

From: Tammy Croote  
To: Jesse Funches  
Date: 1/31/05 12:47PM  
Subject: MOx fee rule issue

Jesse,

We are trying to determine whether we should establish a new annual fee for the MOx fuel fab facility, billable when it receives its construction authorization (est. Feb 2005). This fee would recover costs associated with this facility not recovered under Part 170 (e.g., guidance/procedures/rulemaking development unique to this facility).

The issue is whether these costs should be recovered under Part 171 or Part 170. We charge annual fees for operating licenses, but for MOx, we'd be charging for the construction authorization. (We actually could issue the MOx facility a combined construction/operating license, but chose not to only at DOE's request, to enhance consistency with the Russian process.)

OGC (Trip) thinks we should recover ALL the costs associated with this facility under Part 170. He said that is what we did with USEC, when we incurred many costs associated with it prior to it receiving a license. I can't immediately determine whether we billed USEC all the costs associated with it (e.g., rulemaking), and the files on USEC are archived and so sorting this out would take a bit of time. To expedite this (since we had hoped to get the fee rule to you today), it would be useful to get your input on how we handled USEC, and how this might bear on whether we should establish an annual fee for the MOx facility when it receives its construction authorization.

I think the annual fee route may be easier, especially since some NMSS costs associated with this facility are 'capacity' costs associated with gathering needed expertise for this new type of facility--which may be awkward to bill under Part 170. The new annual fee may not be controversial, since NMSS expects it will get 'passed along' to DOE.

Please let me know your thoughts or if you'd like to meet to discuss.

Thanks,

Tammy

CC: Anthony Rossi; Mary Saah Givvines; Peter Rabideau; Renu Suri

FYI - I 'resolved' this issue by creating an annual fee for the MOx facility, but we should discuss.

Tammy