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PROPOSED RULE PR 71, 170 & 171
(56FR 14870)

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New York Power Authority

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Ralph E. Beedle
Executive Vice President
Nuclear Generation

May 13, 1991
IPN-91-018
JPN-91-021

Secretary of the Commission
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

Attn: Docketing and Service Branch

Subject: Indian Point 3 Nuclear Power Plant
Docket No. 50-286
James A. FitzPatrick Nuclear Power Plant
Docket No. 50-333
Comments on Proposed Rule - Revision of Fee Schedules; 100% Fee Recovery

Dear Sir:

On April 12, 1991, the Nuclear Regulatory Commission ("NRC") published the proposed changes to its licensing, inspection, and annual fee schedules in the Federal Register. The proposed changes to 10 CFR Parts 71, 170, and 171 were aimed at recovering 100% of the NRC budget authority for fiscal years 1991 through 1995. Written comments were requested to be submitted by May 13, 1991.

The Power Authority fully endorses the comments submitted by the Nuclear Management and Resources Council, Inc. ("NUMARC") concerning the Proposed Rule on Revision of Fee Schedules.

In addition to the NUMARC comments, the following specific comments are provided. It is in the public interest to have periodic reporting of NRC expenditures and variances between expenditures and budgeted costs at the program element level. Also, the NRC budget preparation process should include opportunities for public comment. At the start of the planning and budget cycle, the Commission should draw upon utility industry expertise to assess the cost-effectiveness of proposed generic programs and to eliminate potential duplication of industry-sponsored programs. An advisory committee of industry executives, for example, could draw upon years of operational experience to provide applicable industry perspective on proposed programs.

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In addition, the approximately 300% increase in NRC fees for fiscal year 1991 will have a major impact upon the operating and maintenance (O&M) budgets of the Indian Point 3 and James A. FitzPatrick nuclear power plants. Fiscal year 1991 NRC fees would account for approximately 4.2% of the total O&M budget. Certain plant betterment improvements will have to be deferred.

If you have any questions regarding this matter, please contact Mr. P. Kokolakis or Mr. J. A. Gray, Jr. of my staff.

Very truly yours,

Ralph E. Beedle
Executive Vice President
Nuclear Generation

cc: U. S. Nuclear Regulatory Commission
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