



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

March 16, 1994

Docket Nos. 50-528, 50-529
and 50-530

Mr. William F. Conway
Executive Vice President, Nuclear
Arizona Public Service Company
Post Office Box 53999
Phoenix, Arizona 85072-3999

Dear Mr. Conway:

SUBJECT: REQUEST FOR WITHHOLDING INFORMATION FROM PUBLIC DISCLOSURE - "IMPACT OF IMPROVED INLET FLOW DISTRIBUTION ON TYPICAL CPC OVERALL UNCERTAINTY FACTOR" - PALO VERDE NUCLEAR GENERATING STATION UNIT 1

By your letter dated September 8, 1993, and an affidavit dated August 4, 1993, signed by S. A. Toelle of Combustion Engineering, Inc., you requested that the following proprietary document be withheld from public disclosure pursuant to 10 CFR 2.790:

"Impact of Improved Inlet Flow Distribution on Typical CPC Overall Uncertainty Factor," CEN-421(V)-P, Revision 01-P - July 1993

The Combustion Engineering affidavit forwarded with the proprietary document stated that the submitted information should be considered exempt from mandatory public disclosure for the following reasons:

1. The information sought to be withheld from public disclosure, which is owned and has been held in confidence by Combustion Engineering, is the application of the inlet flow distribution in a modified statistical combination of uncertainties methodology for plants with digital reactor protection systems.
2. 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 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.
4. Public disclosure of the information is likely to cause substantial harm to the competitive position of Combustion Engineering because:
 - a. A similar product is manufactured and sold by major pressurized water reactor competitors of Combustion Engineering.

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- b. Development of this information by C-E required tens of thousands of manhours 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 to develop similar techniques to include the application of the inlet flow distribution in a modified statistical combination of uncertainties methodology for plants with digital reactor protection systems.
- d. The information consists of the application of the inlet flow distribution in a modified statistical combination of uncertainties methodology for plants with digital reactor 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.
- e. 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.

We have reviewed your letter and the material based on the requirements and criteria of 10 CFR 2.790 and, on the basis of the Combustion Engineering affidavit, have determined that the submitted information sought to be withheld contains trade secrets or proprietary commercial information.

Therefore, we have determined that the document entitled "Impact of Improved Inlet Flow Distribution on Typical CPC Overall Uncertainty Factor," CEN-421(V)-P, Revision 01-P - July 1993 marked as proprietary will be withheld from public disclosure pursuant to 10 CFR 2.790(b)(5) and Section 103(b) of the Atomic Energy Act of 1954, as amended.

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, ensure that the consultants have signed the appropriate agreements for handling proprietary information.



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Mr. William F. Conway

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If the basis for withholding this information from public inspection should change in the future such that the information could then be made available for public inspection, you should promptly notify the NRC. You should also understand that the NRC may have cause to review this determination in the future, for example, if the scope of a Freedom of Information Act request includes your information. In all review situations, if the NRC makes a determination adverse to the above, you will be notified in advance of any public disclosure.

Sincerely,



Linh N. Tran, Project Manager
Project Directorate V
Division of Reactor Projects III/IV/V
Office of Nuclear Reactor Regulation

cc: See next page



10/10/10

Mr. William F. Conway
Arizona Public Service Company

Palo Verde

cc:

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Sincerely,

Original signed by:

Linh N. Tran, Project Manager
Project Directorate V
Division of Reactor Projects III/IV/V
Office of Nuclear Reactor Regulation

cc: See next page

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