

Aug. 8, 1977

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Docket No. 50-313 ✓

Arkansas Power & Light Company
ATTN: Mr. J. D. Phillips
Senior Vice President
Production, Transmission and
Engineering
Sixth and Pine Streets
Pine Bluff, Arkansas 71601

Gentlemen:

This is in response to your request dated December 1, 1976, as supplemented by letter dated July 19, 1977, to withhold from public inspection under 2.790(b) of the Commission's regulations pages 4-5 and 4-6 of Babcock & Wilcox (B&W) Report BAW-1433 entitled "Arkansas Nuclear One - Unit 1, Cycle 2, Reload Report".

Your reasons for requesting our withholding were:

1. The information sought to be withheld from public disclosure is not available in open literature and is not known by potential competitors of B&W.
2. The information is of a type generally limited to those involved in B&W fuel design effort.
3. The information is being transmitted to the Nuclear Regulatory Commission in confidence.
4. The information could be used by competitors of B&W to reduce their fuel manufacturing costs and improve their core performance. Such improvements in design could reduce or eliminate B&W's competitive advantage. It is important to note that under present market conditions, a competitive edge can be gained or lost based on smaller factors than when the market is active. A slight competitive edge can make the difference in getting or losing the award of a contract.

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5. B&W has expended a significant effort in its overall clad research programs. B&W has been performing research on zirconium cladding since the mid 1960's. B&W presently has additional programs underway to extend its knowledge on fuel rod creep collapse. The results of these programs have contributed to improved fuel integrity, reduced material cost and increased design margins for B&W fuel.
6. The information cannot be easily acquired or duplicated by others since it results from B&W Engineering evaluations of its detailed R&D programs. The Engineering evaluations start with the basic data and factor in fuel integrity considerations, overall costs and fuel design limits and margins. The information is not available in the form of non-proprietary reports or papers.

We have reviewed your application and material based on the requirements and criteria of 10 CFR 2.790 and have determined that the above mentioned pages 4-5 and 4-6 of BAW-1433 sought to be withheld contain trade secrets or confidential or privileged commercial or financial information.

We have also found at this time that the right of the public to be fully apprised as to the bases for the effects of the approved licensing action does not outweigh the demonstrated concern for protection of your competitive position. Accordingly, we have determined that the information should be withheld from public disclosure.

We therefore approve your request for withholding pursuant to Section 2.790 of 10 CFR Part 2 and are withholding pages 4-5 and 4-6 of BAW-1433 from public inspection.

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, assure that the consultants have signed the appropriate agreements for handling the data.

Sincerely,

Don K. Davis, Acting Chief
Operating Reactors Branch #2
Division of Operating Reactors

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(w/copy of 4/1/77 Letter from
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