

JUL 20 1992

Ronald M. Scroggins

Mr. John J. Hutchinson, Chairman
Combustion Engineering Owners Group
c/o Florida Power & Light
700 Universe Boulevard
Juno Beach, FL 33408

Dear Mr. Hutchinson,

I am responding to your letter dated June 4, 1992, (CEOG-92-274), in which you requested an exemption from the fee requirements of 10 CFR 170.12(f) for all topical reports submitted by CEOG to the NRC for review.

Your request for an exemption from full cost recovery for topical report submittals is denied. Our denial is based on the following considerations:

1. Fees assessed under 10 CFR 170 are intended to recover the costs of the NRC of providing identifiable services to applicants and holders of NRC licenses. The review and approval of a topical report is an example of a specific identifiable service provided by the NRC and the Owners Group is the recipient of that service.
2. Based upon the 100% fee recovery principle and Congressional guidance that each licensee or applicant pay the full cost of all identifiable regulatory services received from the NRC, it would not be fair and equitable to waive the fees for the review of all topical reports filed by the Owners Group since it would result in an adverse impact on other licensees or applicants who would be required to make up the costs for the review of the CEOG topical reports.

In the development of the 100% fee recovery rule, consideration was given to comments such as yours regarding the removal of the ceiling for topical reports. However, the Commission in deciding to eliminate the ceiling stated "topical report reviews vary significantly depending on the particular topical report reviewed and therefore make it impractical to establish an equitable ceiling or flat fee."

Sincerely,

Original signed by
Ronald M. Scroggins

Ronald M. Scroggins
Deputy Chief Financial
Officer/Controller