



Westinghouse  
Electric Corporation

Water Reactor  
Divisions

Nuclear Technology Division

Box 355  
Pittsburgh Pennsylvania 15230

September 30, 1981  
CAW-81-3

Director of Nuclear Reactor Regulation  
Attn: Mr. B. J. Youngblood, Chief  
Licensing Branch Number 1  
Division of Licensing  
U. S. Nuclear Regulatory Commission  
Phillips Building  
7920 Norfolk Avenue  
Bethesda, Maryland 20014

APPLICATION FOR WITHHOLDING PROPRIETARY  
INFORMATION FROM PUBLIC DISCLOSURE

SUBJECT: Duke Power Company, McGuire Unit Number 1 (Docket No. 50-369)  
Westinghouse Reactor Protection System/Engineered Safety Features  
Actuation System Setpoint Methodology (Proprietary)

REF: Duke Power Company Application for Withholding

Dear Mr. Youngblood:

The proprietary material for which withholding is being requested by Duke Power Company is of the same technical type as that proprietary material previously submitted by Westinghouse concerning Reactor Protection System/Engineered Safety Features Actuation System Setpoint Methodology. The previous application for withholding, AW-76-60, was accompanied by an affidavit signed by the owner of the proprietary information, Westinghouse Electric Corporation.

Further, the affidavit submitted to justify the previous material was approved by the Commission on April 17, 1978, and is equally applicable to the subject material. The subject proprietary material is being submitted in support of Duke Power Company, McGuire Unit Number 1.

Accordingly, this letter authorizes the utilization of the previously furnished affidavit in support of Duke Power Company, McGuire Unit Number 1. A copy of the affidavit, AW-76-60, dated December 1, 1976, is attached.

Correspondence with respect to the proprietary aspects of the application for withholding or the Westinghouse affidavits should reference CAW-81-3 and should be addressed to the undersigned.

Very truly yours,

Robert A. Wiesemann, Manager  
Regulatory & Legislative Affairs

/bek  
Attachment

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

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AFFIDAVIT

COMMONWEALTH OF PENNSYLVANIA:

SS

COUNTY OF ALLEGHENY:

Before me, the undersigned authority, personally appeared Robert A. Wiesemann, who, being by me duly sworn according to law, deposes and says that he is authorized to execute this Affidavit on behalf of Westinghouse Electric Corporation ("Westinghouse") 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*

Robert A. Wiesemann, Manager  
Licensing Programs

Sworn to and subscribed  
before me this 2 day  
of December 1976.

*Rebecca V. Kinnick*  
Notary Public

- (1) I am Manager, Licensing Programs, in the Pressurized Water Reactor Systems 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 rule-making proceedings, and am authorized to apply for its withholding on behalf of the Westinghouse Water Reactor Divisions.
- (2) I am making this Affidavit in conformance with the provisions of 10 CFR Section 2.790 of the Commission's regulations and in conjunction with the Westinghouse 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 commercial 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 Westinghouse.

- (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, utilizes 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.

- (c) Its use by a competitor would reduce his expenditure of resources or improve his competitive position in the design, manufacture, shipment, installation, assurance of quality, or licensing a similar product.
- (d) It reveals cost or price information, production capacities, budget levels, or commercial strategies of Westinghouse, 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.
- (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.

- (iii) The information is being transmitted to the Commission in confidence and, under the provisions of 10 CFR Section 2.790, it is to be received in confidence by the Commission.
- (iv) The information is not available in public sources to the best 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 number NS-CE-1298, Eicheldinger to Stolz, dated December 1, 1976, concerning information relating to NRC review of WCAP-8567-P and WCAP-8568 entitled, "Improved Thermal Design Procedure," defining the sensitivity of DNB ratio to various core parameters. The letter and attachment are being submitted in response to the NRC request at the October 29, 1976 NRC/Westinghouse meeting.

This information enables Westinghouse to:

- (a) Justify the Westinghouse design.
- (b) Assist its customers to obtain licenses.
- (c) Meet warranties.
- (d) Provide greater operational flexibility to customers assuring them of safe and reliable operation.
- (e) Justify increased power capability or operating margin for plants while assuring safe and reliable operation.



- (f) Optimize reactor design and performance while maintaining a high level of fuel integrity.

Further, the information gained from the improved thermal design procedure is of significant commercial value as follows:

- (a) Westinghouse uses the information to perform and justify analyses which are sold to customers.
- (b) Westinghouse sells analysis services based upon the experience gained and the methods developed.

Public disclosure of this information concerning design procedures is likely to cause substantial harm to the competitive position of Westinghouse because competitors could utilize this information to assess and justify their own designs without commensurate expense.

The parametric analyses performed and their evaluation represent a considerable amount of highly qualified development effort. This work was contingent upon a design method development program which has been underway during the past two years. Altogether, a substantial amount of money and effort has been expended by Westinghouse which could only be duplicated by a competitor if he were to invest similar sums of money and provided he had the appropriate talent available.

Further the deponent sayeth not.