



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

October 8, 1999

MEMORANDUM TO: Samuel J. Collins, Director
Office of Nuclear Reactor Regulation

FROM: Jesse L. Funches 
Chief Financial Officer

SUBJECT: REQUEST FOR WAIVER OF FEE BILLING FOR RISK-
INFORMED PART 50 OPTION 2 PILOT PLANT PARTICIPANTS

Your August 26, 1999, memorandum requested a waiver of Part 170 fees for operating reactor licensees participating in the Risk-Informed Part 50 (RIP 50) Option 2 pilot program. As explained below, an exemption is granted in accordance with 10 CFR Part 170.11(b)(1).

The staff developed three options (described in SECY-98-300) to address risk-informed revisions to 10 CFR Part 50 - "Domestic Licensing of Production and Utilization Facilities." In developing the options, the staff met with the public, the Nuclear Energy Institute (NEI), nuclear utilities, and other representatives of industrial groups on several occasions. During these meetings between the Commission and various stakeholders, the concern was expressed that the NRC is not placing enough emphasis on risk-informing its reactor requirements with the result of risk assessments.

The Commission approved the implementation of Option 2; which is to develop risk-informed definitions of "safety-related" and "important to safety." The Commission approved the staff's recommendation to use industry pilot studies to assist in the development of the Part 50 modifications. NRR is requesting a fee waiver as an additional incentive to operating reactor licensees contemplating pilot program participation so that the staff can observe the benefits and difficulties of implementing new risk-informed definitions for a variety of facilities, and incorporate the lessons learned into its rulemaking activities. NRR believes that these pilot program reviews will assist in the development of a well-structured risk-informed regime that will provide increased effectiveness of regulated activities and reduce future review costs for the industry and therefore, the fee waiver is in the public interest.

NRR has received one pilot plant application from the South Texas Project Nuclear Operating Company. Three other licensees have been identified as prospective applicants for the pilot program: San Onofre, Fermi 2, and ANO-1.

Based on the foregoing, an exemption from the 10 CFR Part 170 fee requirements for up to six pilot plant applications received in support of the risk-informed Part 50 Option 2 pilot program is appropriate. This exemption is authorized by law and is granted in accordance with 10 CFR Part 170.11(b)(1).

ACN 9910130183

Enclosure

S. Collins

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The License Fee and Accounts Receivable Branch should be informed as the applications are accepted by NRR into the pilot program. The TAC numbers assigned to the applications to track the NRC's review effort should be coded as non-fee billable under Part 170.

If you have any questions, please contact Ellen Poteat of my staff at 415-6392.