

July 13, 2010

Mr. James H. Riley, Principal Engineer
Nuclear Generation Division
Nuclear Energy Institute
1776 I Street, NW, Suite 400
Washington, DC 20006-3708

Dear Mr. Riley:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your April 5, 2010, letter requesting an exemption from fees under 10 CFR 170.11(a)(1)(iii) for all fees associated with NRC's review of the Nuclear Energy Institute (NEI) 09-10 Revision 1, "Guidelines for Effective Prevention and Management of System Gas Accumulation." Your request meets the intent of the fee waiver criteria; therefore, I am granting your request with a stipulation, as explained below.

NEI 09-10 was prepared as part of the industry's response to Generic Letter (GL) 2008-01, "Managing Gas Accumulation in Emergency Core Cooling, Decay Heat Removal, and Containment Spray Systems." Your fee exemption request states that NEI 09-10 Revision 1 will facilitate the exchange of information in support of NRC's generic regulatory improvements. The NRC staff has reviewed your fee exemption request and although Revision 1 has not yet been submitted for review, staff has been working closely with industry on the planned updates and concludes that the proposed Revision 1 would be a significant step towards resolving issues raised by GL 2008-01.

The NRC plans to have the Office of Nuclear Regulatory Research develop a Regulatory Guide for gas management as the endorsement vehicle for NEI 09-10 Revision 1. The review of NEI 09-10 Revision 1, therefore, directly supports NRC's generic regulatory improvement efforts in the area of gas accumulation management and meets a primary criteria allowing a fee waiver under the provisions of 10 CFR 170.11(a)(1)(iii) as a means of exchanging information between industry organizations and the NRC. The criteria to receive this fee exemption under 10 CFR 170.11(a)(1)(iii) states that the agency, at the time the document is submitted, plans to use it for the specific purpose of supporting ongoing NRC generic regulatory improvements or efforts. Thus, the fee exemption is granted with the stipulation that the agency still plans to use NEI 09-10 Revision 1 for the purposes outlined above at the time NEI submits the document to the NRC for review.

Although a fee exemption is granted, it is important to emphasize that the NRC is required by law to recover approximately 90 percent of its operating expenses through user fees. While the effort described in this letter is exempt from Part 170 direct fee assessment, NRC resources expended to resolve this issue will be included in annual fees assessed under the provisions of Part 171.

J. Riley

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If you have any technical questions regarding this matter, please contact Warren Lyon at 301-415-2897. For any fee-related questions please contact Rebecca Erickson, of my staff, at 301-415-7126. Please address any future fee exemption requests in writing to the Chief Financial Officer as stated under 10 CFR 170.11(a)(1)(iii)(C).

Sincerely,

/RA/

J. E. Dyer
Chief Financial Officer

J. Riley

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If you have any technical questions regarding this matter, please contact Warren Lyon at 301-415-2897. For any fee-related questions please contact Rebecca Erickson, of my staff, at 301-415-7126. Please address any future fee exemption requests in writing to the Chief Financial Officer as stated under 10 CFR 170.11(a)(1)(iii)(C).

Sincerely,

/RA/

J. E. Dyer
Chief Financial Officer

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