



Consumers
Power

**POWERING
MICHIGAN'S PROGRESS**

Palisades Nuclear Plant: 27780 Blue Star Memorial Highway, Covert, MI 49043

November 1, 1993

David W. Rogers
Plant Safety and Licensing Director

Nuclear Regulatory Commission
Document Control Desk
Washington, DC 20555

DOCKET 50-255 - LICENSE DPR-20 - PALISADES PLANT - REPLY TO NRC REQUEST FOR
INFORMATION REGARDING THE PRESSURIZER SAFE END CRACK - METALLURGICAL
EXAMINATION REPORT (TAC No. 87760)

A letter dated October 20, 1993 contained much of the information that the NRC
had requested in their October 7, 1993 information request concerning the
pressurizer safe end crack. At that time, the metallurgical evaluation report
of the pressurizer power operated relief valve line safe end crack had not
been completed.

Enclosure 1 to this letter contains the metallurgical examination report for
the pressurizer safe end crack.

Combustion Engineering (CE), Incorporated considers the information provided
in the Attachment 1 to the enclosed CE report to be proprietary (1 page). In
accordance with 10 CFR 2.790(b), to support the NRC withholding proprietary
information, an affidavit from CE is attached. It is therefore requested that
the CE proprietary information be withheld from public disclosure. Since only
one page of the report contains proprietary information, Enclosure 2 contains
the two cover sheets and the non-proprietary page for placement of the report
in the public document room.

David W Rogers
Plant Safety and Licensing Director

CC Administrator, Region III, USNRC
NRC Resident Inspector-Palisades

Attachment

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A CMS ENERGY COMPANY

AFFIDAVIT PURSUANT

TO 10 CFR 2.790

Combustion Engineering, Inc.)
State of Connecticut)
County of Hartford) SS.:

I, S. A. Toelle, depose and say that I am the Manager, Nuclear 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 conjunction with the application of Consumers Power Company and in conformance with the provisions of 10 CFR 2.790 of the Commission's regulations.

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

Attachment 1 to TR-MCC-306, "Examination of Sections of the Pressurizer PORV Line Safe-End Failure From the Palisades Nuclear Generating Station," October 1993.

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 documents, should be withheld.

1. The information sought to be withheld from public disclosure, which is owned and has been held in confidence by Combustion Engineering, is specific fabrication specification and material test data associated with the Palisades Plant pressurizer built 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 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 document herein is 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 reactor competitors of Combustion Engineering.
 - b. Development of this information by C-E required thousands of manhours 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

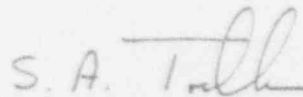
also require considerable time and inconvenience to ascertain the specific material properties pertaining to the Palisades Plant pressurizer.

- 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 fabrication specification and material test data associated with the Palisades Plant pressurizer built by Combustion Engineering, 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.



S. A. Toelle
Manager
Nuclear Licensing

Sworn to before me

this 29th day of OCTOBER, 1993


Notary Public

My commission expires: My Commission Exp. April 30, 1996

ENCLOSURE 2

Consumers Power Company
Palisades Plant
Docket 50-255

METALLURGICAL EXAMINATION REPORT - NON-PROPRIETARY
EXAMINATION OF SECTIONS OF THE PRESSURIZER PORV
LINE SAFE-END FAILURE
FROM THE PALISADES NUCLEAR GENERATING STATION
(TAC No. 87760)

November 1, 1993