



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

November 12, 2014

Mr. Edward D. Halpin
Senior Vice President and Chief Nuclear Officer
Pacific Gas and Electric Company
Diablo Canyon Power Plant
P.O. Box 56, Mail Code 104/6
Avila Beach, CA 93424

SUBJECT: DIABLO CANYON POWER PLANT, UNIT NOS. 1 AND 2 - REQUEST FOR WITHHOLDING INFORMATION FROM PUBLIC DISCLOSURE (TAC NOS. MF4988 AND MF4989)

Dear Mr. Halpin:

By letter dated October 2, 2014 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML14275A444), Pacific Gas and Electric Company (the licensee) submitted an affidavit dated July 29, 2014, to the U.S. Nuclear Regulatory Commission (NRC), executed by Mr. James A Gresham, Manager, Regulatory Compliance, Westinghouse Electric Company LLC (Westinghouse), requesting that the information contained in the following document (Attachment 4 of the letter dated October 2, 2014) be withheld from public disclosure pursuant to Title 10 of the *Code of Federal Regulations* (10 CFR), Part 2, Section 2.390:

- SFAD-14-79, Attachment 1, "Summary of the Diablo Canyon Units 1 and 2 Fuel Structural Analysis Results for the Hosgri Earthquake and the Accumulator Line Break" (Proprietary)

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

- (a) The use of such information by Westinghouse gives Westinghouse a competitive advantage over its competitors. It is, therefore, withheld from disclosure to protect the Westinghouse competitive position.
- (b) It is information that is marketable in many ways. The extent to which such information is available to competitors diminishes the Westinghouse ability to sell products and services involving the use of the information.
- (c) Use by our competitor would put Westinghouse at a competitive disadvantage by reducing his expenditure of resources at our expense.
- (d) Each component of proprietary information pertinent to a particular competitive advantage is potentially as valuable as the total competitive advantage. If competitors acquire components of proprietary information, any one component may be the key to the entire puzzle, thereby depriving Westinghouse of a competitive advantage.

- (e) Unrestricted disclosure would jeopardize the position of prominence of Westinghouse in the world market, and thereby give a market advantage to the competition of those countries.
- (f) The Westinghouse capacity to invest corporate assets in research and development depends upon the success in obtaining and maintaining a competitive advantage.

We have reviewed your application and the material in accordance with the requirements of 10 CFR 2.390 and, on the basis of the statements in the affidavit, have determined that the submitted information sought to be withheld contains proprietary commercial information and should be withheld from public disclosure.

Therefore, the submitted information marked as proprietary will be withheld from public disclosure pursuant to 10 CFR 2.390(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.

E. Halpin

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If you have any questions regarding this matter, I may be reached at 301-415-1014.

Sincerely,

A handwritten signature in black ink, appearing to read "E. R. Oesterle". The signature is fluid and cursive, with the first and last names being clearly legible.

Eric R. Oesterle, Project Manager
Plant Licensing Branch IV-1
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-275 and 50-323

cc: Mr. James A. Gresham
Manager, Regulatory Compliance
Westinghouse Electric Company
1000 Westinghouse Drive, Building 3
Cranberry Township, PA 16066

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E. Halpin

- 3 -

If you have any questions regarding this matter, I may be reached at 301-415-1014.

Sincerely,

/RA/

Eric R. Oesterle, Project Manager
Plant Licensing Branch IV-1
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

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