August 18, 2008

R.M. Wester and Associates, Inc.
ATTN: Mr. R.M. Wester
215 Indacom Drive
St. Peters, Missouri 63376

Dear Mr. Wester:

The purpose of this correspondence is to respond to your letter dated July 21, 2008, in which you are requesting my assistance with the matter of additional fee assessments for the past seven years resulting from multiple errors and oversights by the U.S. Nuclear Regulatory Commission (NRC). The primary factor contributing to the administrative billing error was the misinterpretation of material usage in licenses/amendments that resulted in the incorrect assignment of fee categories. Both the NRC and the licensee are responsible for ensuring accurate fees are assessed. NRC is required by law to provide public notice of established fees by publishing fees in the Federal Register, on the NRC website, and by distributing a notice to all licensees and vendors annually. The NRC is also responsible for establishing and having adequate controls in place to ensure the correct program codes and fee categories are assigned to licenses. The licensee has a responsibility to verify the fees assigned to licenses and amendments.

As a federal agency we must attempt collection of debts owed to the United States even if the debt is a result of an administrative error. There is no statute of limitations which bars collection of annual fees owed to NRC. While there is no applicable statute of limitations, as a longstanding matter of policy, the NRC has been collecting fees for only the six years prior to the discovery of its billing error. In addition, the NRC has the authority to compromise a debt if the full amount cannot be paid because the debtor is unable to pay the full amount within a reasonable time in accordance with 10 CFR 15.43. The NRC assesses the merits of a compromise offer based in whole or in part on the debtor's inability to pay the full amount of a debt within a reasonable time, after receiving from the debtor a current financial statement, executed under penalty of perjury, showing the debtor's assets, liabilities, income, and expenses in accordance with 31 CFR 902.2. The NRC may also obtain credit reports or other financial information to assess compromise offers. A written offer of compromise must be received with your current financial statement within 30 days from the date of this letter, along with any other financial information that supports your claim of an inability to make full payment. Upon receipt of a request for compromise, we will evaluate the offer and advise you of our decision within 30 days.

Sincerely,

/RA/

Mona S. Williams, Chief
License Fee Team
Division of Financial Management
Office of the Chief Financial Officer

with any other financial information that supports your claim of an inability to make full payment. Upon receipt of a request for compromise, we will evaluate the offer and advise you of our decision within 30 days.

Sincerely,

/RA/

Mona S. Williams, Chief
License Fee Team
Division of Financial Management
Office of the Chief Financial Officer

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