

October 5, 1989

Docket Nos. 50-269
50-270
50-287

Duke Power Company
ATTN: Mr. Hal B. Tucker, Vice President
Nuclear Production
P.O. Box 33189
422 South Church Street
Charlotte, NC 28242

Gentlemen:

By application dated September 22, 1989, you requested a partial exemption from the FY 1989 annual fees of 10 CFR 171 for the Oconee 1, 2 and 3 reactors. You requested that a portion of fees already paid be refunded because you had been charged for research which had not been performed.

As you are aware, Part 171 user fees are assessed on the basis of budgeted costs, not actual obligations. Since it is expected that there will be some deviations between the funds budgeted for a specific activity and those actually obligated, exemptions will rarely be granted. However, in unusual situations where there is a very significant variation between the budgeted obligations and the actual obligations, an exemption may be considered.

We have completed our review of the exemption request filed by your attorneys. Based on the fact that very significant budgeted costs for two B&W research-related activities, namely, "Prevent Reactor Core Damage - Plant Performance - B&W Testing" and "Reactor Accident Risk Analysis - Assessment of Plant Risks," were not totally obligated for these specific activities in FY 1989, but rather were expended for other activities relating to all power reactors, we have determined that a partial exemption is appropriate. Therefore, pursuant to the provisions of 10 CFR 171.11, a partial exemption is hereby granted for the Oconee 1, 2 and 3 reactors. The annual fee for each unit is reduced from the FY 1989 rate of \$1,592,000 to \$1,320,000; accordingly, appropriate refunds will be sent to you shortly. Enclosed is a document showing how the refund for each unit has been calculated.

If there are questions regarding these exemptions, please contact Mr. Lee Hiller, Deputy Controller, on 301-492-7351.

Sincerely,
Original Signed By:
James M. Taylor
Acting Executive Director
for Operations

Enclosure:
Refund Calculation

See attached for distribution.

ATA-3

DFOP
11

OFC	:	OC	:	OC	:	OC	:	OC	:	EDC	:	:
NAME	:	CJH	:	Way:js	:	LHiller	:	RMSchiggins	:	JMTaylor	:	:
DATE	:	10/2/89	:	10/5/89	:	10/4/89	:	10/5/89	:	10/6/89	:	:

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PDC
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JMTaylor, Acting EDO

EDO R/F

License Fee Debt Collection 171 Fee File

Docket File

OC Part 171 Exemption File

CJHolloway, OC (2)

LHiller, OC

RMScroggins, OC

OC R/F

GDJohnson, OC/DAF

EKBlack, OC/DAF

DBDandois, OC/LFDCB

JDWeiss, OC/LFDCB

TRothschild, OGC

RSmith, OGC

PDR

COMPUTATION OF PROPOSED ADJUSTED ANNUAL
FEE TO BE ASSESSED FOR EIGHT BABCOCK
AND WILCOX (B&W) REACTORS
FY 1989 BUDGET

Part 171 Work by Research

PTS

FTE

Original Budget Base

Nuclear Steam Supply System -
Large Dry Containment (B&W only)

- | | | |
|---|-------------|-----|
| 1. Prevent Reactor Core Damage -
Plant Performance - B&W Testing | \$3,500,000 | 1.8 |
| 2. Reactor Accident Risk Analysis -
Assessment of Plant Risk | 475,000 | .7 |

Subtotal
2.5 FTE x \$150,900/FTE =

\$3,975,000	2.5
<u>377,000</u>	

Total Costs
Total B&W Reactors

\$4,352,000	
<u>8</u>	= \$544,000 per reactor

Revised Budget Base (Sums Obligated)

- | | | |
|---|-------------|-----|
| 1. Prevent Reactor Core Damage -
Plant Performance - B&W Testing | \$1,309,000 | 1.6 |
| 2. Reactor Accident Risk Analysis -
Assessment of Plant Risks | -0- | -0- |

Subtotal
1.6 FTE x \$150,900/FTE =

\$1,309,000	1.6
<u>241,000</u>	

Subtotal Revised Costs

\$1,550,000

Recap

\$4,352,000	Original Costs
<u>1,550,000</u>	Revised Costs

\$2,802,000	Costs Applicable to All Plants
<u>106</u>	Reactors

= \$26,400 x 8 B&W Reactors =

211,000

Total B&W Revised Costs
Total B&W Reactors

\$1,761,000	
<u>8</u>	= \$220,000 per reactor

\$544,000 - \$220,000 = \$324,000 x .84(M Factor) = \$272,000 Amount of Each Refund