

# NORTHEAST UTILITIES



THE CONNECTICUT LIGHT AND POWER COMPANY  
THE HARTFORD ESTATE TRUST COMPANY  
WESTERN MASSACHUSETTS ELECTRIC COMPANY  
THE STATE WATER SUPPLY COMMISSION  
NORTHEAST UTILITIES SERVICE COMPANY  
NORTHEAST UTILITIES SERVICE COMPANY

P.O. BOX 270  
HARTFORD, CONNECTICUT 06101  
(203) 666-6911

May 23, 1979

Docket No. 50-336

Director of Nuclear Reactor Regulation  
Attn: Mr. R. Reid, Chief  
Operating Reactors Branch #4  
U. S. Nuclear Regulatory Commission  
Washington, D. C. 20555

References: (1) W. G. Council letter to R. Reid dated December 18, 1978.  
(2) W. G. Council letter to R. Reid dated January 24, 1979.  
(3) W. G. Council letter to R. Reid dated March 29, 1979.  
(4) W. G. Council letter to R. Reid dated April 17, 1979.

Gentlemen:

Millstone Nuclear Power Station, Unit No. 2  
Sleeved CEA Guide Tube Inspection

In References (1), (2), (3), and (4), Northeast Nuclear Energy Company (NNECO) provided preliminary information regarding the Sleeved CEA Guide Tube Inspection Program. The purpose of this letter is to provide detailed eddy current results of the Program, in the form of a proprietary report from Combustion Engineering, CEN-108(N)-P.

Due to the proprietary nature of the material contained in Attachment I, NNECO requests that CEN-108(N)-P be withheld from public disclosure in accordance with the provisions of 10CFR2.790 and that this material be safeguarded. The reasons for the classification of this material as proprietary are contained in an affidavit provided by Combustion Engineering, also attached. Copies of the non-proprietary version are also included.

Very truly yours,

NORTHEAST NUCLEAR ENERGY COMPANY

A handwritten signature in dark ink, appearing to read 'W. G. Council', written over a horizontal line.  
W. G. Council  
Vice President

Attachment

7905310183

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 Manager, 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 Northeast Nuclear Energy Company, for withholding this information.

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

CEN 108(N)-P Millstone Point - II, Sleeved CEA Guide Tube Eddy Current Test Results.

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.

~~7905810189~~

1. The information sought to be withheld from public disclosure is results of sleeved CEA guide tube inspection, which is owned and has been held in confidence by Combustion Engineering.

2. The information consists of test data or other similar data concerning a process, method or component, the application of which results in a 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 documents 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:

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

b. Development of this information by C-E required 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 related to obtaining access to test reactor facilities and conducting extensive in-pile testing.


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 specific results including data relative to a process, method or apparatus, 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 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.

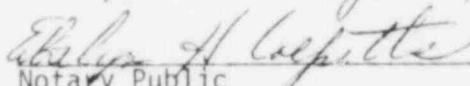
Further the deponent sayeth not.

  
A. E. Scherer

Manager, Licensing

Sworn to before me

this 3rd day of May, 1979

  
Notary Public

NOTARY PUBLIC  
State of Connecticut No. 32976  
Commission Expires March 11, 1983

ATTACHMENT I

MILLSTONE NUCLEAR POWER STATION, UNIT NO. 2

SLEEVED CEA GUIDE TUBE INSPECTION

MAY, 1979