ARKANSAS POWER & LIGHT COMPANY
POST OFFICE BOX 551 LITTLE ROCK, ARKANSAS 72203 (501) 371-4000

January 11, 1979

2-019-7

Director of Nuclear Reactor Regulation
ATTN: Mr. J. F. Stolz, Chief
Light Water Reactors Branch #1
U. S. Nuclear Regulatory Commission
Washington, D. C. 20555

Subject: Arkansas Nuclear One - Unit 2
Docket No. 50-368
License No. NPF-6
CPC Documentation
(File: 2-1510)

Gentlemen:

In response to Staff questions presented in our meeting, with the Staff, on November 9, 1978, and subsequently received in your letter of December 13, 1978, the following information is provided.

Attached are eight copies of CEN-39(A)-P, Rev. 02, Proprietary (Copies 00001 through 00008), twenty copies of CEN-39(A)-NP, Rev. 02, Non-Proprietary, eight copies of CEN-39(A)-P, Supplement 1-P, Rev. 01, Proprietary (Copies 00001 through 00008), and twenty copies of CEN-39(A)-NP, Supplement 1-NP, Rev. 01, Non-Proprietary.

This information completes our response to all CPC Position 19 questions and, from the November 9, 1978, meeting, is understood to be sufficient to resolve all staff concerns and close out this issue. Your most expeditious approval of this procedure is requested.

Certain information contained in the enclosures is proprietary to Combustion Engineering, Inc. Pursuant to 10CFR2.790, it is requested that this information be withheld from public disclosure. Also in, accordance with 10CFR2.790(b) it is recognized that withholding this information from public inspection shall not affect the right, if any, of persons properly and directly concerned to inspect the information. The non-proprietary versions of all enclosed proprietary documents are enclosed. Non-proprietary information on the CPC system software is also contained in Appendix 7A of the ANO-2 FSAR. In addition the affidavits specified by 10CFR2.790(b) are enclosed. This information has been characterized as proprietary for one or more of the following reasons:

1. The use of the information by a competitor would substantially decrease his expenditures, in time and resources, in designing, producing or marketing a similar product..

2. This 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, Inc.

3. The information reveals special aspects of a process, method, component or the like, the exclusive use of which results in a substantial competitive advantage to Combustion Engineering, Inc.

The information considered to be proprietary has been denoted by vertical brackets in the margins.

If you should have any questions concerning the proprietary nature of the material transmitted herewith, please address these questions to:

Mr. A. E. Scherer
Licensing Manager (9438-401)
Combustion Engineering, Inc.
1000 Prospect Hill Road
Windsor, Connecticut 06095

We also request that you provide a copy of any questions concerning the proprietary nature of this submittal to the Arkansas Power & Light Company.

Very truly yours,

Daniel H. Williams

Daniel H. Williams
Manager, Licensing

DHW:JTE:vb

Attachments

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 for Arkansas Power and Light Company, for withholding this information.

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

CPC Protection Algorithm Software Change Procedure, CEN-39(A)-P, Revision 2 and Revision 1 of Supplement 1-P thereto.

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.

1. The information sought to be withheld from public disclosure is the methods, procedures and equipment for implementing CPC software changes, 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 tens 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 developing equivalent methods, procedures and equipment for implementing CPC software changes.

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 methods, procedures and equipment for implementing CPC software changes, 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 18th day of January, 1979

Notary Public

RICK G. VACCINAS, NOTARY PUBLIC
State of Connecticut No. 54492
Commission Expires March 31, 1983