50-282/306



## NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20565-0001

October 24, 1997

Mr. Roger O. Anderson, Director Nuclear Energy Engineering Northern States Power Company 414 Nicollet Mall Minneapolis, Minnesota 55401

SUBJECT:

REQUEST FOR WITHHOLDING INFORMATION FROM PUBLIC DISCLOSURE (PRAIRIE ISLAND NUCLEAR GENERATING PLANT, UNIT NOS. 1 AND 2)

(TAC NOS. M97367 AND M97368)

Dear Mr. Anderson:

By your application dated August 15, 1997, and Combustion Engineering, Inc.'s (CE's) affidavit executed by Ian C. Rickard dated August 14, 1997, you submitted a supplement to your November 27, 1996, license amendment request on incorporation of CE steam generator welded tube sleeve topical report and requested that Attachment 4 (CE Report CEN-629-P, Addendum 1, Revision 1, "Repair of Westinghouse Series 44 and 51 Steam Generator Tubes Using Leak Tight Sleeves, " August 1997, Final Report) be withheld from public disclosure pursuant to 10 CFR 2.790. You also submitted a nonproprietary version of this report as Attachment 5 to your August 15, 1997, application.

You stated that the submitted information should be considered exempt from mandatory public disclosure for the following reasons:

Public disclosure of the information is likely to cause substantial harm to the competitive position of CE because:

- a similar product is manufactured and sold by major pressurized water reactor competitors of CE.
- clevelopment of this information by CE required millions of dollars and thousands of manhours of effort. A competitor would have to undergo similar expense in generating equivalent information;
- 3. in order to acquire such information, a competitor would also require considerable time and inconvenience to develop an understanding of welded steam generator tube sleeve installation problems and evaluate specific examples based on test or pulled steam generator tube data and develop and qualify a steam generator tube sleeving program.
- the information consists of a description of the steam generator tube repair process of sleeving, including qualification program results and analyses, 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 CE, take marketing or other actions to improve their



product's position or impair the position of CE's product, and avoid developing similar data and analyses in support of their processes, methods or apparatus;

- 5. in pricing CE's products and services, significant research, development, engineering, analytical, manufacturing, licensing, quality assurance and other costs and expenses must be included. The ability of CE's competitors to utilize such information without similar expenditure of resources may enable them to sell at prices reflecting significantly lower costs; and
- 6. 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 CE's potential for obtaining or maintaining foreign licensees.

We have reviewed your application and the material in accordance with the requirements of 10 CFR 2.790 and, on the basis of your statements, have determined that the submitted information sought to be withheld contains proprietary commercial information.

Therefore, the version of the submitted information marked as proprietary will be withheld from public disclosure pursuant to 10 CFR 2.790(b)(5) and Section 103(b) of the Atomic Energy Act of 1954, as amended.

Withholding from public inspection shall not affect the right, if any, of persons properly and directly concerned to inspect the documents. If the need arises, we may send copies of this information to our consultants working in this area. We will, of course, ensure that the consultants have signed the appropriate agreements for handling proprietary information.

If the basis for withholding this information from public inspection should change in the future such that the information could then be made available for public inspection, you should promptly notify the NRC. You also should understand that the NRC may have cause to review this determination in the future, for example, if the scope of a Freedom of Information Act request includes your information. In all review situations, if the NRC makes a determination adverse to the above, you will be notified in advance of any public disclosure.

Sincerely,

ORIGINAL SIGNED BY

Beth A. Wetzel, Senior Project Manager Project Directorate III-1 Division of Reactor Projects - III/IV Office of Nuclear Reactor Regulation

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Mr. Roger O. Anderson, Director Northern States Power Company

CC:

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Kris Sanda, Commissioner Department of Public Service 121 Seventh Piace East Suite 200 St. Paul, Minnesota 55101-2145 Prairie Island Nuclear Generating Plant

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Northern States Power Company
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Tribal Council
Prairie Island Indian Community
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Ian C. Rickard, Director Operations Licensing Combustion Engineering, Inc. P.O. Box 500 Windsor, CN 06095-0500

## DISTRIBUTION FOR LETTER TO NORTHERN STATES POWER DATED: October 24, 1997

Docket File (50-282, 50-306
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