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

May 1, 2018

Mr. Stephen J. Vaughn
Senior Project Manager, Risk
and Technical Support
Nuclear Energy Institute
1201 F St, NW, Suite 1100
Washington, DC 20004

SUBJECT: DENIAL OF FEE EXEMPTION REQUEST FOR REVIEW OF NEI 17-02,
"TORNADO MISSILE RISK EVALUATOR (TMRE) INDUSTRY GUIDANCE
DOCUMENT"

Dear Mr. Vaughn:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter dated March 6, 2018 (Agencywide Documents Access and Management System Accession (ADAMS) No. ML18066A065), requesting a fee waiver under Title 10 of the *Code of Federal Regulations* (10 CFR) 170.11(a) (1) for NRC review of Nuclear Energy Institute (NEI) 17-02, "Tornado Missile Risk Evaluator (TMRE) Industry Guidance Document." NEI 17-02 provides proposed guidance on the development and application of the TMRE model for a reactor site and a process for resolving discrepancies against licensing basis requirements.

By letter dated April 4, 2017 (ADAMS Accession No. ML17094A895), Southern Nuclear Operating Company requested a fee waiver under 10 CFR 170.11(b) for NRC review of TMRE and for NRC activities performed during the pilot review of the proposed TMRE license amendment request (LAR) for Vogtle Electric Generating Plant, Units 1 and 2 (Vogtle). Fee waiver requests were subsequently received from Duke Energy for Shearon Harris Nuclear Power Plant, Unit 1 (Harris), (ADAMS Accession No. ML17102A950) and from Entergy Operations, Inc. for Grand Gulf Nuclear Station (Grand Gulf) (ADAMS Accession No. ML17116A579) on April 12 and April 26, 2017, respectively. The NRC granted the three fee waivers on July 3, 2017 (ADAMS Accession Nos. ML17125A106, ML17130A761, and ML17130A742, respectively).

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 at 10 CFR 170.11(a) (1) (ii) states:

No application fees, license fees, renewal fees, inspection fees, or special project fees shall be required for: (1) A special project that is a request/report submitted to the NRC— . . . (ii) When the NRC, at the time the request/report is submitted, plans to use the information 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 the NRC in generic regulatory improvements or efforts (e.g., rules, regulatory guides, regulations, policy statements, generic letters, or bulletins).

In your letter dated March 6, 2018, you state that NRC review and endorsement of NEI 17-02 will facilitate a consistent approach in resolving non-conformances associated with tornado missile protection. The letter further states that the development of the TMRE methodology will save the NRC and industry resources by increasing the efficiency of the review time and effort.

The NRC staff has reviewed the request and finds that it does not demonstrate that review of NEI 17-02 would provide sufficient generic benefit beyond what will be gained by NRC review of the three in-house LARs that currently have fee waivers for the same purpose. Following the issuance of the Vogtle, Harris, or Grand Gulf amendments regarding TMRE, an NRC safety evaluation that documents an approved methodology will be publically available for other 10 CFR Part 50 licensees to use in developing their site-specific LARs.

The fee waivers for Vogtle, Harris, and Grand Gulf already address the request for NRC staff review of the TMRE methodology. At this time, additional efforts to review NEI 17-02 are not expected to appreciably increase the efficiency of the LAR review process. As a result, it is not clear that NRC staff review of NEI 17-02 would assist in a new or additional generic regulatory improvement or effort. Therefore, the NRC staff denies the NEI request dated March 6, 2018, requesting a fee waiver for the review of NEI 17-02.

If you have any technical questions regarding this matter, please contact Mr. Ed Miller at 301-415-2481. 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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 DATED: May 1, 2018

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