



COGEMA

Resources, Inc.

May 19, 2000

License Fee and Accounts Receivable Branch (T9-E-10)
Office of the Chief Financial Officer
U.S. Nuclear Regulatory Commission
11545 Rockville Pike
Rockville, MD 20852-2738

Dear Sir/Madam:

Pursuant to 10 CFR 15.31, "Disputed Debts", I hereby request a review of certain fees charged in four invoices for the first fiscal quarter of 2000. The four invoices are summarized in an attached table. The portion of fees disputed are provided following:

• **Pathfinder Mines Corporation Invoice No. FLO153-00, License No. SUA-1540:**

\$2,604 for Project Management, General Administration
\$2,240 for Project Management, Support to other organizations

• **Pathfinder Mines Corporation Invoice No. FLO125-00, License No. SUA-442:**

\$2,240 for Project Management
\$ 280 for Project Management – Uranium Recovery Licensing
\$2,590 for Project Management – General Administration
\$ 140 for Project Management – Staff Development & Professional Meetings

• **Pathfinder Mines Corporation Invoice No. FLO121-00, License No. SUA-672:**

\$2,240 for Project Management
\$ 280 for Project Management, Uranium Recovery Licensing
\$2,590 for Project Management, General Administration
\$ 140 for Project Management, Staff Development & Professional Meetings

• **COGEMA Mining, Inc. Invoice No. FLO135-00, License No. SUA-1341:**

\$2,604 for Project Management, General Administration
\$2,240 for Project Management, Support to other organizations
\$1,400 for Project Management
\$9,940 for Amendments to Renewed License

The above dollar amounts are only a portion of what NRC has invoiced Pathfinder and COGEMA Mining for the first fiscal quarter of 2000. The full invoice(s) payment has been submitted to your St. Louis, MO fee and accounts receivable office to avoid any dispute with interest (copies of the checks are attached).



The primary dispute is with the fees charged for the various categories of Project Management (PM). It is our understanding that NRC cannot recover PM costs that have no relationship to our facilities or licenses. To be a valid fee, the fee must "be reasonably related to, and may not exceed the value of the service to the recipient, whatever the agency's costs may be", and must be associated with the oversight of the assigned license or plant. We sincerely doubt that "Support to other organizations" is a valid service to our sites. Additionally, 100% of the PMC North Butte invoice was for Project Management. This included no licensing work, only project management fees. Overall, the three PMC invoices had only 49% licensing work and 52% project management fees. These percentages are extremely disproportional in terms of what true project management costs should be. To help our company understand what these various PM charges are, I respectfully ask that NRC provide a detailed breakdown of the PM costs referenced above.

I would also like to receive more information on the \$9,940 charge for NRC Case No. 7600, "Amendments to Renewed License", contained in the above COGEMA Mining invoice. We have been waiting for these amendments for almost two years and seem to be no closer to receiving these amendments than when we started. To date (since mid-1998), a total of \$18,107.50 has been charged by four different NRC Project Managers on these particular amendments which were requested for a newly issued performance-based license. I simply cannot understand why it has taken so long for this work (still not completed), and why it is so expensive. Some of the items requiring amendment were errors made by NRC that require correction, and others were requested for clarity and consistency purposes. A detailed breakdown of the \$9,904 charge would be greatly appreciated so that we may see what work has been accomplished and how close we are to receiving the amendments.

I must add that COGEMA Mining is ceasing all production activities in June because of poor market conditions. None of the PMC projects are in production. At COGEMA Mining we have already reduced our workforce by 35% and expect another cutback when production ceases. The above referenced amount of money PMC and COGEMA Mining were invoiced by NRC for project management during ONE CALENDAR QUARTER is \$21,588. For this amount of money, we could rehire one mine-site employee for restoration work for the full year (four per year if NRC continues these quarterly charges). Additionally, we have had severe cutbacks in overall spending and we struggle to save \$100 here, \$500 there. It is very disheartening to see such a large amount of money paid to NRC for "services" with little justification, or tangible results, when our own employees are expected to severely reduce and justify every penny spent.

In summary, I ask that the NRC provide more detail for the charges in dispute. For any charges that are questionable, I encourage you to give us the benefit of the doubt and reduce or eliminate those charges.

Sincerely,

Donna L. Wichers
General Manager
COGEMA Mining, Inc. and Pathfinder Mines Corporation

cc: Thomas H. Essig, NRC

Summary of 1st Quarter FY2000 NRC Fees
 COGEMA Mining and Pathfinder Mines Corporation

	Billing Period	Case No.	Project Date	Date Completed	Reviewer	Hrs.	Cost	Detail	
COGEMA Mining Christensen/Irigaray	09/28/1999								
	to 01/01/00	7800	09/15/1998		MC Wong	71.0	9,940	Amendments to Renewed License	
	(1st quarter FY2000)	7800	02/17/1999		H Lefevre	2.3	322	Well excursions and miscellaneous short-term activities	
	Invoice No. FL0135-00	7800	02/17/1999		MC Wong	2.5	350	Well excursions and miscellaneous short-term activities	
	SUA-1341	7900	08/18/1999	11/15/1999	M Layton	4.0	580	Annual surety update	
		7900	08/18/1999	11/15/1999	RW Vontill	8.0	1,120	Annual surety update	
		PMOS	09/26/1999		H Lefevre	18.6	2,604	PM - General Administration	
		PMOS	09/26/1999		H Lefevre	16.0	2,240	PM - Support to other organizations	
		PMOS	09/26/1999		MC Wong	10.0	1,400	Project Management	
		070S	10/18/1999	11/29/1999	MC Wong	7.0	980	CIC-Submittal of decommissioning plan	
		8000	10/18/1999		M Layton	2.0	280	Amendment request of Condition 1.5 - Decommissioning Plan	
	Total					\$	19,796		
Grand Total COGEMA Mining							\$	19,796	
			Total License Work	\$	13,552	68%			
			Total Project Management Fees	\$	6,244	32%			

	Billing Period	Case No.	Project Date	Date Completed	Reviewer	Hrs.	Cost	Detail	
PMC North Butte	09/28/1999								
	to 01/01/00	PMOS	09/28/1999		H Lefevre	18.6	2,604	PM - General Administration	
	Invoice No. FL0153-00	PMOS	09/26/1999		H Lefevre	16.0	2,240	PM- Support to other organizations	
	SUA-1540						\$	4,844	
	Total								
Shirley Basin	09/28/1999								
	to 01/01/00	650S	05/22/1996	11/16/1999	D Rom	1.0	140	PSB/Revised Reclamation Plan	
	Invoice No. FL0125-00	650S	05/22/1996	11/16/1999	M Haque	29.0	4,340	PSB/Revised Reclamation Plan	
	SUA-442	6000	09/15/1999		D Rom	2.5	350	Annual Surety Update 1999	
		6000	09/15/1999		M Haque	8.0	1,120	Annual Surety Update 1999	
		PMOS	09/26/1999		M Haque	16.0	2,240	Project Management	
		PMOS	09/26/1999		M Haque	2.0	280	PM - Uranium Recovery Licensing	
		PMOS	09/26/1999		M Haque	18.5	2,590	PM - General Administration	
		PMOS	09/26/1999		M Haque	1.0	140	PM - Staff Development & Professional Meetings	
		6200	10/29/1999		JH Lusher	5.0	700	Windblown Area Cleanup	
		6200	10/29/1999		M Haque	11.0	1,540	Windblown Area Cleanup	
	6100	11/02/1999		M Haque	15.0	2,100	Extension of Reclamation Date		
	Total					\$	15,540		
Lucky Mc	09/28/1999								
	to 01/01/00	8000	08/11/1999	11/10/1999	M Haque	23.0	3,220	Pond 2A 90% consolidation	
	Invoice No. FL0121-00	8100	09/15/1999		D Rom	2.5	350	Annual surety update 1999	
	SUA-672	8100	09/15/1999		M Haque	8.0	1,120	Annual surety update 1999	
		PMOS	09/26/1999		M Haque	16.0	2,240	Project Management	
		PMOS	09/26/1999		M Haque	2.0	280	PM - Uranium Recovery Licensing	
		PMOS	09/26/1999		M Haque	18.5	2,590	PM - General Administration	
		PMOS	09/26/1999		M Haque	1.0	140	PM- Staff Development & Professional Meetings	
	Total					\$	9,940		
Grand Total PMC							\$	30,324	
			Total License Work		14,980	49%			
			Total Project Management Fees		15,344	51%			

VENDOR NO.	PATHFINDER A Cogema Resources Company		Pathfinder Mines Corporation P.O. Box 730 Mills, Wy 82644	CHECK DATE 5/19/00	CHECK NO. 71231
INVOICE	INVOICE NUMBER	GROSS AMOUNT	DISCOUNT AMOUNT	NET AMOUNT	
4/22/00	FL0125-00 / SUA-442	15,540.00		15,540.00	
4/22/00	FL0153-00 / SUA-1540	4,844.00		4,844.00	
4/22/00	FL0121-00 / SUA-672	9,940.00		9,940.00	
		TOTAL GROSS AMOUNT	TOTAL DISCOUNT AMOUNT	TOTAL NET AMOUNT	
		30,324.00		30,324.00	

PATHFINDER
A Cogema Resources Company
Pathfinder Mines Corporation
P.O. Box 730 Mills, Wy 82644

71231

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520

DATE
5/19/00

FIRST NATIONAL BANK
OF MARYLAND
BALTIMORE, MARYLAND
ACCOUNTING CENTER

PAY TO THE ORDER OF

*****\$30,324.00***
US Nuclear Regulatory Comm.
License Fee & Acc. Receivable Branch
P.O. Box 954514
St. Louis, MO 63195-4514

[Signature]

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VENDOR NO.		MALCO A COGEMA Mining, Inc. / Malapai Resources Company JP			P.O. Box 730 Mills, Wy 82644	CHECK DATE	CHECK NO.
						5/19/00	24958
INVOICE DATE	INVOICE NUMBER	BATCH	VOUCHER NO.	GROSS AMOUNT	DISCOUNT AMOUNT	NET AMOUNT	
4/22/00	FL0135-00 SUA-1341			19,796.00		19,796.00	
				TOTAL GROSS AMOUNT	TOTAL DISCOUNT AMOUNT	TOTAL NET AMOUNT	
				19,796.00		19,796.00	

24958

MALCO

A COGEMA Mining, Inc. / Malapai Resources Company JP
P.O. Box 730 Mills, Wy 82644

FIRST NATIONAL BANK
OF MARYLAND
BALTIMORE, MARYLAND
ACCOUNTING CENTER

7-11
520

DATE
5/19/00

PAY TO THE ORDER OF

Handwritten: 19,796.00

*****\$19,796.00***
US Nuclear Regulatory Commission
License Fee & Acc. Receivable Branch
P.O. Box 954514
St. Louis, MO 63195-4514

Handwritten Signature: [Signature]

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