



Westinghouse  
Electric Corporation

Water Reactor  
Divisions

Nuclear Technology Division

Box 355  
Pittsburgh Pennsylvania 15230

October 26, 1981  
AW-81-66

Mr. James R. Miller, Chief  
Special Projects Branch  
Division of Project Management  
U. S. Nuclear Regulatory Commission  
Phillips Building  
7920 Norfolk Avenue  
Bethesda, Maryland 20814

APPLICATION FOR WITHHOLDING PROPRIETARY  
INFORMATION FROM PUBLIC DISCLOSURE

SUBJECT: WCAP-9944, "Verification of Upper Head Injection Reactor Vessel Internals by Preoperational Tests on the Sequoyah 1 Power Plant"

REF: Westinghouse Letter No. NS-EPR-2499, Rahe to Miller, dated October 26, 1981

Dear Mr. Miller:

The proprietary material for which withholding is being requested is of the same technical type as that previously submitted with affidavit AW-76-13, May 19, 1976.

The subject material is submitted to confirm the expected vibrations of the four loop UHI upper internals assembly.

The affidavit, AW-76-13, is equally applicable to the subject material.

Correspondence with respect to the proprietary aspects of the affidavit should reference AW-81-66 and should be addressed to the undersigned.

Very truly yours,

Robert A. Wiesemann, Manager  
Regulatory & Legislative Affairs

/bek

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

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AFFIDAVIT

COMMONWEALTH OF PENNSYLVANIA:

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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 19th day  
of May 1976.

*Genevieve Kish*  
Notary Public

GENEVIEVE KISH, NOTARY PUBLIC  
MONROEVILLE BOROUGH  
ALLEGHENY COUNTY  
MY COMMISSION EXPIRES JULY 22, 1976

- (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 WCAP-8766 transmitted by Westinghouse Letter No. NS-CE-1079, Eicheldinger to Vassallo, dated May 21, 1976.

This information enables Westinghouse to:

- (a) Justify the integrity of the Westinghouse design of reactor internals.
- (b) Assist its customers to obtain plant licenses using equipment the same as or similar to the equipment tested.
- (c) Provide greater assurance to customers of safe and reliable operation.
- (d) Justify design correlations and prediction techniques, such as the use of scale models.
- (e) Provide customers added assurance that harmful degradation of the equipment will not occur.

Further, this information has substantial commercial value as follows:

- (a) Westinghouse sells the use of the information to its customers for purposes of meeting NRC requirements for licensing documentation.
- (b) Westinghouse uses the information to sell nuclear plants to its customers.
- (c) Westinghouse sells the use of this information to its licensees.
- (d) Westinghouse uses the information to verify the design of equipment which is sold to its customers.

Public disclosure of this information is likely to cause substantial harm to the competitive position of Westinghouse as it would reduce the need for the expenditure of time, money, experimental effort, and analytical evaluation by the competitors of Westinghouse to develop and license similar equipment.

The tests performed and their evaluation represent a considerable amount of highly qualified development effort. The expenses incurred by Westinghouse include those associated with plant site test programs, laboratory tests on full-scale hardware, and design and analysis in the development of hardware. 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.



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