UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, DC 20555-0001

CHIEF FINANCIAL OFFICER

September 4, 2014

Mr. Tim DeBey
Department of the Interior
US Geological Survey
Box 25046 MS-974
Denver, CO 80225

Dear Mr. DeBey:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter dated July 9, 2014, (ML14202A512) requesting a fee waiver under Title 10 of the *Code of Federal Regulations* (10 CFR) 171.11, "Exemptions," for the U.S. Geological Survey's (USGS) research reactor located in Denver, Colorado.

The NRC has established regulations for granting fee exemptions under 10 CFR 171.11 for which licensees may apply in accordance with 10 CFR 171.9, "Communications." The NRC has reviewed your request based on the following regulations: *10 CFR 171.11(a)(2),* and *10 CFR 171.9*:

- *10 CFR 171.11: (a) An annual fee is not required for: (2) Federally owned and State-owned research reactors used primarily for educational training and academic research purposes. For purposes of this exemption, the term research reactor means a nuclear reactor that; (i) Is licensed by the Nuclear Regulatory Commission under section 104c. of the Atomic Energy Act of 1954 (42 U.S.C. 2134(c)) for operation at a thermal power level of 10 megawatts or less; and (ii) If so licensed for operation at a thermal power level of more than 1 megawatt, does not contain-- (A) A circulating loop through the core in which the licensee conducts fuel experiments; (B) A liquid fuel loading; or (C) An experimental facility in the core in excess of 16 square inches in cross-section.*

  The USGS's reactor (License R-113) is federally owned, used for research and academic purposes, and licensed for operation not to exceed 1 megawatt. Additionally, the reactor is operating with a Class104(c) license of the Atomic Energy Act of 1954 (AEA). As the USGS reactor is under Federal ownership, is appropriately licensed within the AEA, and is operating well within the maximum power level for the exemption; it satisfies this criterion. Furthermore, a review of 10 CFR 171(a)(2)(ii) is unnecessary as the reactor is not licensed for operation in excess of 1 megawatt.

- *10 CFR 171.9: All communications concerning the regulations in this part should be addressed to the NRC's Chief Financial Officer, either by mail to the U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001; by hand delivery*

to the NRC's offices at 11555 Rockville Pike, Rockville, Maryland; or, where practicable, by electronic submission, for example, via Electronic Information Exchange, or CD-ROM. Electronic submissions must be made in a manner that enables the NRC to receive, read, authenticate, distribute, and archive the submission, and process and retrieve it a single page at a time. Detailed guidance on making electronic submissions can be obtained by visiting the NRC's Web site at http://www.nrc.gov/site-help/e-submittals.html; by e-mail to MSHD.Resource@nrc.gov; or by writing the Office of Information Services, the U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001. The guidance discusses, among other topics, the formats the NRC can accept, the use of electronic signatures, and the treatment of nonpublic information.

The USGS fee exemption request was submitted in writing; therefore, it satisfies this criterion.

In conclusion, the NRC finds that the USGS request satisfies all criteria under 10 CFR 171.11(a)(2), and 10 CFR 171.15 (a); therefore, the fee waiver request is granted. If you have any technical questions regarding this matter, please contact Mr. Geoffrey Wertz at (301) 415-0893. Please contact Mr. Alexander Balkin of my staff at (301) 415-5835 for any fee-related questions.

Sincerely,

/RA/

Maureen Wylie
Chief Financial Officer

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Sincerely,

/RA/

Maureen Wylie
Chief Financial Officer

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