



HITACHI

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~~Proprietary Information Notice~~

~~Attachment 2 to this letter contains GE Hitachi Nuclear Energy proprietary information which is to be withheld from public disclosure in accordance with 10 CFR 2.390 and RIS 2005-34. Upon removal of Attachment 2, the balance of this letter may be made public.~~

M180200

October 23, 2018

Jack D. Parrott, Senior Project Manager
Reactor Decommissioning Branch
Office of Nuclear Material Safety and Safeguards
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555-0001

ATTN: Document Control Desk

Subject: GEH Interim Status Report to NRC Request for Additional Information (RAI)

- References:
- 1) NRC License DPR-1, Vallecitos Boiling Water Reactor (VBWR), Docket 50-18, NRC License DR-10, ESADA Vallecitos Experimental Superheat Reactor (EVESR), Docket 50-183, NRC License TR-1, General Electric Test Reactor (GETR), Docket 50-70
 - 2) Letter, GEH Vallecitos Nuclear Center (VNC) Request for Alternate Decommissioning Schedules for DPR-1, DR-10 and TR-1 Licenses, Exemption Request, 7/15/16
 - 3) Letter, J.D. Parrott (NRC) to S.P. Murray (GEH) Request for Additional Information, 1/18/18
 - 6) Letter, S.P. Murray to J.D. Parrott (NRC), GEH Response Plan for NRC Request for Additional Information, 3/28/18
 - 7) Telecom, GEH/NRC to Discuss Status of GEH Response Plan, 9/18/18

Dear Mr. Parrott:

Per the commitment in my letter dated March 28, 2018 (Reference 6) and as we discussed on September 18, 2018 (Reference 7), GE Hitachi Nuclear Energy (GEH) is providing an interim status report on efforts to respond to the two remaining RAI's summarized below.

- 1) Demonstrate how the site is in compliance with the applicable safety regulations in 10 CFR 20.1501(a), including how the site is meeting the requirements for radiological surveying and monitoring of the subsurface and groundwater around the shutdown reactors. Describe how GEH meets requirements contained in 10 CFR 20.1501(a) or provide an alternate plan to meet the requirements of 10 CFR 20.1501(a) and 50.75(g). (Reference 3, pages 5-6).

- 2) Demonstrate compliance with 10 CFR 20.1406(c) by providing an engineering structural analysis of the shutdown reactor facilities that includes an analysis of their ability to maintain integrity of the building for purposes of ensuring confinement of the residual radioactivity; providing the plan for routine maintenance and surveillance of the shutdown facilities related to structural integrity and any special surveillance requirements that would be necessary should a seismic event occur during the current licensing period or during the requested extension to the decommissioning period; and providing a plan and schedule for when access to the lower portions of the VBWR will be safe for GEH employees and NRC staff and inspectors to enter so that they can effectively carryout surveillance and inspections. (Reference 3, pages 4-5).

To address RAI 1:

GEH has requested services from an environmental engineering consulting firm for a subsurface hydrology and groundwater monitoring program assessment.

To address RAI 2:

In July 2018 GEH established a professional services contract with a decommissioning engineering consulting firm to provide technical assistance in performing the necessary analyses.

- o The engineering firm's assigned Project Manager, Structural Engineer, and two environmental subject matter experts performed a site visit and walk down of all three shutdown reactor facilities in September 2018.
- o The engineering firm has requested facility drawings and previous supporting documentation. GEH is collecting and providing the information.

The decommissioning engineering firm has provided a project schedule summary to meet the March 2019 target NRC submittal date (See Attachment 2 to this letter)

Please contact me if you have any questions or would like to discuss this matter further.

Sincerely,



Scott P. Murray, Manager
Facility Licensing

Attachment(s): 1) GEH affidavit
2) GEH RAI Project Schedule Summary (contains proprietary information)

Cc: B. Watson, USNRC NMSS
SPM 18-051

Attachment 1

AFFIDAVIT

I, Scott P. Murray, state as follows:

- (1) I am the Manager, Facility Licensing of GE Hitachi Nuclear Energy Americas (GEH) and have been delegated the function by GEH 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 Attachment 2 to GEH's letter, M180200, Scott P. Murray to Jack D. Parrott, Reactor Decommissioning Branch entitled GEH Interim Status Report to NRC Request for Additional Information (RAI). GEH proprietary information is contained in Attachment 2 and is identified by the statement "GEH Proprietary Information".
- (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 USC Sec. 552(b)(4), and the Trade Secrets Act, 18 USC Sec. 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 F2d 871 (DC Cir. 1992), and Public Citizen Health Research Group v. FDA, 704 F2d 1280 (DC 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 financial, a process, method, or apparatus, including supporting data and analyses, where prevention of its use by GEH's competitors without license from GEH constitutes a competitive economic advantage over GEH and/or other companies.
 - b. Information that, if used by a competitor, would reduce their expenditure of resources or improve their competitive position in the design, manufacture, shipment, installation, assurance of quality, or licensing of a similar product.
- (5) To address 10 CFR 2.390(b)(4), the information sought to be withheld is being submitted to the 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 or proprietary and/or confidentiality agreements 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. Access to such documents within GEH is limited to 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 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) above is classified as proprietary because it contains details of GEH's processes, design and manufacturing facilities.
- (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 facility design and licensing methodology is part of GEH's comprehensive 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 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 there 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 23rd day of October 2018.

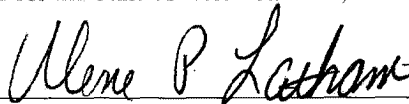


Scott P. Murray
GE Hitachi Nuclear Energy Americas, L.L.C.

STATE OF NORTH CAROLINA)

COUNTY OF NEW HANOVER)

Subscribed and sworn to me, a Notary Public, in and for the State of North Carolina, this 23rd day of October 2018.



Notary Public in and for the
State of North Carolina

My Commission Expires: June 23, 2023

