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DOCKET NUMBER
PROPOSED RULES
FR 170-171
(70 FR 08678)



Global Nuclear Fuel

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DOCKETED
USNRC

March 24, 2005

March 24, 2005 (4:15pm)

OFFICE OF SECRETARY
RULEMAKINGS AND
ADJUDICATIONS STAFF

Secretary
U.S. Nuclear Regulatory Commission
Attn: Rulemakings and Adjudications Staff
Washington, D.C. 20555-0001

Subject: GNF-A Comments on Proposed Rule for Fee Revision, FR 2/22/05, Volume 70, Number 34, pages 8677-8703

Reference: NRC Material License SNM-1097, Docket: 70-1113

Dear Sir:

Global Nuclear Fuel – Americas, LLC (GNF-A) appreciates the opportunity to provide comments on the referenced proposed rule.

The proposed rule increases the hourly fee by \$42 (27%) from \$156 to \$198 per hour. This action creates an unexpected unfavorable impact to our current years budget. Formulating budgets is particularly difficult when we are informed during the same fiscal year of the increase. The rule states the increase will be offset, but the offset will not take place until next year. We request that the proposed hourly rate increase be rescheduled until such time as the offsetting reduction will coincide with the increase. We also request that a proposed increase or decrease under Part 170 or 171 be published for comment a year before the fees take affect, and that you consider issuing a five year projected forecast, to assist in our budgeting process.

We take exception to the 27% increase in the hourly rate that will apparently continue to increase as they have in the past. All businesses strive to increase productivity thereby maintaining if not reducing costs. Based on the continued overall historical increase in the hourly rate, the NRC does not appear to be applying this effort. We note that part of the increase was due to the number of Full Time Equivalent (FTE's), and request that once the NRC's use of these FTE's is complete, the FTE's should be reduced, not just reallocated. We also request other reviews of productivity and efficiency be conducted that will directly reduce the hourly rate.

Template = SECY-067

SECY-02

Secretary
U.S. Nuclear Regulatory Commission
March 24, 2005
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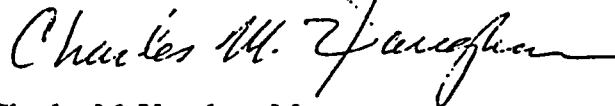
The Annual Fee for our facility increased by \$79,000 (5%) from \$1,533,000 to \$1,612,000. The explanation states this is the result of Full Time Equivalents (FTE) impacts, and it will result in an offset in the annual fee of the same amount. Unfortunately, due to the revenues not being received by the NRC until 2006, the Annual Fees will not be reduced until then. This reduction will then be based on an amount that has been increased this year by \$79,000. Justification for this action revolves around FTE. In addition, although we recognize the need to enhance security, fees that are not attributed to licensee activities, such as homeland security and additional security, related oversight should be site specific and not included in the annual fee.

The NRC should provide more details of the specific billings we receive in the annual fee. The Part 171 fees that amount to about 72% of the recovered costs are in the form of an annual fee with no details. The Part 170 fees, for the most part, identify specific projects and names of reviews that we are at least able to recognize as being a fee associated with our or another facility. In fact, there have been situations where there were billings that were in error and were subsequently corrected after we identified them.

Please contact me on (910) 675-5656 if you have any questions or would like to discuss the subject further.

Sincerely,

Global Nuclear Fuel – Americas, L.L.C.



Charles M. Vaughan, Manager
Facility Licensing

cc: CMV-05-017
Stephen D. Floyd, NEI

From: "Foleck, Richard H. (GNF)" <Richard.Foleck@gnf.com>
To: "SECY@nrc.gov" <SECY@nrc.gov>
Date: Thu, Mar 24, 2005 2:05 PM
Subject: GNF-A Comments on Proposed Rule For Fee Revision

Global Nuclear Fuel - Americas, LLC in Wilmington, NC hereby submits our comments to the proposed rule for the revision of Fee Schedules; Fee Recovery for FY 2005, as it appeared in the Federal Register dated 2/22/05 pages 8677 -8703.

Regards,

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Mail Envelope Properties (42430F6D.0CE : 9 : 8398)

Subject: GNF-A Comments on Proposed Rule For Fee Revision
Creation Date: Thu, Mar 24, 2005 2:06 PM
From: "Foleck, Richard H. (GNF)" <Richard.Foleck@gnf.com>

Created By: Richard.Foleck@gnf.com

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MESSAGE	402	Thursday, March 24, 2005 2:06 PM
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