

concrete construction with an inherent fire rating in excess of 3 hours. Access is gained into containment through a personnel access lock. The RCP motor cubicles are located above the associated reactor coolant system loop room. The floor of the RCP motor cubicle consists of steel grating with multiple openings between the motor cubicle and reactor coolant system loop room. The rooms are separated from the remainder of containment by heavy concrete shield walls, with a personnel access door for each cubicle and loop room. There are multiple openings in the ceiling of the motor cubicles. Although not maintained as rated fire boundaries, the heavy shield walls provide a degree of separation.

The license states that the only SSD function instruments present are the three resistance temperature detectors (RTDs) that provide indication of the RCS hot leg temperature in the control room. There is no credible means for minor oil misting to impact the safe shutdown function of the hot leg RTDs. Each RTD is separated from the closest redundant RTD located in another pump cubicle by two heavy concrete walls. Therefore, a credible fire in one RCP cubicle would not affect RCS temperature indication from the other two loops.

#### *Summary of Defense-in-Depth*

In summary, the defense-in-depth concept for a fire in FA 1-1 discussed above provides an adequate level of safety through the prevention of fires, detection, control and extinguishment of fires that occur and the protection of structures, systems and components important to safety. As discussed above, the licensee has provided preventative and protective measures that together demonstrate the licensee's ability to preserve or maintain SSD capability in the event of a fire within an RCP cubicle or reactor coolant system loop room.

Based on the above, the NRC staff concludes that the licensee has met the defense-in-depth objectives and no new accident precursors are created by the installation of features to collect any oil that accumulates on the coolers from oil mist condensation instead of preventing the oil mist from escaping the OCS, thus, the probability of postulated accidents is not increased. Also, based on the above, the consequences of postulated accidents are not increased. Therefore, there is no undue risk to public health and safety.

#### *Consistent With Common Defense and Security*

The proposed exemption would allow the licensee to install features to collect

any oil that accumulates on the coolers from oil mist condensation instead of preventing the oil mist from escaping the OCS. This change to the plant has no relation to security issues. Therefore, the common defense and security is not impacted by this exemption.

#### *Special Circumstances*

Special circumstances, in accordance with 10 CFR 50.12(a)(2)(ii), are present whenever application of the regulation in the particular circumstances is not necessary to achieve the underlying purpose of the rule. The underlying purposes of 10 CFR Part 50, Appendix R, Section III.O is to ensure that failure of the RCP lube oil system will not lead to fire during normal or design basis accident conditions and that there is reasonable assurance that the system will withstand the Safe Shutdown Earthquake. As described above, the defense-in-depth concept for a fire in FA 1-1 discussed above provides an adequate level of safety through prevention of fires, detection, control and extinguishment of fires that do occur and the protection of structures, systems and components important to safety. In addition, the licensee has provided preventative and protective measures that together demonstrate the ability to preserve or maintain SSD capability in the event of a fire in an RCP cubicle and loop room. Allowing the collection of oil that accumulates on the coolers instead of preventing the oil mist from escaping the OCS does not impact the ability of the OCS to withstand the Safe Shutdown Earthquake. Therefore, since the underlying purpose of 10 CFR Part 50, Appendix R is achieved, the special circumstances required by 10 CFR 50.12(a)(2)(ii) for the granting of an exemption from 10 CFR Part 50, Appendix R exist.

#### **4.0 Conclusion**

Accordingly, the Commission has determined that, pursuant to 10 CFR 50.12, the exemption is authorized by law, will not present an undue risk to the public health and safety, and is consistent with the common defense and security. Also, special circumstances are present. Therefore, the Commission hereby grants VEPCO an exemption from 10 CFR Part 50, Appendix R, Section III.O to the extent that minor oil misting may not be captured within the OCS. This applies to all three RCPs for NAPS Unit No. 1. Pursuant to 10 CFR 51.32, the Commission has determined that the granting of this exemption will not have a significant effect on the quality of the human environment as published in the

**Federal Register** on July 8, 2010 (75 FR 39285).

This exemption is effective upon issuance.

Dated at Rockville, Maryland this 21st day of April 2011.

For the Nuclear Regulatory Commission.

**Robert A. Nelson,**

*Acting Director, Division of Operating Reactor Licensing, Office of Nuclear Reactor Regulation.*

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**BILLING CODE 7590-01-P**

## **NUCLEAR REGULATORY COMMISSION**

**[NRC-2011-0093; Docket No. 50-400]**

### **Carolina Power And Light Company; Notice of Withdrawal of Application for Amendment to Renewed Facility Operating License**

The U.S. Nuclear Regulatory Commission (NRC, the Commission) has granted the request of the Carolina Power and Light Company (the licensee) to withdraw its application dated March 28, 2010, as supplemented by letter dated December 9, 2010, for a proposed amendment to Renewed Facility Operating License No. NPF-63 for the Shearon Harris Nuclear Power Plant, Unit 1, located in Wake County, North Carolina.

The proposed amendment would have modified revise Technical Specification Section 6.9.1.6 to add the NRC-approved topical report, EMF-2103(P)(A), Revision 0, "Realistic Large-Break LOCA [Loss-of-Coolant Accident] Methodology for Pressurized Water Reactors," to the Core Operating Limits Report methodologies list. This change would have allowed the use of the thermal-hydraulic computer analysis code S-RELAP5 for the Final Safety Analysis Report (FSAR) Chapter 15 realistic large-break LOCA in the Shearon Harris Nuclear Power Plant, Unit 1 safety analyses. Topical Report, EMF-2103(P)(A), Revision 0, was approved by the NRC on April 9, 2003, for the application of the S-RELAP5 thermal-hydraulic analysis computer code to FSAR Chapter 15 realistic large-break LOCA.

The Commission had previously issued a Notice of Consideration of Issuance of Amendment published in the **Federal Register** on June 8, 2010, (75 FR 32511). However, by letter dated March 28, 2011, the licensee withdrew the proposed change.

For further details with respect to this action, see the application for amendment dated March 23, 2010

(Agencywide Documents Access and Management System (ADAMS) Accession No. ML100890594), as supplemented by letter dated December 6, 2010 (ADAMS Accession No. ML103500470), and the licensee's letter dated March 28, 2011, which withdrew the application for license amendment.

Documents may be examined, and/or copied for a fee, at the NRC's Public Document Room (PDR), located at One White Flint North, Public File Area O1 F21, 11555 Rockville Pike (first floor), Rockville, Maryland. Publicly available records will be accessible electronically from the ADAMS Public Electronic Reading Room on the Internet at the NRC Web site, <http://www.nrc.gov/reading-rm/adams.html>. Persons who do not have access to ADAMS or who encounter problems in accessing the documents located in ADAMS should contact the NRC PDR Reference staff by telephone at 1-800-397-4209, or 301-415-4737 or by e-mail to [pdr.resource@nrc.gov](mailto:pdr.resource@nrc.gov).

Dated at Rockville, Maryland this 20th day of April 2011.

For the Nuclear Regulatory Commission.

**Brenda Mozafari,**

*Senior Project Manager, Plant Licensing Branch II-2, Division of Operating Reactor Licensing, Office of Nuclear Reactor Regulation.*

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-64324; File No. SR-NYSEArca-2011-19]

### Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Permit the Listing of Series With \$0.50 and \$1 Strike Price Increments on Certain Options Used To Calculate Volatility Indexes

April 22, 2011.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that, on April 19, 2011, NYSE Arca, Inc. (the "Exchange" or "NYSE Arca") filed with the Securities and Exchange Commission (the "Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit

comments on the proposed rule change from interested persons.

#### I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to adopt Commentary .11 to NYSE Arca Rule 6.4 to permit the listing of strike prices in \$0.50 intervals where the strike price is less than \$75, and strike prices in \$1.00 intervals where the strike price is between \$75 and \$150 for option series used to calculate volatility indexes. The text of the proposed rule change is available at the Exchange, the Commission's Public Reference Room, and <http://www.nyse.com>.

#### II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of, and basis for, the proposed rule change and discussed any comments it received on the proposed rule change. The text of those statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant parts of such statements.

##### A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

###### 1. Purpose

The purpose of this proposed rule change is to permit the Exchange to list strike prices in \$0.50 intervals where the strike price is less than \$75, and strike prices in \$1.00 intervals where the strike price is between \$75 and \$150 for option series used to calculate volatility indexes. The proposal is based on a recently approved rule change by the Chicago Board Options Exchange ("CBOE").<sup>3</sup>

To effect this change, the Exchange is proposing to add new Commentary .11 to Rule 6.4, Series of Options Open for Trading. The new provisions will permit the listing of strike prices in \$0.50 intervals where the strike price is less than \$75, and strike prices in \$1.00 intervals where the strike price is between \$75 and \$150 for option series used to calculate volatility indexes.<sup>4</sup>

<sup>3</sup> See Exchange Act Release No. 64189 (April 5, 2011), 76 FR 20066 (April 11, 2011).

<sup>4</sup> For example, CBOE calculates the CBOE Gold ETF Volatility Index ("GVZ"), which is based on the VIX methodology applied to options on the SPDR Gold Trust ("GLD"). The current filing would permit

Volatility indexes are calculated and disseminated by the CBOE, which also list options on the resulting index. At this time, NYSE Arca has no intention of listing volatility options, and will not be selecting options on any equity securities, Exchange-Traded Fund Shares, Trust Issued Receipts, Exchange Traded Notes, Index-Linked Securities, or indexes to be the basis of a volatility index.

To the extent that the CBOE or another exchange selects a multiply listed product as the basis of a volatility index, proposed Commentary .11 would permit NYSE Arca to list and compete in all series listed by the CBOE for purposes of calculating a volatility index.

NYSE Arca has analyzed its capacity and represents that it believes the Exchange and the Options Price Reporting Authority have the necessary systems capacity to handle the additional traffic associated with the listing of strike prices in \$0.50 intervals where the strike price is less than \$75, and strike prices in \$1.00 intervals where the strike price is between \$75 and \$150 for option series used to calculate volatility indexes in securities selected by the CBOE.

###### 2. Statutory Basis

The Exchange believes that this proposed rule change is consistent with Section 6(b) of the Securities Exchange Act of 1934 ("Act"),<sup>5</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act<sup>6</sup> in particular, in that it is designed to prevent fraudulent and manipulative acts and practices, promote just and equitable principles of trade, remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest, by allowing the Exchange to offer a full range of all available option series in a given class, including those selected by other exchanges to be the basis of a volatility index. While this proposal will generate additional quote traffic, the Exchange does not believe that this increased traffic will become unmanageable since the proposal is restricted to a limited number of classes. Further, the Exchange does not believe that the proposal will result in a

\$0.50 strike price intervals for GLD options where the strike price is \$75 or less. NYSE Arca is currently permitted to list strike prices in \$1 intervals for GLD options (where the strike price is \$200 or less), as well as for other exchange-traded fund ("ETF") options. See Rule 6.4, Commentary .05.

<sup>5</sup> 15 U.S.C. 78f(b).

<sup>6</sup> 15 U.S.C. 78f(b)(5).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.