

June 13, 2002

Ms. Katie Sweeney, Associate General Counsel
National Mining Association
1130 17th Street, NW
Washington, D.C. 20036-4677

Dear Ms. Sweeney:

This letter is in response to the National Mining Association (NMA) petition (PRM-170-5), docketed on September 11, 2001, requesting that the U.S. Nuclear Regulatory Commission (NRC) conduct a rulemaking that would waive fees for uranium recovery licensees. Specifically, NMA requested that the NRC conduct a rulemaking which would establish the basis for waiving all licensing and inspection fees (10 CFR Part 170) and annual fees (10 CFR Part 171) imposed on uranium recovery licensees regulated by the NRC -- or as an alternative, establish the basis for waiving fees associated with a contemplated rulemaking that would develop requirements for licensing uranium and thorium recovery facilities. The basis for NMA's request is that it is "in the 'public interest' of the United States of America" to maintain a viable domestic uranium recovery industry.

The NRC solicited public comment on NMA's petition in a Federal Register notice (66 FR 55604; November 2, 2001), requesting that comments be filed by January 16, 2002. The Federal Register notice was also mailed to all NRC licensees (more than 5,000 entities) to afford maximum public awareness and participation. In response, the NRC received 14 comments. Additionally, in the FY 2002 proposed fee rule (67 FR 14818; March 27, 2002), the NRC invited the public to submit any new arguments on the NMA petition. There were three comments, including NMA's, that addressed the petition in response to the FY 2002 proposed fee rule; however, none presented any new arguments.

After careful consideration of the issues raised in the petition and the comments received, the Commission has decided to deny the NMA petition. The Notice of Denial, which explains the rationale for the Commission's decision, will be published in the Federal Register in the near future.

As you are aware, the NRC presented a revised methodology for allocating costs to the uranium recovery class in the aforementioned FY 2002 proposed fee rule, effectively reducing the fees assessed to uranium recovery licensees under the NRC's Title II program. I can assure you that the Commission is keenly aware of the uranium industry's current plight, and will continue to evaluate ways to implement its regulatory programs in an efficient and effective manner. Additionally, the Commission would support the uranium recovery licensees in their solicitation of Congress to have NRC's regulatory costs for uranium recovery appropriated from the General Fund, and thereby removed from the NRC fee base.

K. Sweeney

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Thank you for your continued interest in improving the NRC's fee program. If you have any questions regarding this matter, please contact Mr. Robert Carlson of my staff at 301-415-8165.

Sincerely,

/RA/

Jesse L. Funches
Chief Financial Officer

K. Sweeney

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Thank you for your continued interest in improving the NRC's fee program. If you have any questions regarding this matter, please contact Mr. Robert Carlson of my staff at 301-415-8165.

Sincerely,

/RA/

Jesse L. Funches
Chief Financial Officer

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