

Allen, William

From: Allen, William
Sent: Thursday, February 21, 2013 3:03 PM
To: 'Pickens, Terry A'
Cc: Sampson, Michele; Lombard, Mark
Subject: PFS Fee Information

In two separate phone conversations on February 12, we discussed the possibility of PFS submitting an exemption request in which PFS would seek a reduction in their annual fee to an amount similar to the value in the proposed fee rulemaking which will soon be made public. After notifying you that it was unlikely such a request would be granted, you inquired about the timeframe in which PFS would receive future fee billings.

I contacted the Chief Financial Office with these inquiries and I was given the following information. PFS made an annual fee payment in October for the annual fee billing cycle between Oct. 1 and Dec. 31. Because you submitted a request to terminate the license on Dec. 20, 2012, PFS is due a refund of a portion of the annual fee payment made in October when the termination is completed. The value of this refund is approximately the same as the Part 170 (hourly) fees incurred by PFS for the billing cycle Sep. 23 – Dec. 29. PFS is currently incurring an annual fee for the billing cycle Jan. 1 – Mar. 31. If PFS decides to proceed with license termination, the invoice for the billing cycle Jan. 1 – Mar. 31 will be cancelled/refunded. If PFS submits an exemption request (in effect disputing the fee requirement), the invoice for the billing cycle Jan. 1 – Mar. 31 will be cancelled/refunded upon completion of the termination **IF** the exemption letter specifies that PFS will proceed with license termination if the CFO denies their exemption request. Otherwise, PFS will be responsible for the annual fee payment for the period Jan. 1 – Mar. 31 as well as any applicable interest and late fees.

If PFS wishes either to retain its license or to submit an exemption request, please submit a letter withdrawing the license termination request by March 12, 2013.