

FEB 28 1986

DISTRIBUTION:

- Docket File - w/encs 1+3
- PDR - w/encs 1+3
- LPDR - w/encs 1+3
- PNorry, ADM - w/enc 1+3
- MSpringer, ADM - w/enc. 1+3
- GJohnson, RM - w/enc. 1+3
- MRodriguez, RM - w/enc. 1+3
- LSolander, NRR - w/enc. 1+3
- RSmith, ELD - w/enc. 1+3
- EGreher, IE - w/enc. 1+3
- CJHolloway, LFMS - w/enc. 1+3
- RMDiggs, LFMS - w/enc 1+3
- LFMS Actual M/P File(2) - w/enc. 1+3
- LFMS Reactor File (2) - w/enc. 1+3
- LFMS R/F - w/enc. 1+3

Docket Nos. 50-458/459

Gulf States Utilities Company
 ATTN: Mr. J. E. Booker
 Manager - Engineering,
 Nuclear Fuel and Licensing
 River Bend Nuclear Group
 P.O. Box 2951
 Beaumont, TX 77704

Gentlemen:

This is in response to your letter dated January 10, 1986, concerning Invoice No. E0188, dated December 13, 1985, in the amount of \$278,860 for the withdrawn River Bend 2 operating license application. You indicated that a review of the license fee documentation which was provided to the law firm of Conner and Wetterhahn on January 8, 1986, does not allow you to conclude that the amount billed was appropriately attributed to work expended on River Bend 2. In addition, you state that any mechanism that arbitrarily divides review time between the units after notification of withdrawal of the unit is impermissible and that work specifically shown as applicable to Unit 2 after January 5, 1984, must be specifically justified.

We have again reviewed the background data which was provided to your Company in support of the bill and have concluded that the documentation shows that the amount billed is attributable to work expended for River Bend 2. Enclosure 1 shows the cost detail by program office. Discussions with the Office of Nuclear Reactor Regulation (NRR) staff have confirmed the following: 1) the 891.5 professional staff hours were charged specifically to River Bend 2, Docket 50-459; 2) all of the hours were expended prior to calendar year 1984, the date the River Bend 2 application was withdrawn, and 3) the contract costs of \$346,941 shown for the period March 25, 1977 to September 30, 1983 are applicable to both units and should be divided equally between those units. The documentation for the remaining contract costs of \$49,798 shows that the costs were expended specifically for Unit 2. The documentation also shows that only \$15,457 of the billed NRR contractual cost was expended in 1984 (January - \$2,589; February - \$2,484; March - \$500; June - \$9,865 and October - \$19). The 1984 charges relate to the closeout and documentation of completed reviews. In determining when the NRC completes the necessary tasks (review) to close out the withdrawn application, the NRC uses the date the Atomic

B603050466 B60228
 PDR ADOCK 05000458
 PDR

OFFICE					
SURNAME					
DATE					

FEB 28 1986

Safety and Licensing Board Panel (ASLBP) grants the withdrawal of the application and terminates the proceeding. Since the ASLBP terminated the proceeding on November 20, 1984, the \$15,457 in NRR contractual costs expended through October 1984 are applicable to the Unit 2 review and have been appropriately assessed.

A review of the professional staff hours (Enclosure 1) relating to the Office of Inspection and Enforcement, Headquarters and the Regional Offices shows that all of the hours were specifically charged to the River Bend 2 docket and were expended prior to calendar year 1984, the date the application was withdrawn. The Office of Nuclear Material Safety and Safeguards (NMSS) staff has confirmed that the 519 hours charged to the River Bend project should be divided equally between the two units because the review dealt with the River Bend contingency plan, the guard training plan, and the security plan, and the review of the three plans applies equally to both units. All of NMSS review hours were expended prior to the ASLBP dismissal of the case.

Based on the above, we have determined that there is no fee issue to be resolved in connection with Invoice No. E0188; therefore, your request for waiver of the interest charges is denied. Further, the request for extending the 30-day payment period was not received by the NRC before the expiration of such period on January 13, 1986. As payment on the billed fee was not received within 30 days from the invoice date, interest accrues from December 13, 1985, at the rate of \$68.76 per day. A revised invoice reflecting interest charges through February 28, 1986, is enclosed. Your payment should include interest through the day payment is made. Enclosed for your information is a copy of the "NRC Procedures for Extending Payment Dates of License Fee Billings" which addresses disputed bills as well as interest and penalty charges.

Sincerely,

Signed C. James Holloway, Jr.

C. James Holloway, Jr., Acting Director
License Fee Management Staff
Office of Administration

Enclosures:

1. Cost Detail by Program Offices
2. NRC Procedures
3. Invoice

*See previous copy and routing slip for concurrences.

*Concurred by 2/25/86
RM
R. Diggs*

OFFICE	LEMS:ADM	ELD*	NRR*	NMSS*	RM
SURNAME	RMDiggs/CJHolloway:jp	RSmith	LSolander	RSkelton	GJohnson
DATE	2/25/86	2/11/86	2/12/86	2/14/86	2/ /86

ROUTING AND TRANSMITTAL SLIP

Date
2/6/86

TO: (Name, office symbol, room number,
building, Agency/Post)

	Initials	Date
1. R. Smith, OELD - f/concurrence		
2. L. Solander, f/concurrence	KWS	2/11/86
3. R. Skelton, NMSS, f/concurrence - NRR	WU	2/12/86
4. G. Johnson, RM/K, f/concurrence	RS	2/14/86
5. C. J. Holloway, LFMS, f/signature	me	revised 2nd page and Invoice

Action	File	Note and Return
Approval	For Clearance	Per Conversation
As Requested	For Correction	Prepare Reply
Circulate	For Your Information	See Me
Comment	Investigate	Signature
Coordination	Justify	

REMARKS
Letter to Gulf States Utilities in response to their letter of 1/10/86 re review cost for withdrawn application for River Bend Unit No. 2.



DO NOT use this form as a RECORD of approvals, concurrences, disposals, clearances, and similar actions

FROM: (Name, org. symbol, Agency/Post)
C. J. Holloway, LFMS

Room No.—Bldg.
AR2015
Phone No.
2715R

862666

8041-102

GPO: 1983 O - 581-529 (732)

Date
2/6/86

	Initials	Date
	LWS	2/11/86
P45 IRB	WW	2/12/86
	RS	2/14/86
	re revised 2nd pay and Invoice	

	File	Note and Return
Action	For Clearance	Per Conversation
Approval As Requested	For Correction	Prepare Reply
Complete	For Your Information	See Me
Comment	Investigate	Signature
Coordination	Justify	

REMARKS

Letter to Gulf States Utilities in response to their letter of 1/10/86 re review cost for withdrawn application for River Bend Unit No. 2.



GPO 906-936

NRG FORM 142
(8-76)

DO NOT use this form as a RECORD of approvals, concurrences, disposals, clearances, and similar actions

FROM: (Name, org. symbol, Agency/Post)

C. J. Holloway, LFMS

SAVE

Room No.—Bldg.
AR2015

Phone No.
27158

5041-102

862666

ROUTING AND TRANSMITTAL SLIP

Date
2/6/86

TO: (Name, office symbol, room number, building, Agency/Post)	Initials	Date
1. R. Smith, OELD - f/concurrence	RWS	2/11/86
2. L. Solander, f/concurrence - NRR #45	WLL	2/12/86
3. R. Skelton, NMSS, f/concurrence	RS	2/14/86
4. G. Johnson, RM/A, f/concurrence <i>me reviewed 2nd page and Invo.</i>		
5. C. J. Holloway, LFMS, f/signature		

R. Brown

Action	File	Note and Return
Approval	For Clearance	Per Conversation
As Requested	For Correction	Prepare Reply
Circulate	For Your Information	See Me
Comment	Investigate	Signature
Coordination	Justify	

REMARKS

Letter to Gulf States Utilities in response to their letter of 1/10/86 re review cost for withdrawn application for River Bend Unit No. 2



DO NOT use this form as a RECORD of approvals, concurrences, disposals, clearances, and similar actions

FROM: (Name, org. symbol, Agency/Post)	Room No.—Bldg.
C. J. Holloway, LFMS	AR2015
	Phone No.
	27158

SAVE

8041-102

862666

ROUTING AND TRANSMITTAL SLIP

Date 2/11/86

TO: (Name, office symbol, room number, building, Agency/Post)	Initials	Date
1. Jim Holloway		
2.		
3.		
4.		
5.		

Action	File	Note and Return
Approval	For Clearance	Per Conversation
As Requested	For Correction	Prepare Reply
Circulate	For Your Information	See Me
Comment	Investigate	Signature
Coordination	Justify	

REMARKS

If we have ~~do~~ not done so already, we may wish to apprise Gulf States of the amount of the interest charge per day. This would put them on clear notice of how quickly interest is compounding. It's your call though.

Jim - I agree. Mike

DO NOT use this form as a RECORD of approvals, concurrences, disposals, clearances, and similar actions

FROM: (Name, org. symbol, Agency/Post)	Room No.—Bldg.
	Phone No. X 24396

Ken Smith

5041-102

★ GPO : 1982 O - 381-529 (223)

OPTIONAL FORM 41 (Rev. 7-76)
Prescribed by GSA
FPMR (41 CFR) 101-11.206

Safety and Licensing Board Panel (ASLBP) grants the withdrawal of the application and terminates the proceeding. Since the ASLBP terminated the proceeding on November 20, 1984, the \$15,457 in NRR contractual costs expended through October 1984 are applicable to the Unit 2 review and have been appropriately assessed.

A review of the professional staff hours (Enclosure 1) relating to the Office of Inspection and Enforcement, Headquarters and the Regional Offices shows that all of the hours were specifically charged to the River Bend 2 docket and were expended prior to calendar year 1984, the date the application was withdrawn. The Office of Nuclear Material Safety and Safeguards (NMSS) staff has confirmed that the 519 hours charged to the River Bend project should be divided equally between the two units because the review dealt with the River Bend contingency plan, the guard training plan, and the security plan and the review of the three plans applies equally to both units. All of NMSS review hours were expended prior to the ASLBP dismissal of the case.

Based on the above, we have determined that there is no fee issue to be resolved in connection with Invoice No. E0188; therefore, your request for waiver of the interest charges is denied. The fee billed is past due and payment should include interest through the day payment is made. Enclosed for your information is a copy of the "NRC Procedures for Extending Payment Dates of License Fee Billings" which addresses disputed bills as well as interest and penalty charges.

Sincerely,

C. James Holloway, Jr.
 Acting Director
 License Fee Management Staff
 Office of Administration

Enclosures:

1. Cost Detail by Program Offices
2. NRC Procedures

DISTRIBUTION:

Docket File	RSmith, ELD
PDR	EGreher, IE
LPDR	CJHolloway, LFMS
PNorry, ADM	RMDiggs, LFMS
MSpringer, ADM	LFMS Actual Manpower File (2)
GJohnson, RM	LFMS Reactor File (2)
MRodriguez, RM	LFMS R/F
LSolander, NRR	

*cc in total
 shows on by*

OFFICE ▶	LFMS:ADM	LFMS:ADM	ELD <i>fw</i>	NRR	NMSS	RM
SURNAME ▶	RMDiggs/Coy	JHolloway:rej	RSmith	LSolander	RSkelton	GJohnson
DATE ▶	2/1/86	2/6/86	2/11/86	2/1/86	2/14/86	2/1/86

SHOE

Safety and Licensing Board Panel (ASLBP) grants the withdrawal of the application and terminates the proceeding. Since the ASLBP terminated the proceeding on November 20, 1984, the \$15,457 in NRR contractual costs expended through October 1984 are applicable to the Unit 2 review and have been appropriately assessed.

A review of the professional staff hours (Enclosure 1) relating to the Office of Inspection and Enforcement, Headquarters and the Regional Offices shows that all of the hours were specifically charged to the River Bend 2 docket and were expended prior to calendar year 1984, the date the application was withdrawn. The Office of Nuclear Material Safety and Safeguards (NMSS) staff has confirmed that the 519 hours charged to the River Bend project should be divided equally between the two units because the review dealt with the River Bend contingency plan, the guard training plan, and the security plan and the review of the three plans applies equally to both units. All of NMSS review hours were expended prior to the ASLBP dismissal of the case.

Your Based on the above, we have determined that there is no fee issue to be resolved in connection with Invoice No. E0188; therefore, your request for waiver of the interest charges is denied. ~~The fee billed is past due and~~ payment should include interest through the day payment is made. Enclosed for your information is a copy of the "NRC Procedures for Extending Payment Dates of License Fee Billings" which addresses disputed bills as well as interest and penalty charges.

Sincerely,

Further, the request for extending the 30-day payment period was not received by the NRC before the expiration of such period as it was received on January 21, 1986.

C. James Holloway, Jr.
Acting Director
License Fee Management Staff
Office of Administration

January 13, 1986

Enclosures:

1. Cost Detail by Program Offices
2. NRC Procedures
3. Invoice

~~As the billed fee was not paid~~

As payment on the billed fee was not received within 30 days from the invoice date, interest accrues from ~~the date~~ December 13, 1985 at the rate of \$68.76 per day. A revised invoice reflecting interest charges through February 28, 1986, is enclosed.