

June 17, 2011

Mr. Mark J. Ajluni
Director, Nuclear Licensing
Southern Nuclear Operating Company
40 Inverness Center Parkway
P.O. Box 1295
Birmingham, AL 35201

Dear Mr. Ajluni:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your December 6, 2010, letter requesting an exemption of licensing fees under 10 CFR 170.11(a)(1)(iii)(A) for the review of a proposed Vogtle Electric Generating Plant (VEGP) 10 CFR 50.69 license amendment as a pilot plant. As explained below, while I am unable to grant a fee waiver under that part of our regulations, I am granting the fee waiver request in accordance with 10 CFR 170.11(b).

Your fee exemption request states that as part of the pilot program, Southern Nuclear Operating Company (SNC) will submit a 10 CFR 50.69 license amendment for VEGP. Also, SNC plans to provide examples of treatments associated with categorizations resulting from the VEGP 10 CFR 50.69 implementation to assure commonality and consistency with regard to the application of treatments of structures, systems, and components (SSCs) within the risk categories. The NRC staff has reviewed your request and concluded that it is appropriate for the proposed Vogtle 10 CFR 50.69 license amendment to be considered a pilot. Further, after the NRC review and approval of the license amendment, the NRC staff will be able to better focus on regulatory issues and SSCs of greater safety significance and, thus, warrants a fee exemption in the public interest. Hence, I am able to grant you a fee exemption under the provisions of 10 CFR 170.11(b) for the review of the Vogtle 10 CFR 50.69 license amendment.

You requested an exemption under 10 CFR 170.11(a)(1)(iii), which is applicable to special project fees. 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 a license amendment request), I was unable to grant you the fee exemption under that part of our regulations.

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.

M. J. Ajluni

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If you have any technical questions regarding this matter, please contact Mr. Andrew J. Howe at (301) 415-3078. Please contact Ms. Rebecca I. Erickson of my staff at (301) 415-7126 for any fee-related questions.

Sincerely,

/RA/

J. E. Dyer
Chief Financial Officer

M. J. Ajluni

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If you have any technical questions regarding this matter, please contact Mr. Andrew J. Howe at (301) 415-3078. Please contact Ms. Rebecca I. Erickson of my staff at (301) 415-7126 for any fee-related questions.

Sincerely,

/RA/

J. E. Dyer
Chief Financial Officer

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