



OFFICE OF THE
SECRETARY

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

February 2, 1999

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DOCUMENT # 17

MEMORANDUM TO: Jesse L. Funches
Chief Financial Officer

Karen Cyr
General Counsel

FROM: Annette Vietti-Cook, Secretary *Annette Vietti-Cook*

SUBJECT: STAFF REQUIREMENTS - SECY-98-260 -FY1999 FEE
RULEMAKING

The Commission has approved the following in regard to your proposed publication for comment of revisions to the fee policies in FY 1999.

1. The Commission agrees with recommendation 1 to expand the scope of Part 170 to include Incident Investigation Teams, performance assessments and evaluations, reviews of reports and other documents such as responses to confirmatory action letters, and full cost recovery for project managers, and that public comments be solicited on including orders and responses thereto and escalated enforcement actions in Part 170 for FY 2000; however, the Commission does not support the soliciting of public comments on whether the NRC should recover costs for allegations and investigations under Part 170 in the FY 2000 fee rule. The Federal Register Notice (FRN) should also include a more complete description of the types of project managers activities that would be recovered under Part 170, and those that would be considered generic activities and included in the annual fee.

A discussion of the Commission's successful efforts to seek reimbursement for NRC's international cooperation activities should be included in the FRN.

2. The Commission agrees with recommendation 2 to establish a spent fuel storage/decommissioning annual fee to be assessed to all Part 50 power licensees regardless of their operating status, and those Part 72 licensees who do not hold a Part 50 license, and recover the remaining generic decommissioning costs through a surcharge assessed to the various classes of licensees based on their share of the budget. As a part of the legislative package submitted to the Commission in February 1999, the staff should provide the proposed legislative language and discuss the positive

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and negative aspects of pursuing the proposed legislation to allow NRC to recover the generic costs associated with spent fuel storage from the Nuclear Waste Fund beginning in FY 2000.

(OGC/CFO)

(Secy Suspense: 2/99)

3. The Commission agrees with recommendation 3 to propose legislation to authorize NRC to assess licensing and inspection fees to all federal agencies.
4. The Commission agrees with recommendation 4 to eliminate flat amendment fees for materials licensees from Part 170 and include the costs in the materials license Part 171 annual fee. The Commission should consider assessment of Part 170 fees for vendor inspections for future resolution as part of its decision on proposed legislative changes.

As stated in the paper, you should finalize the calculations on the preliminary fees and provide the results to the Commission for a decision on whether to rebaseline the FY 1999 annual fees or establish the annual fees by the percent change method.

(CFO)

(SECY Suspense:

2/5/99)

Separate from the FY 1999 fee rule, the staff should review the agency policies with regard to the types of work to be performed during uncompensated overtime, as recommended in the *Fee Initiative Study* under Fee Initiative 8. The Commission should be informed of the amount and nature of uncompensated overtime performed in FY 1998, particularly the distribution of the uncompensated work among billable and non-billable accounts.

(EDO/CFO)

(SECY Suspense:

7/30/99)

cc: Chairman Jackson
Commissioner Dicus
Commissioner Diaz
Commissioner McGaffigan
Commissioner Merrifield
EDO
CIO
OCA
OIG
OPA
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