



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

June 12, 1998

Ms. Leslie N. Hartz, Vice President
Nuclear Engineering and Services
Virginia Electric and Power Company
5000 Dominion Boulevard
Glen Allen, VA 23060

*on file
8/30/01
Less of Exemptions
Granted*

Dear Ms. Hartz:

I am responding to the February 9, 1998, letter from Mr. Robert Saunders and Louis F. Liberatori, Jr., Chairman of the Westinghouse Owners Group (WOG), requesting a waiver of the fee to review the October 31, 1997, Surry, Unit 1, Risk-Informed Inservice Inspection (RI-ISI) submittal (TAC MA0125). In addition, a waiver was requested of the fee to review a future submittal in response to the December 23, 1997, letter from Gordon Edison of NRC requesting additional information (RAI.) The need for additional information was identified during the preliminary review of the October 31, 1997 submittal. An exemption from 10 CFR Part 170 fees for the review of the Surry, Unit 1, RI-ISI submittal and response to the RAI is granted in accordance with 10 CFR 170.11(b)(1).

The February 9, 1998, letter indicates that the Virginia Electric and Power Company (VEPCO), in cooperation with the WOG, provided a pilot plant submittal corresponding to the October 10, 1997, topical report submitted by the WOG to be reviewed by the NRC as an acceptable approach for establishing risk-informed inservice inspection (RI-ISI) programs. The letter further states that the WOG is assisting in the development of appropriate responses to the RAIs because this information will set a precedent for owners who decide to embark on RI-ISI programs for their nuclear units following Surry. A waiver of fees was requested for this submittal given this interrelationship of the Surry pilot plant submittal to the WOG Topical Report and the first-of-a-kind efforts required to support NRC's planned generic regulatory improvement. The letter stated the belief that the Surry submittal meets criterion two and three of Footnote 4 to 10 CFR 170.21.

Footnote 4 to 10 CFR 170.21 applies only to Special Projects, 10 CFR Part 170.21, fee Category J. As defined in 10 CFR Part 170.3, Special Projects are those requests submitted to the Commission for review for which fees are not otherwise specified in 10 CFR 170. Fees for amendments for nuclear power reactors are specified in 10 CFR Part 170.21, fee Category A. Therefore, Footnote 4 does not apply to the October 31, 1997, Surry RI-ISI submittal nor will it apply to responses to the RAI. However, the NRC grants an exemption under 10 CFR Part 170.11(b)(1) for the Surry RI-ISI submittal and response to the RAI for the following reasons.

NRC has encouraged licensees to submit applications for the RI-ISI pilot programs under one umbrella sponsoring organization, e.g., Nuclear Energy Institute (NEI), for demonstrating risk-informed methodologies to be used for piping segment and piping structural element selection in systems scheduled for inservice inspections. To provide the permanent approach to RI-ISI, the staff intends to utilize the experience gained through the pilot applications in the proposed rulemaking process to modify 10 CFR 50.55a to explicitly endorse RI-ISI methodology. NEI has submitted two methodologies for the implementation of the RI-ISI, one that has been jointly developed by ASME Research and WOG, WCAP-14572, Revision 1, and WCAP-14572,

Revision 1, Supplement 1, and the other methodology is being sponsored by EPRI, TR-106706. As noted in the February 9, 1998, letter, the review of WCAP-14572 has already been granted a fee waiver as is the case for the review of the EPRI topical report TR-106706. Surry, Unit I is the pilot plant for the WOG methodology.

The development of the RI-ISI programs will provide guidance to power reactor licensees and the NRC staff on an acceptable approach for utilizing risk information to support plant-specific changes to the current licensing basis for inservice inspection programs. The program has the potential to optimize the use of NRC and industry resources, and to continue to assure adequate protection of the public health and safety.

Based on the foregoing, I have determined that an exemption from the 10 CFR Part 170 fee requirements for the review of the October 31, 1997, Surry RI-ISI submittal and the review of the responses to the RAI is appropriate. This exemption is authorized by law and is granted in accordance with 10 CFR Part 170.11(b)(1).

The \$18,209 paid to date for the review of the October 31, 1997, submittal (TAC MA0125), is being refunded. You should receive the refund in approximately 30 days.

If you have any questions, please contact Ellen Poteat of my staff at 301-415-6392.

Sincerely,

Original signed by Jesse Funches
Jesse L. Funches
Chief Financial Officer

cc: Louis F. Liberatori, Jr., Chairman
Westinghouse Owners Group

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