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

March 9, 1998

Handwritten: Document # 11



MEMORANDUM TO:

Jesse L. Funches
Chief Financial Officer

L. Joseph Callan
Executive Director for Operations

FROM:

Handwritten signature of John C. Hoyle
John C. Hoyle, Secretary

SUBJECT:

COMSAJ-98-001/COMEXM-98-001- ANNUAL FEES FOR
STORAGE OF SPENT FUEL

The Commission has previously determined that both wet storage (i.e., spent fuel pool) and dry storage (i.e., independent spent fuel storage installations, or ISFSI) are considered safe and acceptable forms of storage for spent fuel. The current fee structure could create a disincentive for licensees to pursue dry storage. The potential disincentive arises from the imposition of annual fees for Part 72 licensees (approximately \$280K/year), but no annual fee on Part 50 "possession only" licensees who forgo an ISFSI in favor of spent fuel pool storage.

Since the Commission has formally found that both wet and dry storage are safe and acceptable, the Commission believes that actions such as annual licensing fees should not arbitrarily favor one method over another or create incentives to choose one approach over another. For this reason the staff should revise the fee rule (Part 171) in a way that gives equivalent fee treatment to both storage options.

Due to the short time remaining before the proposed FY 1998 fee rule is to be completed, the staff should include in the "Statements of Consideration" of the FY1998 fee rule NRC's intention to revise the FY1999 fee rule to be consistent with the Commission's new policy on annual fees for storage of spent fuel. This will give the staff the time necessary to ensure that the NRC fee rule is sound and consistent with Commission Policy.

(CFO/EDO) (SECY Suspense: FY 98 Fee Rule SOC: 3/27/98) } OCFD-98-105
FY 99 Fee Rule Changes: 3/26/99 } OCFD-98-106

cc: Chairman Jackson
Commissioner Dicus
Commissioner Diaz
Commissioner McGaffigan

SECY NOTE: THIS SRM, THE SUBJECT COM, AND THE VOTES OF ALL COMMISSIONERS WILL BE MADE PUBLICLY AVAILABLE 5 WORKING DAYS FROM THE DATE OF THIS SRM.