

Westinghouse Electric Corporation . Water Reactor Divisions Box 355 Pittsburgh Pennsylvania 15230-0355

April 18, 1986 CAW-86-036

Mr. Harold R. Denton, Director Office of Nuclear Reactor Regulation U.S. Nuclear Regulatory Commission Washington, D.C. 20555

APPLICATION FOR WITHHOLDING PROPRIETARY INFORMATION FROM PUBLIC DISCLOSURE

Subject: Investigation on Undervoltage Trip Attachments for Cause of Misoperation at D.C. Cook Unit 2 on October 29, 1985 (WCAPS 11092, Rev. 1, Class 2 and WCAP-11114, Class 3).

Reference: American Electric Power Service Corporation Letter of May, 1986.

Dear Mr. Denton:

The proprietary material for which withholding is being requested in the reference letter by the American Electric Power Service Corporation for the D. C. Cook Plant Unit 2 is further identified in an affidavit signed by the owner of the proprietary information, Westinghouse Electric Corporation. The affidavit, which accompanies this letter, sets forth the basis on which the information may be withheld from public disclosure by the Commission and addresses with specificity the considerations listed in paragraph (b)(4) of 10CFR Section 2.790 of the Commission's regulations.

The proprietary material for which withholding is being requested is of the same technical type as that proprietary material previously submitted with Application for Withholding AW-80-027.

Accordingly, this letter authorizes the utilization of the accompanying affidavit by American Electric Power Service Corporation.

Correspondence with respect to the proprietary aspects of the application for withholding or the Westinghouse affidavit should reference this letter, CAW-86-036, and should be addressed to the undersigned.

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Very truly yours,

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Robert A. Wiesemann, Manager Regulatory & Legislative Affairs

LVT/dmr Enclosure(s)

cc: E. C. Shomaker, Esq. Office of the Executive Legal Director, NRC

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Attachment 4 to AEP:NRC:0962D

Affidavit Justifying Withholding of Proprietary Information From Public Disclosure

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AFFIDAVIT

COMMONWEALTH OF PENNSYL ANIA:

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COUNTY OF ALLEGHENY:

Before me, the undersigned authority, personally appeared Robert A. Miesemann, who, being by me duly sworn according to law, deposes and says that he is authorized to execute this Affidavit on behalf of Mestinghouse Electric Corporation ("Mestinghouse") and that the averments of fact set forth in this Affidavit are true and correct to the best of his knowledge, information, and belief:

Robert A. Wiesemann, Manager Regulatory and Legislative Affairs

Sworn to and subscribed before menthis / dav 1980. 0Ŧ Notary Public

(1) I am Manager, Regulatory and Legislative Affairs, in the Nuclear Technology Division, of Westinghouse Electric Corporation and as such, I have been specifically delegated the function of reviewing the proprietary information sought to be withheld from public disclosure in connection with nuclear power plant licensing or rulemaking proceedings, and am authorized to apply for its withholding on behalf of the Westinghouse Water Reactor Divisions.

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- (2) I am making this Affidavit in conformance with the provisions of IOCFR Section 2.790 of the Commission's regulations and in conjunction with the Westingnouse application for withholding accompanying this Affidavit.
- (3) I have personal knowledge of the criteria and procedures utilized by Westinghouse Nuclear Energy Systems in designating information as a trade secret, privileged or as confidential commerical or financial information.
- (4) 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 should be withheld.
 - (i) The information sought to be withheld from public disclosure is owned and has been held in confidence by Westingnouse.

(ii) The information is of a type customarily held in confidence by Westinghouse and not customarily disclosed to the public. Westinghouse has a rational basis for determining the types of information customarily held in confidence by it and, in that connection. Itilizes a system to determine when and whether to hold certain types of information in confidence. The application of that system and the substance of that system constitutes Westinghouse policy and provides the rational basis required.

Under that system, information is held in confidence if it falls in one or more of several types, the release of which might result in the loss of an existing or potential competitive advantage, as follows:

- (a) The information reveals the distinguishing aspects of a process (or component, structure, tool, method, etc.) where prevention of its use by any of Westinghouse's competitors without license from Westinghouse constitutes a competitive economic advantage over other companies.
- (b) It consists of supporting data, including test data, relative to a process (or component, structure, tool, method, etc.), the application of which data secures a competitive economic advantage, e.g., by optimization or improved marketability.

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(c) Its use by a competitor would reduce his expenditure of resources or improve his competitive position in the cesign, manufacture, shipment, installation, assurance of quality, or licensing a similar product.

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- (a) It reveals cost or price information, production capacities, budget levels, or commercial strategies of Westingnouse, its customers or suppliers.
- (e) It reveals aspects of past, present, or future Westinghouse or customer funded development plans and programs of potential commercial value to Westinghouse.
- (f) It contains patentable ideas, for which patent protection may be desirable.
- (g) It is not the property of Westinghouse, but must be treated as proprietary by Westinghouse according to agreements with the owner.

There are sound policy reasons behind the Westinghouse system which include the following:

(a) The use of such information by Westinghouse gives
Westinghouse a competitive advantage over its competitors. It is, therefore, withheld from disclosure to protect the Westinghouse competitive position.

 (b) It is information which is marketable in many ways.
The extent to which such information is available to competitors diminishes the Westinghouse ability to sell products and services involving the use of the information.

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- (c) Use by our competitor would put Westinghouse at a competitive disadvantage by reducing his expenditure of resources at our expense.
- (d) Each component of proprietary information pertinent to a particular competitive advantage is potentially as valuable as the total competitive advantage. If competitors acquire components of proprietary information, any one component may be the key to the entire puzzle, thereby depriving Westinghouse of a competitive advantage.
- (e) Unrestricted disclosure would jeopardize the position of prominence of Westinghouse in the world market, and thereby give a market advantage to the competition in those countries.
- (f) The Westinghouse capacity to invest corporate assets in research and development depends upon the success in obtaining and maintaining a competitive advantage.

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- (iii) The information is being transmitted to the Commission in confidence and, under the provisions of IOCFR Section 2.790, it is to be received in confidence by the Commission.
- (iv) The information sought to be protected is not available in public sources to the pest of our knowledge and belief.
- (v) The proprietary information sought to be withheld in this submittal is that which is appropriately marked in the attachment to Westinghouse Letter No. NS-TMA-2257, Anderson to Miller, dated June 16, 1980 concerning the Westinghouse Equipment Qualification Program to address Regulatory Guides 1.39 and 1.100. The letter and attachment are being submitted to complete the information provided in WCAP-8587, Supplement 1, which was requested by the NRC via PBS Standard Question No. 4, "Environmental Qualification of Class 1E Equipment."

This information enables Westinghouse to:

 (a) Develop test inputs and procedures to satisfactorily verify the design of Westinghouse supplied equipment.

(b) Assist its customers to obtain licenses.

Further, the information has substantial commercial value as follows:

 (a) Westinghouse can sell the use of this information to customers.

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(b) Westingnouse uses the information to verify the design of equipment which is sold to customers.

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(c) Westingnouse can sell testing services based upon the experience gained and the test equipment and methods developed.

Public disclosure of this information is likely to cause substantial harm to the competitive position of Westinghouse because it would enhance the ability of competitors to design, manufacture, verify, and sell electrical equipment for commercial power reactors without commensurate expenses. Also, public disclosure of the information would enable others having the same or similar equipment to use the information to meet NRC requirements for licensing documentation without purchasing the right to use the information.

The development of the equipment described in part by the information is the result of many years of development by Westinghouse and the expenditure of a considerable sum of money.

This could only be duplicated by a competitor if he were to invest similar sums of money and provided he had the appropriate talent available and could somehow obtain the requisite experience.

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Attachment 2 to AEP:NRC:0962D

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WCAP-11114

"Investigation on Undervoltage Trip Attachments for Cause Of Misoperation at D. C. Cook Unit 2 on 10/29/84, EQ/P(86)-143"

(Nonproprietary)

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