



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

July 3, 2017

Mr. James J. Hutto  
Regulatory Affairs Director  
Southern Nuclear Operating Company  
40 Iverness Center Parkway  
P.O. Box 1295  
Birmingham, AL 35242

SUBJECT: VOGTLE ELECTRIC GENERATING PLANT, UNITS 1 AND 2 - REQUEST FOR  
FEE WAIVER REGARDING PILOT REVIEW OF TORNADO MISSILE RISK  
EVALUATOR LICENSE AMENDMENT REQUEST (CAC NOS. MF9679 AND  
MF9680)

Dear Mr. Hutto:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter dated April 4, 2017 (Agencywide Documents Access and Management System Accession No. ML17094A895), requesting a fee waiver under Title 10 of the *Code of Federal Regulations* (10 CFR) 170.11(b) for NRC review of a risk-informed methodology known as the Tornado Missile Risk Evaluator (TMRE) and for NRC activities performed during the pilot review of the proposed TMRE license amendment request (LAR) for the Vogtle Electric Generating Plant (VEGP), Units 1 and 2.

The TMRE methodology is being developed by the Nuclear Energy Institute (NEI) to address non-conforming conditions associated with the tornado missile protection features at nuclear power plants. VEGP, Units 1 and 2, along with Shearon Harris Nuclear Plant, Unit 1, and Grand Gulf Nuclear Station, Unit 1, have all requested pilot status to assist in the development of the TMRE methodology and to demonstrate how it might handle unique site characteristics. This letter only addresses the VEGP, Units 1 and 2, request.

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 regulation in 10 CFR 170.11(b) states:

(b) The Commission may, upon application by an interested person, or upon its own initiative, grant such exemptions from the requirements of this part as it determines are authorized by law and are otherwise in the public interest. Applications for exemption under this paragraph may include activities such as, but not limited to, the use of licensed materials for educational or noncommercial public displays or scientific collections.

However, the NRC does not need to evaluate whether granting a fee waiver would be in the public interest because the NRC can consider your request based on 10 CFR 170.11(a), which states:

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—(ii) In response to an NRC request from the Office Director level or above to resolve an identified safety, safeguards, or environmental issue, or to assist NRC in developing a rulemaking, regulatory guide, policy statement, generic letter or bulletin;

In your letter dated April 4, 2017, you state that the TMRE methodology may support the resolution of low risk compliance issues and improve risk-informed regulations associated with tornado missiles on identified unprotected components. The letter further states that it is anticipated that the basis for the request is to assist in developing NRC guidance for the implementation of TMRE.

The NRC staff anticipates receiving 15 to 20 TMRE LARs in the upcoming fiscal years. Development of the TMRE methodology and NRC guidance, in parallel with NRC review of the VEGP, Units 1 and 2, pilot LAR, is proposed to support the eventual acceptability of the methodology. The development of the TMRE methodology and NRC guidance for future TMRE LARs will save NRC and industry resources by increasing the efficiency of the review time and effort. Thus, the request from SNC with regards to NRC review of the TMRE methodology and pilot LAR applies to 10 CFR 170.11(a)(1)(ii) because it assists in the development of NRC guidance.

Additionally, 10 CFR 170.11(a)(13) states:

All fee exemption requests must be submitted in writing to the Chief Financial Officer in accordance with § 170.5, and the Chief Financial Officer will grant or deny such requests in writing.

The fee exemption request for the NRC development activities regarding the TMRE methodology and VEGP, Units 1 and 2, LAR was submitted in writing by SNC to the NRC Document Control Desk and, thus, to the NRC Chief Financial Officer. Therefore, SNC's request meets the requirement in 10 CFR 170.11(a)(13).

The NRC staff concludes that the development of the TMRE methodology and review of the proposed LAR for VEGP, Units 1 and 2, meets the applicable criteria under 10 CFR 170.11. Therefore, the request for a fee waiver is approved for the NRC staff review of the TMRE methodology and the LAR for VEGP, Units 1 and 2.

The expiration of this specific fee waiver will occur with any of the following: (1) issuance, withdrawal, or denial of the initial LAR for VEGP, Units 1 and 2; (2) publishing of the TMRE methodology by NEI; or (3) 1-year from the date of the initial LAR submittal for VEGP, Units 1 and 2. Any future review of the TMRE methodology beyond that cited in the granting of this fee waiver will require a new fee waiver request for NRC consideration, pursuant to the fee exemption provisions under 10 CFR 170.11.

J. Hutto

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If you have any technical questions regarding this matter, please contact, Mr. G. Edward Miller at 301-415-2481. Please contact Mr. William Blaney, of my staff, at 301-415-5092, for any fee-related questions.

Sincerely,

***/RA/ Mary C. Muessle (for)***

Maureen E. Wylie

Docket Nos. 50-424 and 50-425

SUBJECT: VOGTLE ELECTRIC GENERATING PLANT, UNITS 1 AND 2 - REQUEST FOR FEE WAIVER REGARDING PILOT REVIEW OF TORNADO MISSILE RISK EVALUATOR LICENSE AMENDMENT REQUEST DATED: July 3, 2017

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**PACKAGE: ML17128A158; Incoming Letter: ML17094A895**

ADAMS:  Yes  No Initials: \_\_\_ SUNSI Review:  
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**\*via e-mail**

**CFO-0009**

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