



OFFICE OF THE  
CHIEF FINANCIAL  
OFFICER

UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D.C. 20555-0001

June 24, 2016

Mr. Bruce S. Montgomery  
Senior Project Manager, Licensing  
Nuclear Energy Institute  
1201 F Street NW  
Washington, DC 20004

Dear Mr. Montgomery:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter dated March 29, 2016, requesting a fee waiver under Title 10 of the *Code of Federal Regulations* (10 CFR) 170.11(a)(1)(iii) for the NRC's review of NEI 15-03, Licensee Actions to Address Nonconservative Technical Specifications.

The NRC has established regulations for the granting of fee exemptions under 10 CFR 170.11, "Exemptions," for which licensees may apply in accordance with 10 CFR 170.5, "Communications." The NRC staff has reviewed your request based on the following regulation, 10 CFR 170.11(a)(1)(iii):

- *10 CFR 170.11 (a) No application fees, license fees, renewal fee, inspection fees, or special project fees shall be required for: (1) A special project that is a request/report submitted to the NRC—(iii) As a means of exchanging information between industry organizations and the NRC. In order for the fee waiver to be granted under this paragraph it must meet three criteria:*
  - *(A) The report should be submitted for the specific purpose of supporting ongoing NRC generic regulatory improvements or efforts (e.g., rules, regulations, regulatory guides, and policy statements), and the agency, at the time the document is submitted, plans to use it for that purpose. The exemption applies even if ultimately the NRC does not use the document as planned.*

Guidance document NEI 15-03, Licensee Actions to Address Nonconservative Technical Specifications, describes actions that may be used by the nuclear industry to address an operating license technical specification that is insufficient to protect the assumptions or conclusions of the safety analysis or technical specification bases. Existing guidance on this subject is provided by Administrative Letter (AL) 98-10, Dispositioning of Technical Specifications that are Insufficient to Assure Plant Safety. In a 2014 Regulatory Information Conference Session, the NRC clarified the guidance in AL 98-10, discussed regulatory challenges that have been encountered, and discussed the advantages of industry guidance to address the appropriate actions to be taken in the event a nonconservative Technical Specification is identified. Guidance document NEI 15-03 provides updated guidance to address the appropriate actions and that will permit the NRC to retire AL 98-10. It is intended

that AL 98-10 would be replaced with a regulatory guide. Therefore, the NRC concludes this report meets this regulation because it will be used by the NRC in developing its regulatory guide.

- *(B) The NRC must be the primary beneficiary of the NRC's review and approval of these documents. This exemption does not apply to a topical report submitted for the purpose of obtaining NRC approval for future use of the report by the industry to address licensing or safety issues, even though the NRC may realize some benefits from its review and approval of the document.*

The NRC is the primary beneficiary of this guidance because NEI 15-03, if endorsed, will provide the NRC with a consistent and efficient means to evaluate licensee's actions related to Technical Specifications that are insufficient to assure plant safety, thereby allowing the NRC to avoid expending its own resources to develop such guidance. Therefore, the NRC staff concludes that this report meets this regulation.

- *(C) The fee exemption is requested in writing to the Chief Financial Officer in accordance with 10 CFR 170.5, and the Chief Financial Officer grants this request in writing. The 10 CFR 170.5 states, "All communications concerning the regulations in this part should be addressed to the NRC's Chief Financial Officer, either by mail to the U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001; by hand delivery to the NRC's offices at 11555 Rockville Pike, Rockville, Maryland; or, where practicable, by electronic submission, for example, via Electronic Information Exchange, or CD-ROM.*

The fee exemption request for NRC review of NEI 15-03, Licensee Actions to Address Nonconservative Technical Specifications was submitted in writing by NEI; therefore, NEI's request meets this regulation.

The NRC staff concludes that NRC review of NEI 15-03, Licensee Actions to Address Nonconservative Technical Specifications meets all criteria under 10 CFR 170.11(a)(1)(iii); therefore, the fee waiver request is approved. If you have any technical questions regarding this matter, please contact, Ms. Margaret Chernoff at 301-415-2240. Please contact Mr. William Blaney, of my staff, at 301-415-5092, for any fee-related questions.

Sincerely,

*/RA/*

Maureen E. Wylie  
Chief Financial Officer

that AL 98-10. It is intended that AL 98-10 would be replaced with a regulatory guide. The NRC concludes this report meets this regulation.

- *(B) The NRC must be the primary beneficiary of the NRC's review and approval of these documents. This exemption does not apply to a topical report submitted for the purpose of obtaining NRC approval for future use of the report by the industry to address licensing or safety issues, even though the NRC may realize some benefits from its review and approval of the document.*

The NRC is the primary beneficiary of this guidance because NEI 15-03, if endorsed, will provide the NRC with a consistent and efficient means to evaluate licensee's actions related to Technical Specifications that are insufficient to assure plant safety while avoiding the need for NRC to expend its resources to develop such guidance. Therefore, the NRC staff concludes that this report meets this regulation.

- *(C) The fee exemption is requested in writing to the Chief Financial Officer in accordance with 10 CFR 170.5, and the Chief Financial Officer grants this request in writing. The 10 CFR 170.5 states, "All communications concerning the regulations in this part should be addressed to the NRC's Chief Financial Officer, either by mail to the U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001; by hand delivery to the NRC's offices at 11555 Rockville Pike, Rockville, Maryland; or, where practicable, by electronic submission, for example, via Electronic Information Exchange, or CD-ROM.*

The fee exemption request for NRC review of NEI 15-03, Licensee Actions to Address Nonconservative Technical Specifications was submitted in writing by NEI; therefore, NEI's request meets this regulation.

The NRC staff concludes that NRC review of NEI 15-03, Licensee Actions to Address Nonconservative Technical Specifications meets all criteria under 10 CFR 170.11(a)(1)(iii); therefore, the fee waiver request is approved. If you have any technical questions regarding this matter, please contact, Ms. Margaret Chernoff at 301-415-2240. Please contact Mr. William Blaney, of my staff, at 301-415-5092, for any fee-related questions.

Sincerely,

/RA/

Maureen E. Wylie  
Chief Financial Officer

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**\*via e-mail OCFO-16-00179**

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