## Babcock & Wilcox

Power Generation Group

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## August 3, 1979

Mr. Brian K. Grimes, Acting President Director for Systems Engineering Division of Operating Reactors Office of Nuclear Reactor Regulation U.S. Nuclear Regulatory Commission Washington, D.C. 20555

Subject: "Upgraded Standard Technical Specifications Bases Program"

References: 1. Letter, Taylor to Grimes, "Upgraded Standard Technical Specifications Bases Program," April 9, 1979

> Letter, Grimes to Taylor, "Upgraded Standard Technical Specifications (STS) Bases Program"

Dear Mr. Grimes:

Reference 2 requested that we provide you with "... the status of the arrangements you have worked out thus far" with respect to the bases program. You also indicated that satisfactory resolution of a concern over licensing fees had been reached.

Reference 1 indicated that B&W had "... concluded that insufficient utility interest exists with respect to the STS Bases to begin work at this time." The decision not to proceed factored in knowledge that Licensing fees would be exempted for changes resulting from the program. B&W believes that no changes have occurred in the last four months to modify that decision, particularly with the efforts being expended by the industry in resolving concerns raised as a result of the TMI-2 incident.

B&W plans no further actions on this subject unless directed by affected utilities.

Very truly yours

James H. Taylor

Manager, Licensing

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JHT:dsf cc: R. B. Borsum (B&W)