

**Westinghouse**DOCKETED
USNRC

April 29, 2002 (8:55AM)

OFFICE OF SECRETARY
RULEMAKINGS AND
ADJUDICATIONS STAFFWestinghouse Electric Company
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DOCKET NUMBER

PROPOSED RULE **PR 170+171**
(67FR 14818)U.S. Nuclear Regulatory Commission
ATTN: Rulemakings and Adjudications Staff
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Rockville, MD 20852Direct tel: 412-374-5282
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e-mail: Sepp1ha@westinghouse.comAttention: Ms. Annette L. Vietti-Cook
Secretary, U.S. Nuclear Regulatory Commission

Our ref: LTR-NRC-02-22

April 26, 2002

Subject: Westinghouse Electric Company Comments on Fee Rulemaking

Reference: Revision of Fee Schedules; Fee Recovery for FY2002 (67 FR 14818)

Dear Ms. Vietti-Cook:

Westinghouse Electric Company is the designer of the System 80+ and AP600 Advanced Light Water Reactor (ALWR) designs that the NRC has approved and which are certified in 10 CFR Part 52 Appendices B and C. Westinghouse has also recently applied for a Part 52 Final Design Approval and Design Certification of the AP1000 ALWR design. 10 CFR Part 171 fees assessed to reactor licensees are substantial and therefore an important factor in the economic evaluation that power generation companies conduct in determining which type of electrical generation and which specific design to build. The manner in which these fees are assessed can, therefore, impact what design is selected. Thus, Westinghouse is pleased to comment on the referenced rulemaking with respect to the changes proposed in 10 CFR Part 171 related to annual fees assessed for Part 52 Combined Licenses.

Westinghouse supports the change to Section 171.3 that establishes that annual fees would not be assessed to the holder of a COL for which NRC authorization to operate has not yet been granted.

Westinghouse also concurs with the concept embodied in the change to Section 171.15(a) that annual fees are not to be charged on a reactor-unit basis. However, the concept of a fair and equitable allocation of NRC costs is not necessarily served by dividing the costs over the number of licenses. For instance, under the proposed regulation, a ten-reactor modular facility that is incorporated into one license would be assessed a single Part 171 fee, but a dual unit standardized facility, such as those certified in Part 52 Appendix C, would hold two licenses and thus be assessed two Part 171 fees. If the sum of the two annual fees for two licenses for identical reactors on a site were greater than the single annual fee for the 10 modular reactors, it is Westinghouse's contention that the fee assessment would not be fair and equitable.

Thank you for your consideration of these comments.

Sincerely,

H.A. Sepp, Manager
Regulatory and Licensing Engineering

Official record electronically approved in EDMS 2000.

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