

10 CFR 50.55a(a)(3)

PECO Energy Company Nuclear Group Headquarters 965 Chesterbrook Boulevard Wayne, PA 19087-5691

June 22, 1995

Docket Nos. 50-277

50-278

License Nos. DPR-44

DPR-56

U. S. Nuclear Regulatory Commission Attn: Document Control Desk Washington, DC 20555

Subject: Peach Bottom Atomic Power Station, Units 2 and 3

Submittal of Proposed Alternative Repair
Plan In Accordance with 10 CFR 50.55a(a)(3)

Dear Sir:

In our letter from G. A. Hunger, Jr. (PECO Energy Company) to U. S. Nuclear Regulatory Commission (USNRC), dated September 16, 1994, PECO Energy Company requested review and approval of the proposed repair plan for the Peach Bottom Atomic Power Station (PBAPS), Unit 2 core shroud, in accordance with 10 CFR 50.55a(a)(3), in the event that such a repair is determined to be necessary. Supplemental information regarding the PBAPS, Unit 2 repair was provided in our letter dated September 26, 1994. In our letter dated February 14, 1995, PECO Energy Company supplied revised repair plan information. This information was revised, in part, to include applicability to PBAPS, Unit 3.

In order to incorporate changes and improvements identified since the last submittal, and to demonstrate the acceptability of the repair design considering assumed complete cracking of weld H-8, Attachment 1 contains further revisions to the repair plan information. Additionally, attached are responses to questions that have been asked of similar Boiling Water Reactors. These responses are being submitted in anticipation of the same questions being asked of the PBAPS shroud repair plan.

We request that the attached repair plan information for PBAPS, Units 2 and 3 be reviewed and approved by August 1, 1995 in order to support a contingency repair option for the upcoming PBAPS, Unit 3 outage currently scheduled for September 1995.

Due to the requested expediency in the review of the package, PECO Energy Company welcomes a meeting with the USNRC to discuss the repair package and respond to any further questions.

Attachment 2 contains information proprietary to General Electric. General Electric requests that the Attachment 2 information be withheld from public disclosure in accordance with 10 CFR 2.790(a)(4). In accordance with 2.790(b)(1), an affidavit supporting this request is provided in Attachment 2.

If you have any questions, please contact us.

Very truly yours,

O. A. Hunger, Jr., Director - Licensing

Attachments

cc: T. T. Martin, Administrator, Region I, USNRC
W. L. Schmidt, USNRC Senior Resident Inspector, PBAPS

General Electric Company

AFFIDAVIT

- I, George B. Stramback, being duly sworn, depose and state as follows:
- (1) I am Project Manager, Licensing Services, General Electric Company ("GE") and have been delegated the function of reviewing the information described in paragraph (2) which is sought to be withheld, and have been authorized to apply for its withholding.
- (2) The information sought to be withheld is contained in the GE proprietary reports GENE-771-60-0994, "Shroud Mechanical Repair Program Peach Bottom Units 2 & 3 Seismic Analysis", Revision 2, (GE Proprietary), June, 1995, GENE-771-58-0994, "Shroud Mechanical Repair Program Peach Bottom Units 2 & 3 Shroud and Shroud Repair Hardware Stress Analysis", Revision 4, (GE Proprietary), June, 1995 and drawings 105E1455, Rev. 2, "Reactor Modification & Installation Drawing" and those listed in the Attachment. These documents, taken as a whole, constitutes a proprietary compilation of information, some of it also independently proprietary, prepared by the General Electric Company. The independently proprietary elements that are drawings are delineated by the GE drawings being marked as proprietary information and the independently proprietary elements that are in reports are delineated by bars marked in the margin adjacent to the specific material.
- (3) In making this application for withholding of proprietary information of which it is the owner, GE relies upon the exemption from disclosure set forth in the Freedom of Information Act ("FOIA"), 5 USC Sec. 552(b)(4), and the Trade Secrets Act, 18 USC Sec. 1905, and NRC regulations 10 CFR 9.17(a)(4), 2.790(a)(4), and 2.790(d)(1) for "trade secrets and commercial or financial information obtained from a person and privileged or confidential" (Exemption 4). The material for which exemption from disclosure is here sought is all "confidential commercial information", and some portions also qualify under the narrower definition of "trade secret", within the meanings assigned to those terms for purposes of FOIA Exemption 4 in, respectively, Critical Mass Energy Project v. Nuclear Regulatory Commission, 975F2d871 (DC Cir. 1992), and Public Citizen Health Research Group v. FDA, 704F2d1280 (DC Cir. 1983).
- (4) Some examples of categories of information which fit into the definition of proprietary information are:

- a. Information that discloses a process, method, or apparatus, including supporting data and analyses, where prevention of its use by General Electric's competitors without license from General Electric constitutes a competitive economic advantage over other companies;
- Information which, if used 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 of a similar product;
- Information which reveals cost or price information, production capacities, budget levels, or commercial strategies of General Electric, its customers, or its suppliers;
- Information which reveals aspects of past, present, or future General Electric customer-funded development plans and programs, of potential commercial value to General Electric;
- e. Information which discloses patentable subject matter for which it may be desirable to obtain patent protection.

Both the compilation as a whole and the marked independently proprietary elements incorporated in that compilation are considered proprietary for the reason described in items (4)a., (4)b. and (4)e., above.

- That information (both the entire body of information in the form compiled in these drawings, and the marked individual proprietary elements) is of a sort customarily held in confidence by GE, and has, to the best of my knowledge, consistently been held in confidence by GE, has not been publicly disclosed, and is not available in public sources. All disclosures to third parties including any required transmittals to NRC, have been made, or must be made, pursuant to regulatory provisions or proprietary agreements which provide for maintenance of the information in confidence. Its initial designation as proprietary information, and the subsequent steps taken to prevent its unauthorized disclosure, are as set forth in paragraphs (6) and (7) following.
- (6) Initial approval of proprietary treatment of a document is made by the manager of the originating component, the person most likely to be acquainted with the value and sensitivity of the information in relation to industry knowledge. Access to such documents within GE is limited on a "need to know" basis.
- (7) The procedure for approval of external release of such a document typically requires review by the staff manager, project manager, principal scientist or other equivalent authority, by the manager of the cognizant marketing function (or his delegate), and by the Legal Operation, for technical content, competitive effect, and determination

of the accuracy of the proprietary designation. Disclosures outside GE are limited to regulatory bodies, customers, and potential customers, and their agents, suppliers, and licensees, and others with a legitimate need for the information, and then only in accordance with appropriate regulatory provisions or proprietary agreements.

(8) The information identified in paragraph (2) and the Attachment, above, is classified as proprietary because it constitutes a confidential compilation of information, including reports and detailed design drawing results of a hardware design modification (stabilizers for the shroud horizontal welds) intended to be installed in a reactor to resolve the reactor pressure vessel core shroud weld cracking concern. The development and approval of this design modification utilized systems, components, and models and computer codes that were developed at a significant cost to GE, on the order of several hundred thousand dollars.

The detailed results of the analytical models, methods, and processes, including computer codes, and conclusions from these applications, represent, as a whole, an integrated process or approach which GE has developed, and applied to this design modification. The development of the supporting processes was at a significant additional cost to GE, in excess of a million dollars, over and above the large cost of developing the underlying individual proprietary reports and drawings information.

(9) Public disclosure of the information sought to be withheld is likely to cause substantial harm to GE's competitive position and foreclose or reduce the availability of profit-making opportunities. The information is part of GE's comprehensive BWR technology base, and its commercial value extends beyond the original development cost. The value of the technology base goes beyond the extensive physical database and analytical methodology and includes development of the expertise to determine and apply the appropriate evaluation process. In addition, the technology base includes the value derived from providing analyses done with NRC-approved methods.

GE's competitive advantage will be lost if its competitors are able to use the results of the GE experience to avoid fruitless avenues, or to normalize or verify their own process, or to claim an equivalent understanding by demonstrating that they can arrive at the same or similar conclusions.

While some of the underlying analyses, and some of the gross structure of the process, may at various times have been publicly revealed, enough of both the analyses and the detailed structural framework of the process have been held in confidence that this information, in this compiled form, continues to have great competitive value to GE. This value would be lost if the information as a whole, in the context and level of detail provided in the subject GE drawings, were to be disclosed to the public. Making such information available to competitors without their having been required to undertake a similar expenditure would unfairly provide

competitors with a windfall, and deprive GE of the opportunity to exercise its competitive advantage to seek an adequate return on its large investment in developing its analytical process.

STATE OF CALIFORNIA)	
COUNTY OF SANTA CLARA)	SS

George B. Stramback, being duly sworn, deposes and says:

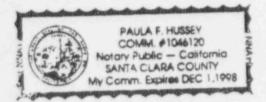
That he has read the foregoing affidavit and the matters stated therein are true and correct to the best of his knowledge, information, and belief.

Executed at San Jose, California, this 19 th day of

__ 1995.

George B. Stramback
General Electric Company

Subscribed and sworn before me this 19th day of June 1995.



Paula V. Hussey Notary Public, State of California

Attachment

Drawing Number

B.	112D6348	Rev. 3	Stabilizer Support Assembly
D.	112D6350	Rev. 3	Rod, Tie
I.	112D6353	Rev. 2	Support, Upper
AAA.	112D6752	Rev. 0	Spacer, Upper Support
BBB.	112D6777	Rev. 0	Nut, Tie Rod

ATTACHMENT 1