



CHIEF FINANCIAL
OFFICER

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

June 4, 2024

James Lynde
Chief Operating Officer & Chairman
Pressurized Water Reactor Owners Group
1000 Westinghouse Drive
Cranberry Township, PA 16066

SUBJECT: RESPONSE TO REQUEST FOR A FEE EXEMPTION FOR PWROG-NRC MEETINGS THAT WILL BE HELD TO DISCUSS THE PWROG PROGRAM TO IMPLEMENT ON-LINE MONITORING (OLM) OF TECHNICAL SPECIFICATION INSTRUMENTATION

Dear James Lynde:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter dated April 15, 2024, (Agencywide Documents Access and Management System (ADAMS) Accession No. ML24106A278), requesting a fee exemption under Title 10 of the *Code of Federal Regulations* (10 CFR) 170.11(a)(1)(ii) for Pressurized Water Reactor Owners Group (PWROG)-NRC meetings that will be held to discuss the PWROG program to implement On-line Monitoring (OLM) of Technical Specification instrumentation.

NRC regulations pertaining to fee exemption requests are set forth in 10 CFR 170.11 "Exemptions." The NRC staff reviewed your request consistent with the provisions in 10 CFR 170.11(a)(1)(ii) and 170.11(d). Section 170.11(a) 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 to assist the NRC in generic regulatory improvements or efforts (e.g., rules, regulatory guides, regulations, policy statements, generic letters, or bulletins)

Section 170.11(d) states:

All fee exemption requests must be submitted in writing to the Chief Financial Officer in accordance with § 170.5, and the Chief Financial Officer will grant or deny such requests in writing.

In your letter requesting an exemption from fees associated with PWROG-NRC meetings that will be held to discuss the PWROG program to implement OLM of Technical Specification instrumentation, you state that the PWROG OLM program will utilize Artificial Intelligence (AI) technology in the form of Machine Learning (ML) and Advanced Pattern Recognition (APR) models to monitor the Technical Specification instrumentation and determine whether a Channel Calibration as required by the Technical Specifications must be performed based on

alerts provided by the OLM program. Additionally, the use of ML and APR models for the OLM of Technical Specification instrumentation supports the NRC's effort to develop guidance for the implementation of AI. ML and APR technologies have broader applications to monitor other safety related structures, systems, and components. Also, the NRC can issue guidance for other AI applications based on the PWROG OLM program, that can be used for future AI applications. This pilot AI application is the most efficient use of NRC staff and industry resources to implement AI in other applications. Finally, you anticipate that approximately two-three meetings will be held to discuss the program to implement OLM for Technical Specification instrumentation. The fee exemption, if granted, would cover these meetings.

The NRC's 2023 AI Strategic Plan (ML23132A305) consists of five strategic goals. The first goal of the NRC's AI Strategic Plan and its AI Project Plan, is as follows:

"Goal 1: Ensure NRC Readiness for Regulatory Decision-Making"

This goal is one of NRC's major regulatory drivers which has been endorsed by the Executive Director of Operations. With respect to this goal, the NRC is in the process of developing regulatory guidance and tools to ensure readiness for reviewing the use of AI in NRC-regulated activities. To date, the NRC has not yet documented the technical basis or developed review guidance for AI technology in the form of ML and APR models.

These technologies are being proposed for use in the PWROG forthcoming OLM topical report (TR), and the PWROG OLM TR is the first application to propose the use of these technologies in NRC-regulated activities.

The pre-submittal meetings and engagements mentioned in the fee exemption request will enable the NRC to better understand how these AI technologies, are or could be applied to NRC-regulated activities. These interactions and information will help the staff develop a technical basis and/or review guidance that will subsequently be used by NRC staff to review future applications and submittals using these technologies.

Therefore, I conclude that your request for approximately two-three PWROG-NRC meetings that will be held to discuss the program to implement OLM for Technical Specification instrumentation, meets the criteria under 10 CFR 170.11(a)(1)(ii) because the guidance will assist the NRC in generic regulatory improvements or efforts; therefore, the fee exemption request is approved.

If you have any technical questions regarding this matter, please contact Ms. Leslie Fields at 301-415-1186. Please contact Mr. Billy Blaney, of my staff, at 301-415-5092 for any fee-related questions.

Sincerely,



Signed by Golder, Jennifer
on 06/04/24

Jennifer M. Golder
Acting Chief Financial Officer

SUBJECT: RESPONSE TO REQUEST FOR A FEE EXEMPTION FOR PWROG-NRC MEETINGS THAT WILL BE HELD TO DISCUSS THE PWROG PROGRAM TO IMPLEMENT ON-LINE MONITORING (OLM) OF TECHNICAL SPECIFICATION INSTRUMENTATION, DATED: JUNE 4, 2024

DISTRIBUTION:

NAridi, OCFO
 MVelasquez, OCFO
 LFields, NRR
 NCarte, NRR
 RidsNrrOd Resource

ADAMS Accession Number: ML24120A154 Package; ML24120A172 Letter

OFFICE	OCFO/DOB	OCFO/DOB	NRR/DEX	NRR/DORL	NRR/DORL
NAME	BBlaney	JJacobs	FSacko	GGerond	ARivera-Varona
DATE	04/30/2024	04/30/2024	05/03/2024	05/06/2024	05/08/2024
OFFICE	OGC ^{*NLO}	OCFO/DOC	OCFO/DOC	OCFO/DOB	OCFO/DOB
NAME	GMostaghimi	RRevinson	MBlair	ARossi	LYee
DATE	05/17/2024	05/17/2024	05/20/2024	05/17/2024	05/20/2024
OFFICE	OCFO/DOB	CFO	CFO		
NAME	MNeville	EBenner	JGolder		
DATE	05/29/2024	05/29/2024	06/04/2024		

OFFICIAL RECORD COPY