

February 14, 2000

Mr. Michael D. Wadley, President
NSP Nuclear Generation
Northern States Power Company
414 Nicollet Mall
Minneapolis, MN 55401

**SUBJECT: MONTICELLO NUCLEAR GENERATING PLANT - REQUEST TO WITHHOLD
INFORMATION FROM PUBLIC DISCLOSURE (TAC NO. MA7355)**

Dear Mr. Wadley:

By Northern States Power Company's (NSP's) application dated December 16, 1999, which included GE Nuclear Energy's affidavit dated October 14, 1999, NSP submitted its license amendment request for Monticello Cycle 20 Safety Limit Minimum Critical Power Ratio (SLMCPR) and requested that Exhibit D (GE Nuclear Energy letter dated September 22, 1999, "Additional Information Regarding the Cycle Specific SLMCPR for Monticello Cycle 20") be withheld from public disclosure pursuant to 10 CFR 2.790.

By NSP's letter dated January 26, 2000, which included GE Nuclear Energy's affidavit dated January 21, 2000, NSP requested that Exhibit F (GE Nuclear Energy letter dated October 4, 1999, "ECCS-LOCA [emergency core cooling system - loss-of-coolant accident] Evaluation for Monticello Cycle 20") also be withheld from public disclosure pursuant to 10 CFR 2.790.

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

The material for which exemption from disclosure is sought is all "confidential commercial information," and some portions also qualify as "trade secrets," as set forth in the Freedom of Information Act, the Trade Secrets Act, and 10 CFR 9.17(a)(4) and 2.790(a)(4).

The information sought to be withheld is being submitted to the NRC in confidence. The information is of a sort customarily held in confidence by GE, and is in fact so held. The information has consistently been held in confidence by GE, no public disclosure has been made, and it 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.

The information identified in Exhibits D and F is classified as proprietary because it contains details of GE's fuel design and licensing methodology. The development of the methods used in these analyses, along with the testing,

development, and approval of the supporting methodology was achieved at a significant cost, on the order of several million dollars, to GE.

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 fuel design and licensing methodology is part of GE's comprehensive boiling water reactor safety and 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. The research, development, engineering, analytical, and NRC review costs comprise a substantial investment of time and money by GE. The precise value of the expertise to devise an evaluation process and apply the correct analytical methodology is difficult to quantify, but it clearly is substantial. GE's competitive advantage will be lost if its competitors are able to use the results of the GE experience to normalize or verify their own process or if they are able to claim an equivalent understanding by demonstrating that they can arrive at the same or similar conclusions.

The value of the information to GE would be lost if the information were disclosed to the public. Making such information available to competitors without their having been required to undertake a similar expenditure of resources 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 these very valuable analytical tools.

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 and should be withheld from public disclosure.

Therefore, Exhibit D (GE Nuclear Energy letter dated September 22, 1999, "Additional Information Regarding the Cycle Specific SLMCPR for Monticello Cycle 20") and Exhibit F (GE Nuclear Energy letter dated October 4, 1999, "ECCS-LOCA Evaluation for Monticello Cycle 20"), 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.

M. Wadley

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If the basis for withholding this information from public inspection should change in the future so that the information could then be made available for public inspection, you should promptly notify the NRC. You should also 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 contrary to the above, you will be notified in advance of any public disclosure.

If you have any questions regarding this matter, I may be reached at 301-415-2296.

Sincerely,

/RA/

Carl F. Lyon, Project Manager, Section 1
Project Directorate III
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket Nos. 50-263

cc: See next page

M. Wadley

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Monticello Nuclear Generating Plant

cc:

J. E. Silberg, Esquire
Shaw, Pittman, Potts and Trowbridge
2300 N Street, N. W.
Washington, DC 20037

U.S. Nuclear Regulatory Commission
Resident Inspector's Office
2807 W. County Road 75
Monticello, MN 55362

Plant Manager
Monticello Nuclear Generating Plant
ATTN: Site Licensing
Northern States Power Company
2807 West County Road 75
Monticello, MN 55362-9637

Robert Nelson, President
Minnesota Environmental Control
Citizens Association (MECCA)
1051 South McKnight Road
St. Paul, MN 55119

Commissioner
Minnesota Pollution Control Agency
520 Lafayette Road
St. Paul, MN 55119

Regional Administrator, Region III
U.S. Nuclear Regulatory Commission
801 Warrenville Road
Lisle, IL 60532-4351

Commissioner of Health
Minnesota Department of Health
717 Delaware Street, S. E.
Minneapolis, MN 55440

Douglas M. Gruber, Auditor/Treasurer
Wright County Government Center
10 NW Second Street
Buffalo, MN 55313

Commissioner
Minnesota Department of Commerce
121 Seventh Place East
Suite 200
St. Paul, MN 55101-2145

Adonis A. Neblett
Assistant Attorney General
Office of the Attorney General
445 Minnesota Street
Suite 900
St. Paul, MN 55101-2127

Site General Manager
Monticello Nuclear Generating Plant
ATTN: Site Licensing
Northern States Power Company
2807 West County Road 75
Monticello, MN 55362-9637