

Indiana Michigan  
Power Company  
P.O. Box 16631  
Columbus, OH 43216

DOCKET NUMBER PR 170,171  
PROPOSED RULE (53 FR 24077)

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DOCKETED  
NRC

INDIANA  
MICHIGAN  
POWER

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OFFICE OF  
DOCKETING & SERVICE

Secretary of the U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555  
Attention: Docketing and Service Branch

Dear Sir or Madam:

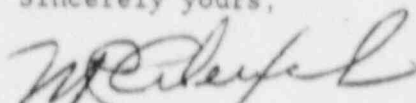
This letter is in response to the proposed rule concerning revision of the fee schedules in 10 CFR Parts 170 and 171, published in the Federal Register (53 FR 24077). We concur with the comments submitted by Jay E. Silberg of the law firm of Shaw, Pittman, Potts & Trowbridge, except as set forth below.

Indian Michigan Power Company, owner and operator of the Donald C. Cook Nuclear Plant, objects in general to the annual fee. However, if these fees are to be raised, we propose that the "second" option, described on page 24079 of the reference Federal Register notice, be adopted. That option states,

. . . the commission at this time would not adopt any changes to Part 170 or Part 171 other than to raise the annual fee so that the amount of fee collected by the Commission under 10 CFR 171.15, when added to fees that would be collected under 10 CFR 170 as currently codified, would approximate, but not be less than 45 percent of the NRC budget.

The proposed legislation (first option) calls for collecting the annual fee increase in part by removing the fee ceilings for reactor and major fuel cycle permits, licenses, amendments, and inspections, asserting that this would allow major users of NRC services to pay a larger share of the bill. However, an individual utility has only limited control over the allocation of NRC resources, and thus, a disproportionate burden could be placed on one utility and its ratepayers. The amount of NRC attention received by a plant is largely outside of the plant's control, thus making the form of billing described in the proposed rule randomly unfair. The option described above is, in our opinion, a more acceptable method of collecting the annual fee.

Sincerely yours,

  
Milton P. Alexich  
Vice President

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