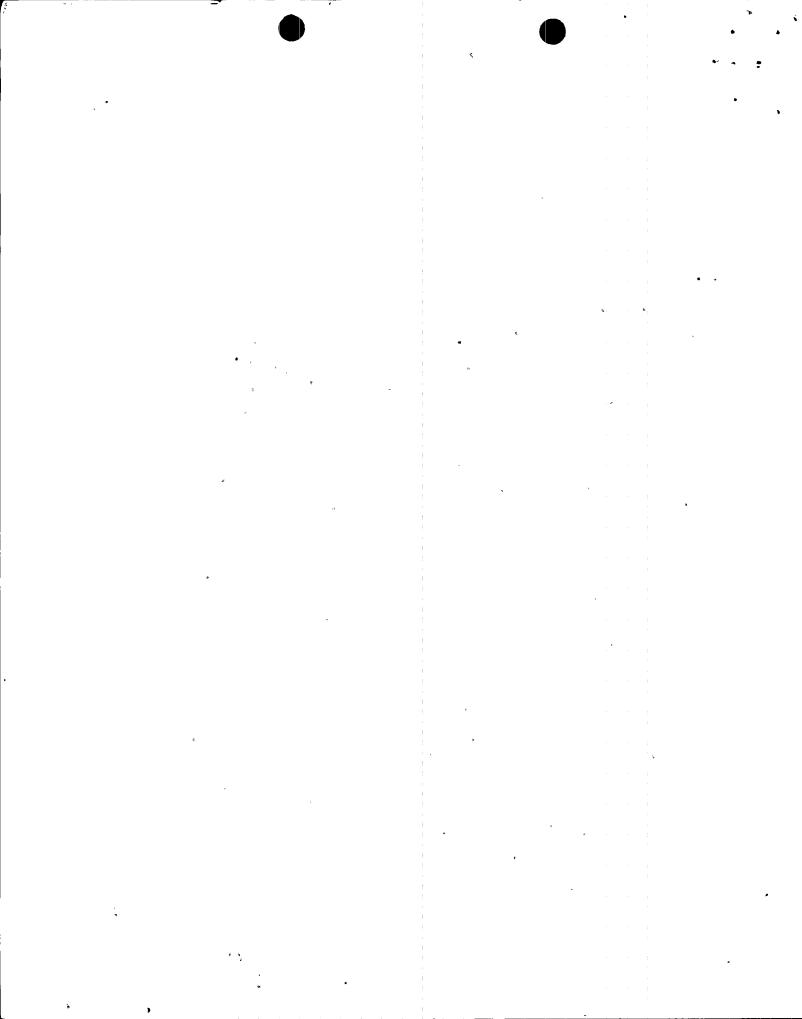
ADOCK 05000528

Subject: Palo Verde Nuclear Generating Station (PVNGS) Units 1, 2 and 3 Submittal of Modified Statistical Combination of Uncertainties Topical Report File: 88-A-056-026

For your information, ANPP is submitting 5 copies (controlled copies numbered 1 through 5) of the topical report, "Modified Statistical Combination of Uncertainties," CEN-356(v), Revision 01-P, dated May, 1988. This topical report contains proprietary information which must be withheld from public disclosure in accordance with the provisions of 10CFR2.790. The reasons for the proprietary classification of this topical report are delineated in the attached affidavit.

Please note that this report does not require additional NRC review. This version of the topical report is essentially identical to the report submitted under Reference 2. The Reference 2 report was approved by the NRC Staff via Reference 3. The differences between the Reference 2 report and the attached report are that the NRC's SER has been included in the report and the report has been bound. Therefore, the attached copies represent the final, bound versions of the topical report.

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'U.S. Nuclear Regulatory Commission Page 2

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In addition to the 5 copies of the proprietary version of the topical report, we are also enclosing 5 non-proprietary copies of the topical report. These copies are identified as topical report CEN-356(v)-NP-A and they do not need to be withheld from public disclosure.

If you have any questions on this matter, please contact Mr. A. C. Rogers at (602) 371-4041.

Very truly yours,

D. B. Karner Executive Vice President

DBK/BJA/pvk Attachments

cc: G. W. Knighton (all w/o attachments)

M. J. Davis

J. B. Martin

T. J. Polich

A. C. Gehr

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## AFFIDAVIT PURSUANT

## TO 10 CFR 2.790

Combustion Engineering, Inc. ) State of Connecticut ) County of Hartford ) SS.:

I, A. E. Scherer, depose and say that I am the Director, Nuclear Licensing, of Combustion Engineering, Inc., duly authorized to make this affidavit, and have reviewed or caused to have reviewed the information which is identified as proprietary and referenced in the paragraph immediately below. I am submitting this affidavit in conformance with the provisions of 10 CFR 2.790 of the Commission's regulations and in conjunction with the application of Arizona Public Service Company for withholding this information.

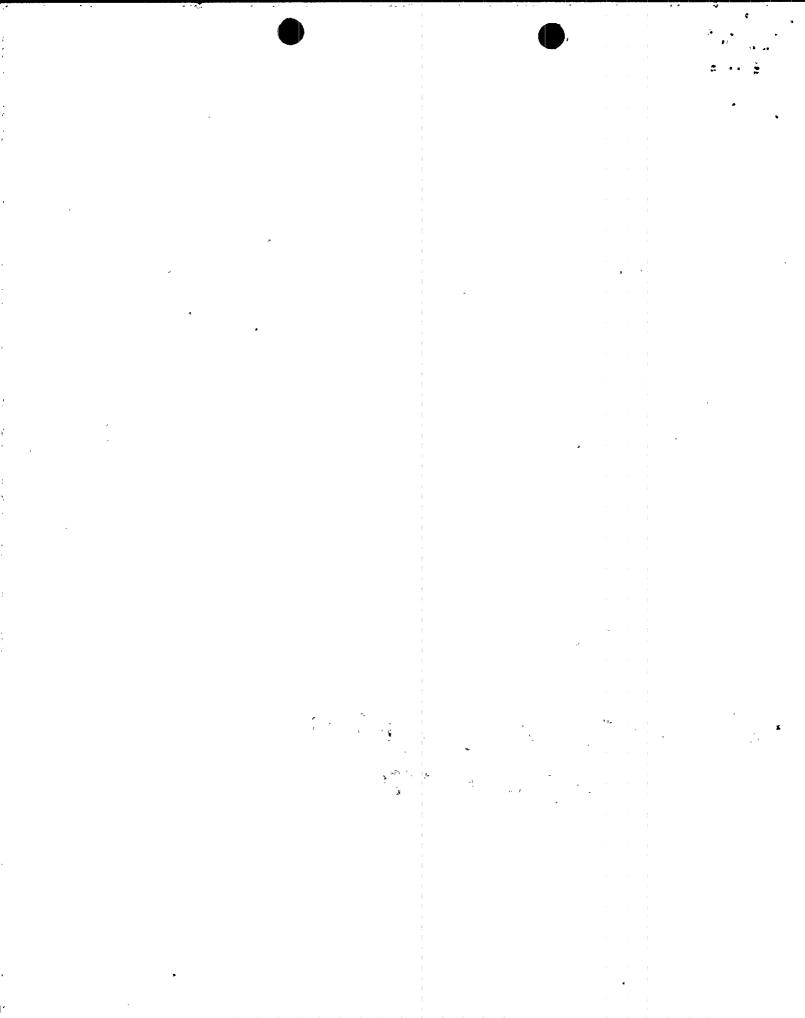
The information for which proprietary treatment is sought is contained in the following document:

Modified Statistical Combination of Uncertainties, CEN-356(V)-P-A, Revision 01-P-A, May 1988

This document has been appropriately designated as proprietary.

I have personal knowledge of the criteria and procedures utilized by Combustion Engineering in designating information as a trade secret, privileged or as confidential commercial or financial information.

Pursuant to the provisions of paragraph (b) (4) of Section 2.790 of the Commission's regulations, the following is furnished for consideration by the Commission in determining whether the information sought to be withheld from public disclosure, included in the above referenced document, should be withheld.



 The information sought to be withheld from public disclosure describes changes to the methodology for the statistical combination of uncertainties for Combustion Engineering's digital monitoring and protection systems, which is owned and has been held in confidence by Combustion Engineering.
The information consists of test data or other similar data concerning a process, method or component, the application of which results in substantial competitive advantage to Combustion Engineering.

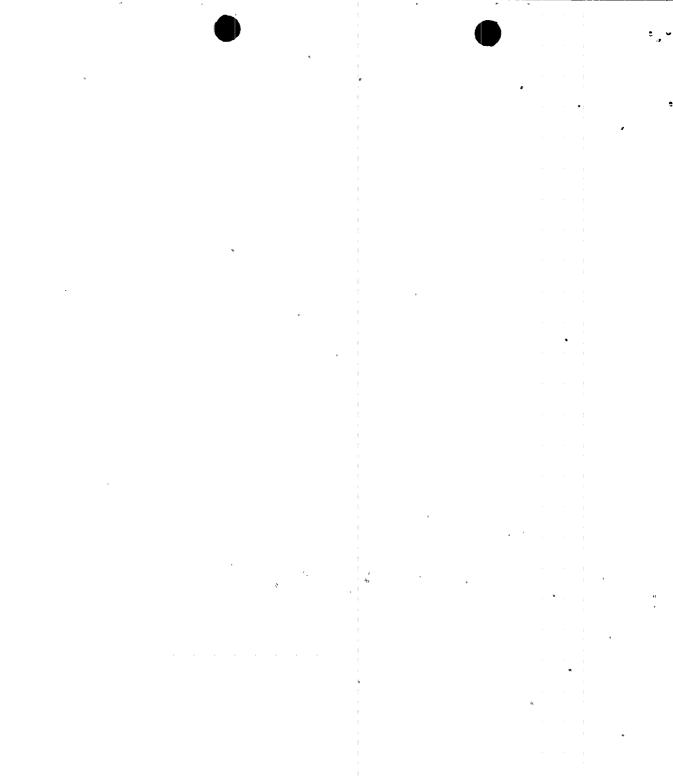
3. The information is of a type customarily held in confidence by Combustion Engineering and not customarily disclosed to the public. Combustion Engineering has a rational basis for determining the types of information customarily held in confidence by it and, in that connection, utilizes a system to determine when and whether to hold certain types of information in confidence. The details of the aforementioned system were provided to the Nuclear Regulatory Commission via letter DP-537 from F. M. Stern to Frank Schroeder dated December 2, 1974. This system was applied in determining that the subject document herein are proprietary.

4. The information is being transmitted to the Commission in confidence under the provisions of 10 CFR 2.790 with the understanding that it is to be received in confidence by the Commission.

5. The information, to the best of my knowledge and belief, is not available in public sources, and any disclosure to third parties has been made pursuant to regulatory provisions or proprietary agreements which provide for maintenance of the information in confidence.

6. Public disclosure of the information is likely to cause substantial harm to the competitive position of Combustion Engineering because:

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a. A similar product is manufactured and sold by major pressurized water reactor competitors of Combustion Engineering.

b. Development of this information by C-E required tens of thousands of man-hours of effort and hundreds of thousands of dollars. To the best of my knowledge and belief a competitor would have to undergo similar expense in generating equivalent information.

c. In order to acquire such information, a competitor would also require considerable time and inconvenience developing a similar methodology for the statistical combination of uncertainties for digital monitoring and protection systems.

d. The information required significant effort and expense to obtain the licensing approvals necessary for application of the information. Avoidance of this expense would decrease a competitor's cost in applying the information and marketing the product to which the information is applicable.

e. The information consists of detailed descriptions of the changes made to the methodology for statistically combining the uncertainties for digital monitoring and protection systems, the application of which provides a competitive economic advantage. The availability of such information to competitors would enable them to modify their product to better compete with Combustion Engineering, take marketing or other actions to improve their product's position or impair the position of Combustion Engineering's product, and avoid developing similar data and analyses in support of their processes, methods or apparatus.

f. In pricing Combustion Engineering's products and services, significant research, development, engineering, analytical, manufacturing, licensing, quality assurance and other costs and expenses must be included. The ability of Combustion Engineering's competitors to utilize such

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information without similar expenditure of resources may enable them to sell at prices reflecting significantly lower costs.

g. Use of the information by competitors in the international marketplace would increase their ability to market nuclear steam supply systems by reducing the costs associated with their technology development. In addition, disclosure would have an adverse economic impact on Combustion Engineering's potential for obtaining or maintaining foreign licensees.

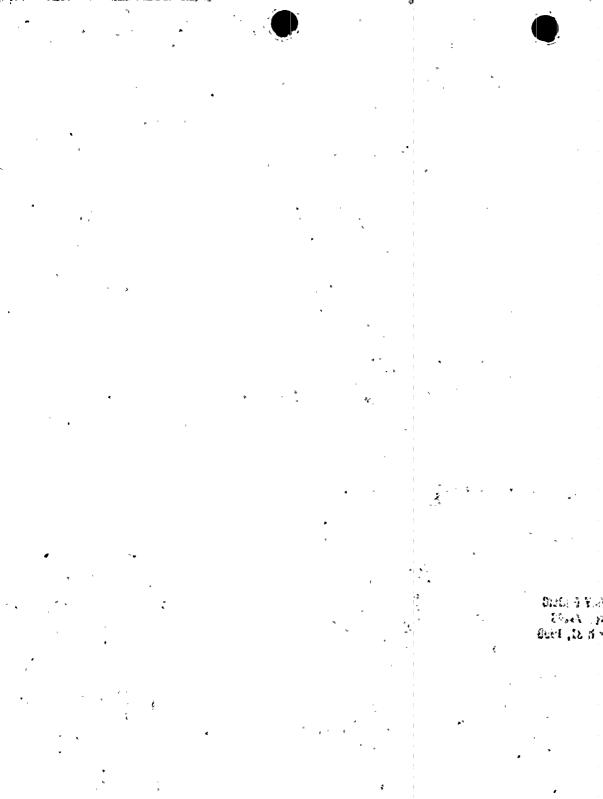
Further the deponent sayeth not.

A. E**-S**cherer Director Nuclear Licensing

Sworn to before me this //<sup>T#</sup>day of August, 1988.

Public

SUSANNE SMITH, NOTARY PUBLIC State of Connecticut No. 74148 Commission Expires March 31, 1990



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