



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

July 3, 2017

Ms. Tanya M. Hamilton  
Site Vice President  
Shearon Harris Nuclear Power Plant  
Duke Energy  
5413 Shearon Harris Road, M/C HNP01  
New Hill, NC 27562-0165

SUBJECT: SHEARON HARRIS NUCLEAR POWER PLANT, UNIT 1 - REQUEST FOR FEE  
WAIVER REGARDING PILOT REVIEW OF TORNADO MISSILE RISK  
EVALUATOR LICENSE AMENDMENT REQUEST (CAC NO. MF9678)

Dear Ms. Hamilton:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter dated April 12, 2017 (Agencywide Documents Access and Management System Accession No. ML17102A950), 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 Shearon Harris Nuclear Power Plant, Unit 1 (Shearon Harris).

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. Shearon Harris, along with Vogtle Electric Generating Plant, Units 1 and 2, 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 Shearon Harris 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 12, 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 Shearon Harris 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 Duke Energy with regards to NRC review of the TMRE methodology and pilot LAR applies to 10 CFR 170.11(a)(1)(ii) because it assists the NRC in generic regulatory improvements through supporting 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 Shearon Harris LAR was submitted in writing by Duke Energy to the NRC Document Control Desk and, thus, to the NRC Chief Financial Officer. Therefore, Duke Energy'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 Shearon Harris 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 Shearon Harris.

The expiration of this specific fee waiver will occur with any of the following: (1) issuance, withdrawal, or denial of the initial LAR for Shearon Harris; (2) publishing of the TMRE methodology by NEI; or (3) 1-year from the date of the initial LAR submittal for Shearon Harris. 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.

T. Hamilton

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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 No. 50-400

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 WAIVER REGARDING PILOT REVIEW OF TORNADO MISSILE RISK  
 EVALUATOR LICENSE AMENDMENT REQUEST DATED: July 3, 2017

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**\*via e-mail**

**CFO-0009**

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