

# 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**

<b>Billing Details:</b>								
	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	spection 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 D	ocket		757.75	47.00		\$220,290.25	\$24,918.90	\$245,209.15
*	d Administrative Ho	ours:						
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								
Total for PM / SRI			90.00	0.00		\$24,480.00		\$24,480.00

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

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

hours
worked and
spread
evenly
across all
licensees

based on

direct hours

Based on

total staff

PM / SRI Allocation (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	

Change title to PM / SRI Allocation. Add note

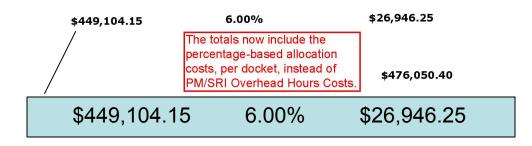
stating PM/SRI Allocation is based on NRC

Direct Billable Staff costs only.

Total for PM / SRI Allocation Due for Docket:

**TOTAL PART 170:** 

Total for License/Docket:



#### **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