



ARKANSAS POWER & LIGHT COMPANY

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December 10, 1982

2CAN128207

Director of Nuclear Reactor Regulation
ATTN: Mr. Robert A. Clark, Chief
Operating Reactors Branch #3
Division of Licensing
U. S. Nuclear Regulatory Commission
Washington, DC 20555

SUBJECT: Arkansas Nuclear One - Unit 2
Docket No. 50-368
License No. NPF-6
Fuel Shoulder Gap Modification
Information from October 6, 1982
Meeting

Gentlemen:

Enclosed are five proprietary (copy numbers 1, 2, 3, 4, and 5) and nonproprietary copies of the slides used during the presentation by AP&L concerning the Fuel Shoulder Gap Problem at a meeting with the staff on October 6, 1982. The proprietary copies contain a copy of an affidavit pursuant to 10CFR2.790 from Combustion Engineering permitting us to submit this material. Certain information contained in the attachments is proprietary to Combustion Engineering and is being transmitted to you in accordance with C-E/AP&L agreements on proprietary material. Pursuant to 10CFR2.790, it is requested that this information be withheld from public disclosure. 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 pages containing proprietary information have been so indicated. This information has been characterized as proprietary for one or more of the reasons specified in the attached affidavit.

Very truly yours,

John R. Marshall
Manager, Licensing

JRM: DLL: sc

Enclosures: Proprietary and Nonproprietary Information

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MEMBER MIDDLE SOUTH UTILITIES SYSTEM

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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 Director, 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 conformance with the provisions of 10 CFR 2.790 of the Commission's regulations and in conjunction with the application of Arkansas Power and Light Company, for withholding this information.

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

Slides from Arkansas Nuclear One Unit-2 Fuel Shoulder Gap Modification Presentation by Arkansas Power and Light Company to the Staff of the Nuclear Regulatory Commission, October 6, 1982.

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 are fuel assembly component configuration and post-irradiation examination results, 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 hundreds of manhours 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 fuel assembly configuration design and to examination or irradiated fuel assemblies at Arkansas Nuclear One Unit-2.

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.

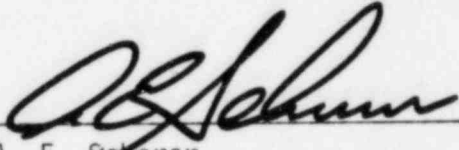
e. The information consists of fuel assembly component configuration and post-irradiation examination results, the application of which provides a competitive economic advantage. The availability of such information to competitors would enable them to modify their product to better compete with Combustion 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.

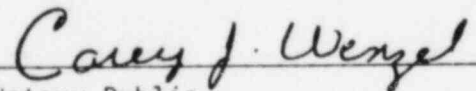
The ability of Combustion Engineering's competitors to utilize such information without similar expenditure of resources may enable them to sell at prices reflecting significantly lower costs.

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
Director
Nuclear Licensing

Sworn to before me
this 18th day of October, 1982


Notary Public

CAREY J. WENZEL, NOTARY PUBLIC
State of Connecticut No. 59962
Commission Expires March 31, 1985