



OFFICE OF THE
CHIEF FINANCIAL
OFFICER

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

July 1, 2016

Mr. Thomas Zachariah
Senior Project Manager, Risk Assessment
Nuclear Energy Institute
1201 F Street NW, Suite 1100
Washington, DC 20004

Dear Mr. Zachariah:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter dated June 13, 2016, requesting a fee waiver under Title 10 of the *Code of Federal Regulations* (10 CFR) 170.11(a)(1)(iii) for NRC review and endorsement of the Nuclear Energy Institute (NEI) guidance document 16-05, Revision 1, "External Flooding Assessment Guidelines."

The NRC has established regulations for the granting of fee exemptions under 10 CFR 170.11, "Exemptions," for which licensees may apply in accordance with 10 CFR 170.5, "Communications." The NRC staff has reviewed your request based on the following regulation, 10 CFR 170.11(a)(1)(iii):

- *10 CFR 170.11 (a) No application fees, license fees, renewal fee, inspection fees, or special project fees shall be required for: (1) A special project that is a request/report submitted to the NRC—(iii) As a means of exchanging information between industry organizations and the NRC. In order for the fee waiver to be granted under this paragraph it must meet three criteria:*
 - *(A) The report should be submitted for the specific purpose of supporting ongoing NRC generic regulatory improvements or efforts (e.g., rules, regulations, regulatory guides, and policy statements), and the agency, at the time the document is submitted, plans to use it for that purpose. The exemption applies even if ultimately the NRC does not use the document as planned.*

By letter dated March 12, 2012, the NRC issued a request for information under 10 CFR Part 50, Section 50.54(f) (hereafter referred to as the 50.54(f) letter) (Agencywide Documents Access and Management System (ADAMS) Accession No. ML12053A340). This 50.54(f) letter requested, among other actions, that respondents reevaluate flood hazards at each site and compare the reevaluated hazard to the design basis at the site for each flood mechanism. This letter also requested addressees to perform an integrated assessment if the design-basis flood hazard did not bound the reevaluated flood hazard for all mechanisms. Guidance document NEI 16-05 supports the completion of the requested integrated assessment for external flooding as described in the 50.54(f) letter and as modified by the NRC closure plan detailed in COMSECY-15-0019, "Closure Plan for the Reevaluation of Flooding Hazards for Operating Nuclear Power Plants."

Guidance document NEI 16-05 provides the basis for NRC guidance being developed and describes a process to allow licensee's to demonstrate adequacy of existing plant design and mitigating strategies for addressing any reevaluated hazards that exceed the site's design basis by performing a focused evaluation. And the guidance describes a process for plants that need to perform a revised integrated assessment in order to assess the impact of and describe the plant response to the increase in the flood hazard. Therefore, NRC staff will use NEI 16-05 to support its reviews of licensees' flooding focused evaluations and integrated assessments to determine if any further regulatory action is needed to modify, suspend, or revoke a facility's license.

Therefore, the NRC staff concludes that this report meets Criterion (A).

- *(B) The NRC must be the primary beneficiary of the NRC's review and approval of these documents. This exemption does not apply to a topical report submitted for the purpose of obtaining NRC approval for future use of the report by the industry to address licensing or safety issues, even though the NRC may realize some benefits from its review and approval of the document.*

The NRC is the primary beneficiary of this guidance because NEI 16-05, if endorsed, will provide the NRC with a consistent and efficient means to review and evaluate focused evaluations and integrated assessments and support a determination if further regulatory decisions should be pursued.

Therefore, the NRC staff concludes that this report meets Criterion (B).

- *(C) The fee exemption is requested in writing to the Chief Financial Officer in accordance with 10 CFR 170.5, and the Chief Financial Officer grants this request in writing. The 10 CFR 170.5 states, "All communications concerning the regulations in this part should be addressed to the NRC's Chief Financial Officer, either by mail to the U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001; by hand delivery to the NRC's offices at 11555 Rockville Pike, Rockville, Maryland; or, where practicable, by electronic submission, for example, via Electronic Information Exchange, or CD-ROM.*

The fee exemption request for NRC review and Endorsement of NEI 16-05, Revision 1, "External Flooding Assessment Guidelines," was submitted in writing by NEI.

Therefore, the NRC staff finds that NEI's request meets Criterion (C).

The NRC staff concludes that NRC review and endorsement of NEI 16-05, Revision 1, "External Flooding Assessment Guidelines," meets all criteria under 10 CFR 170.11(a)(1)(iii); therefore, the fee waiver request is approved. Any future revisions should be submitted for fee waiver considerations under 10 CFR 170.11(a)(1)(iii).

If you have any technical questions regarding this matter, please contact, Mr. Juan Uribe at 301-415-3809. Please contact Mr. William Blaney, of my staff, at 301-415-5092, for any fee-related questions.

Sincerely,

/RA/ Mary C. Muessle (for)

Maureen E. Wylie
Chief Financial Officer

If you have any technical questions regarding this matter, please contact, Mr. Juan Uribe at 301-415-3809. Please contact Mr. William Blaney, of my staff, at 301-415-5092, for any fee-related questions.

Sincerely,

/RA/ Mary C. Muessle (for)

Maureen E. Wylie
Chief Financial Officer

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ADAMS: ☒ Yes ☐ No Initials: WB SUNSI Review: WB

☒ Publicly Available ☐ Non-Publicly Available ☐ Sensitive ☒ Non-Sensitive

ADAMS Accession No: **ML** *via e-mail

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