



License Fee Billing Process and Improvements

April 20, 2015

Part 170 Fee Recovery Process

Fees for Service

- **Work performed on behalf of licensees**
- **The agency accumulates staff hours and contract costs to specific activity codes and dockets on a quarterly basis**
- **Once all charges are accumulated, the charges are reviewed and validated for completeness, accuracy, and reasonableness**

Part 170 Fee Recovery Process

Fees for Service

- **When charges are validated and all corrections are made, the agency generates invoices based on activity and docket numbers**
- **The invoices are mailed with payment instructions to each licensee at the mailing address recorded in the core financial system**

Change in Administrative Allocation

- **Currently, administrative time for Project Managers and Resident Inspectors are allocated based on the number of assignments and not based on the total direct work performed by the agency for each licensee**
- **Agency studied the current allocation methodology and found that allocating based on direct work performed was a more equitable distribution of administrative costs to all licensees**
- **Study revealed that over the last 4 years, on average, the administrative contribution was about 6% of total direct charges**
- **Implementation of this change in methodology is tentatively scheduled for September 20, 2015**

Current Administrative Allocation

Billing Details:

Docket #: 05000000 License #: XXX-00

PART 170:

TAC/IR Number	TAC/IR Name	Payment Period End Date	Regular Hours	Non-Regular Hours	Hour Rate	Hourly Costs	Contract Costs	Total Costs
Inspection Report Details								
2014XXX/05000000	2014XXX/05000000	May 17, 2014	1.50	0.00	\$272.00	\$408.00	\$0.00	\$408.00
Total IR Due for Docket			757.75	47.00		\$220,290.25	\$24,918.90	\$245,209.15

Based on administrative PM/RI charges and spread based on assignment without regard for direct hours

PM / SRI Allocated Administrative Hours:

NRC STAFF NAME#1	Jul 12, 2014	10.00	0.00	\$272.00	\$2,720.00	\$2,720.00
NRC STAFF NAME#1	Jul 26, 2014	10.00	0.00	\$272.00	\$2,720.00	\$2,720.00
NRC STAFF NAME#1	Aug 9, 2014	10.00	0.00	\$272.00	\$2,720.00	\$2,720.00
NRC STAFF NAME#1	Aug 23, 2014	10.00	0.00	\$272.00	\$2,720.00	\$2,720.00
NRC STAFF NAME#1	Sep 6, 2014	10.00	0.00	\$272.00	\$2,720.00	\$2,720.00
NRC STAFF NAME#1	Sep 20, 2014	10.00	0.00	\$279.00	\$2,720.00	\$2,720.00
NRC STAFF NAME#2	Jul 12, 2014	10.00	0.00	\$272.00	\$2,720.00	\$2,720.00
NRC STAFF NAME#2	Jul 26, 2014	10.00	10.00	\$272.00	\$2,720.00	\$2,720.00
NRC STAFF NAME#2	Aug 9, 2014	10.00	10.00	\$272.00	\$2,720.00	\$2,720.00

Adjustments

No Adjustments Found

Total for PM / SRI Due for Docket:	90.00	0.00		\$24,480.00	\$24,480.00
TOTAL PART 170:					\$476,304.15

Total for License/Docket: \$476,304.15

Planned Administrative Allocation

Billing Details:

Docket #: 05000000 License #: XXX-00

PART 170:

TAC/IR Number	TAC/IR Name	Payment Period End Date	Regular Hours	Non-Regular Hours	Hour Rate	Hourly Costs	Contract Costs	Total Costs
2014XXX/05000000	2014XXX/05000000	May 17, 2014	1.50	0.00	\$272.00	\$408.00	\$0.00	\$408.00
Total IR Due for Docket			757.75	47.00		\$220,290.25	\$24,918.90	\$245,209.15

Inspection Report Details

2014XXX/05000000 2014XXX/05000000 May 17, 2014 1.50 0.00 \$272.00 \$408.00 \$0.00 \$408.00

Based on total staff hours worked and spread evenly across all licensees based on direct hours

PM / SRI Allocation (PM/SRI Allocation is based on NRC Direct Billable Staff Costs only):

Change title to PM / SRI Allocation. Add note stating PM/SRI Allocation is based on NRC Direct Billable Staff costs only.

Remove all the data elements regarding the prior PM/SRI Allocated Overhead Hours in this section. This section will now have the Allocation Rate Effective Date, Total NRC Staff Costs, Allocation Rate, Total Allocated Costs.

Allocation Rate Effective Date

Total NRC Staff Costs	Allocation Rate	Total Allocated Costs
\$449,104.15	6.00%	\$26,946.25

Total for PM / SRI Allocation Due for Docket:

\$449,104.15

6.00%

\$26,946.25

TOTAL PART 170:

The totals now include the percentage-based allocation costs, per docket, instead of PM/SRI Overhead Hours Costs.

Total for License/Docket:

\$476,050.40

\$449,104.15	6.00%	\$26,946.25
--------------	-------	-------------

License Fee Billing Collaboration

- **In response to feedback, the agency is collaborating with licensees to:**
 - **Simplify Invoices – combine multiple dockets into a single invoice for those licensees who request it**
 - **Part 170 Estimates – issued bi-weekly or monthly to help inform licensees of pending charges – not validated**
 - **Generic Accounts Payable Mailboxes - ensures communications**

Future Initiatives in Fee Billing

- **The Digital Accountability and Transparency Act of 2014**
 - **Will refer delinquent debt to Treasury at 120 days from date of initial invoice**
- **Business Process Improvement**
 - **Continue to improve the fee recovery process**