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**SUPPLEMENTARY INFORMATION:**

**I. Background**

The NRC issues LR-ISGs to communicate insights and lessons learned and to address emergent issues not covered in existing license renewal guidance documents such as the GALL Report, NUREG-1801, Revision 2 (December 2010); and the SRP-LR, NUREG-1800, Revision 2 (December 2010), which are available in ADAMS under Accession Nos. ML103490041 and ML103490036, respectively. The NRC staff and stakeholders may use the guidance in an LR-ISG document before it is incorporated into a license renewal guidance document revision. The NRC staff issues LR-ISGs in accordance with the LR-ISG Process, Revision 2 (ADAMS Accession No. ML100920158), for which a notice of availability was published in the **Federal Register** on June 22, 2010 (75 FR 35510).

The NRC staff has developed LR-ISG-2016-01 (ADAMS Accession No. ML16237A383) to describe changes to the aging management guidance for various steam generator components within the scope of part 54 of title 10 of the *Code of Federal Regulations* (10 CFR), "Requirements for Renewal of Operating Licenses for Nuclear Power Plants." Specifically, this LR-ISG addresses the changes to aging management guidance for managing: (a) Cracking due to primary water stress corrosion cracking in divider plate assemblies and tube-to-tubesheet welds, and (b) loss of material due to boric acid corrosion in steam generator heads (interior surfaces) and tubesheets (primary side). In addition, changes are made to the associated AMR items in the GALL Report and SRP-LR. This LR-ISG also revises the Final Safety Analysis Report supplement for GALL Report AMP XI.M19, "Steam Generators" that is documented in Table 3.0-1, "FSAR Supplement for Aging Management of Applicable Systems" of the SRP-LR.

On June 7, 2016, (81 FR 36612) the NRC requested public comments on draft LR-ISG-2016-01 (ADAMS Accession No. ML16102A268). The NRC received comments from the Nuclear Energy Institute by letter dated July 7, 2016 (ADAMS Accession No. ML16194A026). No other comments were submitted. The NRC considered those comments in developing the final LR-ISG. Detailed responses to the comments can be found in Appendix C of the final LR-ISG.

The final LR-ISG-2016-01 is approved for NRC staff and stakeholder

use and will be incorporated into the next revision of the NRC's license renewal guidance document. These changes provide one acceptable approach for managing the associated aging effects for steam generator components within the scope of the license renewal rule (10 CFR part 54). A licensee may cite LR-ISG-2016-01 in its license renewal application until the guidance in this LR-ISG is incorporated into the license renewal guidance documents (*i.e.*, GALL Report and SRP-LR).

The staff also plans to consider the information in this LR-ISG and make corresponding changes when finalizing the aging management guidance for the subsequent license renewal period (*i.e.*, up to 80 years of operation), which is documented in draft NUREG-2191, draft "Generic Aging Lessons Learned for Subsequent License Renewal Report" (GALL-SLR) (ADAMS Accession Nos. ML15348A111 and ML15348A153), and draft NUREG-2192, draft "Standard Review Plan for Review of Subsequent License Renewal for Nuclear Power Plants" (SRP-SLR) (ADAMS Accession No. ML15348A265).

**II. Congressional Review Act**

This LR-ISG is a rule as defined in the Congressional Review Act (5 U.S.C. 801-808). However, the Office of Management and Budget has not found it to be a major rule as defined in the Congressional Review Act.

**III. Backfitting**

The NRC intends to use the guidance in this LR-ISG when reviewing current and future license renewal applications. Issuance of this final LR-ISG does not constitute backfitting as defined in 10 CFR 50.109 (the Backfit Rule). As discussed in the "Backfitting" section of the final LR-ISG-2016-01, the backfitting provisions in 10 CFR 50.109 are not applicable to an applicant for a renewed license. Therefore, issuance of this LR ISG would not constitute backfitting for licensees currently in the license renewal process as defined in 10 CFR 50.109(a)(1). This guidance is nonbinding and the LR-ISG does not require current holders of renewed licenses to take any action (*i.e.*, programmatic or plant hardware changes for managing the associated aging effects for components within the scope of this LR-ISG). The current holders of renewed licenses could treat the information presented in this LR-ISG as "operating experience" information and consider this information to ensure that relevant AMPs are, and will remain, effective. However, the NRC could also use the

LR-ISG in evaluating voluntary, licensee-initiated changes to previously approved AMPs.

Dated at Rockville, Maryland, this 30th day of November, 2016.

For the Nuclear Regulatory Commission.

**Benjamin G. Beasley,**

*Acting Deputy Director, Division of License Renewal, Office of Nuclear Reactor Regulation.*

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**SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34-79437; File No. SR-BatsBZX-2016-78]

**Self-Regulatory Organizations; Bats BZX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Make Non-Substantive Changes to the Fee Schedule**

December 1, 2016.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on November 29, 2016, Bats BZX Exchange, Inc. (the "Exchange" or "BZX") filed with the Securities and Exchange Commission (the "Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Exchange has designated the proposed rule change as one establishing or changing a member due, fee, or other charge imposed by the Exchange under Section 19(b)(3)(A)(ii) of the Act<sup>3</sup> and Rule 19b-4(f)(2) thereunder,<sup>4</sup> which renders the proposed rule change effective upon filing with the Commission. 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 the Substance of the Proposed Rule Change**

The Exchange filed a proposal to make several non-substantive changes to the fee schedule applicable to Members<sup>5</sup> and non-members of the Exchange pursuant to Exchange Rules 15.1(a) and (c).

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

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

<sup>3</sup> 15 U.S.C. 78s(b)(3)(A)(ii).

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

<sup>5</sup> A Member is defined as "any registered broker or dealer that has been admitted to membership in the Exchange." See Exchange Rule 1.5(n).

The text of the proposed rule change is available at the Exchange's Web site at [www.batstrading.com](http://www.batstrading.com), at the principal office of the Exchange, and at the Commission's Public Reference Room.

## 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 Exchange 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 these 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 Exchange proposes to make certain clarifying and non-substantive changes to its fee schedule in order to improve formatting, eliminate certain redundancies, increase overall readability, and provide users with straightforward descriptions to augment overall comprehensibility and usability of the existing fee schedule. The Exchange notes that these changes are purely clerical and do not substantively amend any fee or rebate, nor do they alter the manner in which the Exchange assesses fees or calculates rebates. The proposed changes are simply intended to provide greater transparency to market participants regarding how the Exchange assesses fees and calculates rebates. Specifically, the Exchange proposes to:

- Alphabetize defined terms under the "Definitions" section;<sup>6</sup>
- capitalize the title of the column setting forth each tier's rate under footnotes 1, 2, 3, 4, 11, 12, 13, and 14;
- amend the name of footnote 2 from "Tiers" to "Tier" to connote the footnote's single tier;
- amend the title of the first column of footnote 1, 2, 3, and 14 to simply state "Tier" as the deleted language is redundant with the respective tier's title or with the description of the tier's criteria;

<sup>6</sup> The Exchange does not propose to alphabetize the definitions under the Market Data section of its fee schedule as those terms are generally grouped with similar terms.

- amend the title of the column setting forth the tier's rate under footnote 13 to simply state "Fee Per Share to Remove" or "Rebate Per Share to Add" as applicable. Renaming these [sic] column is intended to clearly indicate whether the footnote provides a fee and/or a rebate, and whether that enhanced pricing applies to orders which add or remove liquidity. In renaming these columns, the Exchange also proposes to remove certain other descriptive language as such language is redundant and set forth in the tier's title and list of its applicable fee codes;

- amend the name under first column of the tiers listed under footnotes 2, 3, 4, 11, 12, 13 and 14 to simply state "Tier" or "Tier 1", "Tier 2", etc.;

- replace the phrases "is equal to or greater than", "is at least", "of at least" and "that is . . . or more" with "≥" in all required criteria cells throughout the fee schedule; and

- amend the description of the required criteria under the third column of the tiers to begin with "Member has an" where applicable. Amending this description is intended to harmonize the format of the tier's criteria with its affiliate exchanges.

#### 2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder that are applicable to a national securities exchange, and, in particular, with the requirements of Section 6 of the Act.<sup>7</sup> Specifically, the Exchange believes that the proposed rule change is consistent with Sections 6(b)(4) of the Act,<sup>8</sup> in that it provides for the equitable allocation of reasonable dues, fees and other charges among members and other persons using any facility or system which the Exchange operates or controls. The Exchange believes that the proposed changes are reasonable and equitable because they are intended to simplify the Exchange's fee schedule and provide greater transparency to market participants regarding how the Exchange assesses fees and calculates rebates. The Exchange notes that these changes are purely clerical and do not substantively amend any fee or rebate, nor do they alter the manner in which the Exchange assesses fees or calculates rebates. The Exchange also believes that the proposal is non-discriminatory because it applies uniformly to all Members. Finally, the Exchange believes that the proposed changes will make the fee schedule clearer and

<sup>7</sup> 15 U.S.C. 78f.

<sup>8</sup> 15 U.S.C. 78f(b)(4).

eliminate potential investor confusion, thereby removing impediments to and perfecting the mechanism of a free and open market and a national market system, and, in general, protecting investors and the public interest.

### B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended. To the contrary, the Exchange believes that the proposed rule change will not impose any burden on competition as the changes are purely clerical and do not amend any fee or rebate.

### C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

The Exchange has not solicited, and does not intend to solicit, comments on this proposed rule change. The Exchange has not received any written comments from members or other interested parties.

## III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act<sup>9</sup> and paragraph (f) of Rule 19b-4 thereunder.<sup>10</sup> At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

## IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

#### Electronic Comments

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-BatsBZX-2016-78 on the subject line.

#### Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange

<sup>9</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>10</sup> 17 CFR 240.19b-4(f).

Commission, 100 F Street NE.,  
Washington, DC 20549-1090.

All submissions should refer to File Number SR-BatsBZX-2016-78. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549 on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-BatsBZX-2016-78, and should be submitted on or before December 28, 2016.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>11</sup>

**Brent J. Fields,**

*Secretary.*

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-79446; File No. SR-BX-2016-065]

### Self-Regulatory Organizations; NASDAQ BX, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Extend the Pilot Period for the Retail Price Improvement Program Until December 1, 2017

December 1, 2016.

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 November 29, 2016, NASDAQ BX, Inc. ("BX" or "Exchange") filed with the Securities and Exchange Commission ("SEC" or "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 seeks to extend the pilot period for the Exchange's Retail Price Improvement ("RPI") Program (the "Program"), which is set to expire on December 1, 2016, for a period of one year, to expire on December 1, 2017.

The Exchange has designated December 1, 2016 as the date the proposed rule change becomes effective.

The text of the proposed rule change is available on the Exchange's Web site at <http://nasdaqomxbx.cchwallstreet.com>, at the principal office of the Exchange, and at the Commission's Public Reference Room.

#### 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 Exchange 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 these 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 aspects 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 filing is to extend the pilot period of the RPI Program,<sup>3</sup> currently scheduled to expire on December 1, 2016 for an additional year, until December 1, 2017.

##### Background

In November 2014, the Commission approved the RPI Program on a pilot basis.<sup>4</sup> The Program is designed to attract retail order flow to the Exchange, and allow such order flow to receive potential price improvement. The Program is currently limited to trades occurring at prices equal to or greater than \$1.00 per share. Under the Program, a new class of market participant called a Retail Member Organization ("RMO") is eligible to submit certain retail order flow ("Retail Orders")<sup>5</sup> to the Exchange. BX members ("Members") are permitted to provide potential price improvement for Retail Orders in the form of non-displayed interest that is priced more aggressively than the Protected National Best Bid or Offer ("Protected NBBO").<sup>6</sup>

The Program was approved by the Commission on a pilot basis running one-year from the date of implementation.<sup>7</sup> The Commission approved the Program on November 28, 2014.<sup>8</sup> The Exchange implemented the

<sup>3</sup> Securities Exchange Act Release No. 73702 (November 28, 2014), 79 FR 72049 (December 4, 2014) ("RPI Approval Order") (SR-BX-2014-048).

<sup>4</sup> See *id.*

<sup>5</sup> A "Retail Order" is defined in BX Rule 4780(a)(2) by referencing BX Rule 4702, and BX Rule 4702(b)(6) says it is an order type with a non-display order attribute submitted to the Exchange by a RMO. A Retail Order must be an agency order, or riskless principal order that satisfies the criteria of FINRA Rule 5320.03. The Retail Order must reflect trading interest of a natural person with no change made to the terms of the underlying order of the natural person with respect to price (except in the case of a market order that is changed to a marketable limit order) or side of market and that does not originate from a trading algorithm or any other computerized methodology.

<sup>6</sup> The term Protected Quotation is defined in Chapter XII, Sec. 1(19) and has the same meaning as is set forth in Regulation NMS Rule 600(b)(58). The Protected NBBO is the best-priced protected bid and offer. Generally, the Protected NBBO and the national best bid and offer ("NBBO") will be the same. However, a market center is not required to route to the NBBO if that market center is subject to an exception under Regulation NMS Rule 611(b)(1) or if such NBBO is otherwise not available for an automatic execution. In such case, the Protected NBBO would be the best-priced protected bid or offer to which a market center must route interest pursuant to Regulation NMS Rule 611.

<sup>7</sup> See RPI Approval Order, *supra* note 3 at 72053.

<sup>8</sup> *Id.* at 72049.

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

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

<sup>11</sup> 17 CFR 200.30-3(a)(12).