

**BASES FOR DENYING FEE EXEMPTION REQUESTS FOR TSTF TRAVELERS**

This enclosure explains the reasons for the NRC Chief Financial Officer's denial of the fee exemption requests for each traveler listed below, based on the criteria established in 10 CFR 170.11. Also provided are examples of travelers which could qualify for a fee exemption.

1. TSTF - 343 R.1 provides a reduction in regulatory burden for licensees. Therefore, the organization submitting this traveler is the primary beneficiary and the exemption request does not satisfy the requirements of 10 CFR 170.11(a)(1)(iii)(C).
2. TSTF - 417 R.0 involves extending the completion times for alternating current power systems. Since the requesting organization is the primary beneficiary of extending completion times, TSTF - 417 does not meet the exemption requirements of 10 CFR 170.11(a)(1)(iii)(C).
3. TSTF - 467 R.0 proposes to add a restriction to Babcock & Wilcox standard technical specifications (STS) (NUREG-1430) on the reactor coolant system loop average temperature (> 520 degrees F) during Mode 2 physics testing. TSTF-467 does not meet the exemption requirements of 10 CFR 170.11(a)(1)(iii)(C) since this issue is already addressed in NUREG-1430, and therefore this traveler does not assist NRC in its generic rulemaking improvements or efforts.
4. TSTF - 478 R.0 does not support the development of 10 CFR 50.44; rather, it addresses how licensees respond to this rule. Since the requesting organization is the primary beneficiary (applying the rule saves the licensee an estimated \$200,000 per plant per year), the TSTF-478 exemption request does not satisfy the exemption requirements of 10 CFR 170.11(a)(1)(iii)(C).
5. TSTF - 479 R.0 does not support the development of 10 CFR 50.55a; rather, it addresses how licensees respond to this rule. Since licensees are the primary beneficiaries, the TSTF-479 exemption request does not satisfy the exemption requirements of 10 CFR 170.11(a)(1)(iii)(C).
6. TSTF - 482 R.0 proposes clarification to the Bases of the STS under 10 CFR 50.59. It does not require a change to the STS itself. Adoption of this traveler is unnecessary for the NRC's generic rulemaking improvements or efforts, and therefore TSTF-482 does not meet the exemption requirements of 10 CFR 170.11(a)(1)(iii)(C). However, the staff will issue the clarification as an administrative change during Revision 3.1 of the STS.
7. TSTF - 485 R.0 proposes clarifying changes to the Section 1.4-1 example in the Use and Application section of the STS on Frequency in NUREGs 1430 - 1434. The TSTF-485 fee waiver request does not meet the exemption requirements of 10 CFR 170.11(a)(1)(iii)(C) since the sender is the primary beneficiary of the clarification to use Surveillance Requirement (SR) 3.0.3 to comply with SR 3.0.2. However, the staff

will issue the clarification to the Section 1.4-1 example as an administrative change during Revision 1 of the STS.

In an effort to enhance communication about the NRC's fee exemption policies, below are two examples of travelers that would likely satisfy the fee exemption requirements of 10 CFR 170.11.

Example 1: *Amendment to STS 3.6.6, "Containment Spray and Cooling System," and the associated Bases.* Presently in STS 3.6.6, the surveillance requirements require testing the containment sprays by blowing air or smoke through the system to demonstrate the piping and nozzles are not clogged. Plant operating history has demonstrated that this test does not identify foreign objects accidentally left in the system that are too heavy to be affected by flowing air or smoke. Heavy foreign objects in the containment spray system (CSS) can be moved by the pressurized water that is sprayed through the system during an accident. The heavy foreign objects have the potential of moving in the piping and blocking or restricting the CSS flow. This is a safety issue that can be addressed by licensees initiating a Loose Parts Management Program to prevent objects from being accidentally left in the CSS during construction and maintenance. This traveler would satisfy the requirements of 10 CFR 170.11 because the document will specifically support NRC's development of generic guidance and regulations.

Example 2: *Operations with a Potential for Draining the Reactor Vessel (OPDRV).* Presently in NUREGs 1433 and 1434, STS 3.6.4, "Secondary Containment," there is a "quasi" operating mode for the secondary containment described as operations with a potential for draining the reactor vessel. There are other STS that should have the operating mode for OPDRV, especially safety systems that supply coolant to the reactor vessel. The OPDRV occur during Modes 5 and 6 when the safety systems that supply coolant to the reactor vessel are not presently required to be operable. This is a safety issue that can be addressed by TSTF identifying the systems that would be required for an OPDRV and proposing a traveler that would require the reactor coolant supply systems to be operable during OPDRV. This traveler would satisfy the requirements of 10 CFR 170.11 because the document will specifically support NRC's development of generic guidance and regulations.