

June 5, 2012

NOTE TO COMMISSIONERS' ASSISTANTS

OCM/GBJ

Angela Coggins  
 Anna Bradford  
 Laura Pearson  
 Lisa Clark  
 Tom Hipschman  
 Nathan Sanfilippo  
 cc Neha Dhir  
 Melody Fopma  
 Susan Loyd  
 Richard Barkley  
 Andy Imboden  
 Patti Pace  
 Herald Speiser  
 Catina Gibbs

OCM/KLS

Jeffry Sharkey  
 Darani Reddick  
 Patrick Castleman  
 Alan Frazier  
 Janet Lepre  
 Nicole Riddick

OCM/GEA

Belkys Sosa  
 Roger Davis  
 Nanette Gilles  
 Steve Baggett  
 Kathleen Blake  
 Carmel Savoy

OCM/WDM

Patrice Bubar  
 Bill Orders  
 Rebecca Tadesse  
 Margaret Bupp  
 Carrie Crawford

OCM/WCO

John Tappert  
 Michael Franovich  
 Andrea Kock  
 Kimberly Sexton  
 Linda Herr  
 Sunny Bozin

FROM: J. E. Dyer **/RA/**  
Chief Financial Officer

SUBJECT: PUBLIC COMMENTS ON THE FISCAL YEAR 2012 PROPOSED FEE RULE

Enclosed is a summary of the eight comments we received on the Fiscal Year (FY) 2012 Proposed Fee Rule. The U.S. Nuclear Regulatory Commission's (NRC) response to these comments will be included in a separate section of the FY 2012 Final Fee Rule estimated to be published in the Federal Register in June. I will send an information copy of the final rule to the Commission before it is sent to the Federal Register for publication.

The complete comments are posted on <http://www.regulations.gov> and can be found by entering the FY 2012 fee rule Docket ID, NRC-2011-0207, in the search field.

Enclosure: As stated

cc: EDO  
SECY  
OGC  
OCA  
OPA  
OIP  
OIS

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**ADAMS ACCESSION NO.: ML12136A079**

OFFICE	OCFO/DPB/BOB2	c	OCFO/DPB/BOB2	c	OCFO/DPB/BOB2	c	OCFO/DPB/BOB2	c
NAME	AHoward*		RSuri*		CGalster*		JMattingley*	
DATE	5/9/2012		5/10/2012		5/9/2012		5/14/2012	
OFFICE	OCFO/DPB	c	OCFO/DPB	c	DCFO	c	CFO	c
NAME	DPelton*		JGolder*		MBrown		JEDyer	
DATE	5/16/2012		5/17/2012		5/ /2012		6/5/2012	

## SUMMARY OF COMMENTS ON FY 2012 PROPOSED FEE RULE

### 1. RIA-JMTC Radiation Laboratory RSO

- a. Annual fees, unfortunately, increase for some licensees yet the FY 2012 NRC budget increased by one percent from FY 2011. Lab expenses continue to rise as result of fewer paying customers which could result in the closing of our lab, hence, no fees collected by the NRC. All changes in annual fees should be based on an equal percentage change spread amongst all licensees.

### 2. Rendezvous Engineering, P.C.

- a. Gross annual receipts range for small entities favors larger firms while burdening smaller entities.
- b. The existing gross annual receipts range does not distinguish annual fees for firms whose gross receipts are greater than \$450,000 compared to firms with relatively low gross receipts or lower than \$450,000 who qualify as small entities.
- c. NRC should consider establishing additional tiers of annual license fees within the current range of fees to reduce the license fee burden on some small entities.

### 3. Mid-America Isotopes, Inc.

- a. NRC should use the Small Business Administration's "Table of Small Business Size Standards" to define a small business with relation to the assignment fees by NRC.
- b. The government should be in uniformity in the assignment of definitions as it pertains to a business, be it size, type of industry, and other means of categorization.

### 4. Nuclear Energy Institute (NEI)

- a. Supports the NRC efforts over the past 7 years to level the budget resulting in an increase in total fee recovery by approximately 58 percent or \$540.7 million since 2005.
- b. Applauds NRC's proposal to reduce all licensees' annual fees by allocating the \$10 million fee-relief surplus amongst the licensees.
- c. NRC should continue to achieve greater transparency in its budgeting to reveal planned staffing and resource needs by individual divisions, defense and national interest programs.
- d. Encourages the NRC to fully explain decreased budgeted resources for FY 2012 and if these reductions will continue in the future.
- e. Requests NRC use \$32 million in unobligated balances to reduce licensee fees in future years if the Agency does fund additional Fukushima-related work with these resources.
- f. Commends NRC for increasing funds available for educational programs from \$11.5 to \$16.8 million.

ENCLOSURE

- g. Requests the NRC direct \$15 million of the funds budgeted in FY 2012 to support the congressionally-authorized Integrated University Program trade school, scholarship, fellowship and faculty development grants. Recommends the remaining funds be utilized for curriculum development and to support nuclear technology programs at minority serving institutions.

## **5. Wyoming Mining Association (WMA)**

- a. Supports the decrease in uranium recovery annual fees which benefit the industry.
- b. Concerned the higher hourly rates leads to higher licensing application review costs resulting in delays yet the NRC's regulatory process remains inefficient and unimproved as promised with the implementation of NUREG-1910 – Generic Environment Impact Statement (GEIS) for In Situ Leach Uranium Milling Facilities, Memorandum of Understanding (MOU) between the Commission and the Bureau of Land Management (BLM) and Performance Based Licensing. Recommends the following steps be taken to reduce the burden of excessive review costs:
  - 1. Provision for cost estimates for the NRC review of license submittals.
  - 2. Creation of a schedule of costs for common tasks.
  - 3. Preparation of more detailed invoices.
  - 4. Rigorous internal review of manpower applied to different tasks.
  - 5. Broaden the use of performance based licensing.

## **6. National Mining Association (NMA)**

- a. Supports the decrease in the annual fee category.
- b. Concerned increase in the hourly rates over last decades is not justified considering the NRC's regulatory process has not improved as promised with the implementation of NUREG-1910 – Generic Environment Impact Statement (GEIS) for In Situ Leach Uranium Milling Facilities, Memorandum of Understanding (MOU) between the Commission and the Bureau of Land Management (BLM) and Performance Based Licensing. Recommends the following steps be taken to improve the regulatory process and reduce review costs:
  - 1. NRC should redouble its efforts to capitalize on GEIS, review licensing actions expeditiously and better allocate its time and resources.
  - 2. Become more proactive and assertive in its implementation of the NRC/BLM MOU.
  - 3. Expand performance based licensing and increase Safety and Environmental Review Panels (SERPs).
  - 4. Urges the NRC to move forward to provide a draft for public comment concerning the National Historic Preservation Act section 106 process.
  - 5. NRC should look to other federal agencies, such as BLM, for best practices in the processing of 106 reviews.

6. Revise the proposed rule to require more efficient processing of services subject to hourly fees.
7. Establish more flat fees for activities at uranium recovery operations.
8. NRC managers should improve staff oversight to ensure resources are allocated efficiently.
9. Provide invoices that contain more meaningful descriptions of the work performed by staff and especially contractors, allowing the NRC to focus on cost-containment and establishment of more appropriate flat fees.
10. Ensure the agency is using resources effectively and considers alternative approaches that would maximize efficiencies, minimize costs, and establish accountability.

## **7. Kennecott Uranium Company**

- a. Supports the decrease in uranium recovery fees for FY 2012.
- b. Encourages the NRC to streamline the regulatory process to make it more efficient in order to reduce time spent on submittals, consequently lowering invoices over time.  
Recommends the following actions to reduce hourly charges:
  1. Provision of cost estimates for submittal reviews.
  2. Creation of a schedule of costs for common tasks.
  3. Preparation of more detailed invoices.

## **8. Cameco**

- a. Supports the proposed decrease in annual fees for uranium recovery facilities.
- b. Concerned about the increase in hourly rate and the inefficiency in the licensing review process which contribute to delays resulting in a significant assessment of fees to licensees.
- c. Believes the NRC should shift the focus from the lack of resources to improving the licensing review process to increase upkeep of existing licenses and the reviewing of additional expansion projects. The efficiency gains achieved can be passed to licensees in the form of decreased fees.
- d. Believes better NRC project management and more efficient review processes will reduce the cost of licenses, thus, effectively regulating recovery activities.