

October 13, 2006

Mr. Joseph N. Jensen  
Support Services Vice President  
Indiana Michigan Power  
Cook Nuclear Plant  
One Cook Place  
Bridgman, MI 49106

Dear Mr. Jensen:

This is in response to your September 15, 2006, letter requesting a fee waiver under 10 CFR 170.11(a)(1)(ii) and (iii) for the U.S. Nuclear Regulatory Commission's (NRC) review of a license amendment request for Indiana Michigan Power Company's Donald C. Cook Nuclear Plant (DCCNP). Your request is based on your proposal that DCCNP be considered a pilot plant for implementation of the water management initiative that would eliminate automatic containment spray actuation. As explained below, while I am unable to grant a fee waiver under the specific regulations that you have cited since your request does not qualify as a "special project," I am granting the fee waiver in accordance with the applicable provisions of 10 CFR 170.11(b)(1).

You requested an exemption under 10 CFR 170.11(a)(1)(ii) and (iii), which address fee exemptions for "special projects." Our regulations state that a "special project" refers to a request for review for which fees are not otherwise specified in this chapter. Since licensing fees are specified in our regulations (e.g., staff review of amendment requests), I was unable to grant you the fee exemption under that part of our regulations. However, the Commission may, ". . . grant such exemptions from the requirements of this part as it determines are authorized by law and are otherwise in the public interest," as stated in 10 CFR Part 170.11(b)(1).

By letter dated April 11, 2005, to Brian W. Sheron of the Office of Nuclear Reactor Regulation (enclosed), I agreed to grant a fee exemption for the review of license amendments for three pilot plants to resolve Generic Safety Issue (GSI)-191. Subsequently, the Office of Nuclear Reactor Regulation selected DCCNP as the third pilot plant, an activity that I determined to be in the public interest. Therefore, I am granting you a fee waiver under the provisions of 10 CFR Part 170.11(b)(1).

Please contact Renu Suri, of my staff, at 301-415-0161 for any fee-related questions. For technical questions, please contact Peter Tam at 301-415-1451.

Sincerely,

/RA/

Jesse L. Funches  
Chief Financial Officer

Enclosure: As stated

cc: See attached list

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