

October 5, 1989

Docket No. 50-312

Sacramento Municipal Utility District  
ATTN: Mr. David Boggs, General Manager  
P.O. Box 15830  
Sacramento, CA 95852-1830

Gentlemen:

By application dated September 22, 1989, you requested a partial exemption from the FY 1989 annual fees of 10 CFR 171 for the Rancho Seco reactor. You requested that a portion of fees already paid be refunded because you had been charged for research which had not been performed.

As you are aware, Part 171 user fees are assessed on the basis of budgeted costs, not actual obligations. Since it is expected that there will be some deviations between the funds budgeted for a specific activity and those actually obligated, exemptions will rarely be granted. However, in unusual situations where there is a very significant variation between the budgeted obligations and the actual obligations, an exemption may be considered.

We have completed our review of the exemption request filed by your attorneys. Based on the fact that very significant budgeted costs for two B&W research-related activities, namely, "Prevent Reactor Core Damage - Plant Performance - B&W Testing" and "Reactor Accident Risk Analysis - Assessment of Plant Risks," were not totally obligated for these specific activities in FY 1989, but rather were expended for other activities relating to all power reactors, we have determined that a partial exemption is appropriate. Therefore, pursuant to the provisions of 10 CFR 171.11, a partial exemption is hereby granted for the Rancho Seco reactor. The annual fee is reduced from the FY 1989 rate of \$1,581,000 to \$1,309,000; accordingly, an appropriate refund will be sent to you shortly. Enclosed is a document showing how the refund has been calculated.

If there are questions regarding this exemption, please contact Mr. Lee Hiller, Deputy Controller, on 301-492-7351.

Sincerely,

Original Signed By:  
James M. Taylor  
James M. Taylor  
Acting Executive Director  
for Operations

Enclosure:  
Refund Calculation

See attached for distribution.

*DFB*  
*11*

*no legal objection*

OFC	OC	OGC	OC	OC	EDO	
NAME	CJH/oway:js	<i>S Treby</i>	<i>LH Miller</i>	<i>RMSchiggins</i>	<i>JM Taylor</i>	
DATE	10/4/89	10/5/89	10/4/89	10/5/89	10/5/89	

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PDR ADOCK 05000312  
P FDC

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JMTaylor, Acting EDO

EDO R/F

License Fee Debt Collection 171 Fee File

Docket File

OC Part 171 Exemption File

CJHolloway, OC (2)

LHiller, OC

RMScroggins, OC

OC R/F ✓

GDJohnson, OC/DAF

EKBlack, OC/DAF

DBDandois, OC/LFDCB

JDWeiss, OC/LFDCB

TRothschild, OGC

RSmith, OGC

~~MS EARLWINE CAUDILL,~~

~~Accounting~~

~~MAIL STOP NO 27~~

~~SAME ADDRESS AS BOYSS~~

PRR

COMPUTATION OF PROPOSED ADJUSTED ANNUAL  
FEE TO BE ASSESSED FOR EIGHT BABCOCK  
AND WILCOX (B&W) REACTORS  
FY 1989 BUDGET

Part 171 Work by Research

PTS

FTE

Original Budget Base

Nuclear Steam Supply System -  
Large Dry Containment (B&W only)

- |   |             |     |
|---|-------------|-----|
| 1. Prevent Reactor Core Damage -<br>Plant Performance - B&W Testing | \$3,500,000 | 1.8 |
| 2. Reactor Accident Risk Analysis -<br>Assessment of Plant Risk     | 475,000     | .7  |

Subtotal	\$3,975,000	2.5
2.5 FTE x \$150,900/FTE =	377,000	

Total Costs	\$4,352,000	
Total B&W Reactors	8	= \$544,000 per reactor

Revised Budget Base (Sums Obligated)

- |   |             |     |
|---|-------------|-----|
| 1. Prevent Reactor Core Damage -<br>Plant Performance - B&W Testing | \$1,309,000 | 1.6 |
| 2. Reactor Accident Risk Analysis -<br>Assessment of Plant Risks    | -0-         | -0- |

Subtotal	\$1,309,000	1.6
1.6 FTE x \$150,900/FTE =	241,000	

Subtotal Revised Costs	\$1,550,000
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Recap

\$4,352,000	Original Costs
1,550,000	Revised Costs
\$2,802,000	Costs Applicable to All Plants
106	Reactors

= \$26,400 x 8 B&W Reactors =	211,000
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Total B&W Revised Costs	\$1,761,000	
Total B&W Reactors	8	= \$220,000 per reactor

\$544,000 - \$220,000 = \$324,000 x .84(M Factor) = \$272,000 Amount of Each Refund