

Response to Stakeholder Comments on Fee Matrix

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Agenda

- In December 2017, we conducted a public meeting introducing 3 possible approaches to calculating annual fees.
- We will discuss the comments received on each approach.
- We will introduce 2 additional approaches that grew out of the comments received.
- We will discuss next steps.

Comments on Possible Approaches

- Status Quo – Feedback was mixed.
- Uniform Approach – Feedback was mixed.
- Combination Approach – Feedback was mostly negative.
 - 85% uniform distribution
 - 15% proportional distribution based on billing data for direct services

Expanded Set of Possible Approaches

- Status Quo (No change at all)
- Uniform Approach
- Combination Approach (85/15 method)
- (NEW) Current matrix with revisions
- (NEW) Matrix based on regulated areas

Current Matrix with Revisions

- In response to the comment that factor of 10 difference between high and low is unreasonable, we changed the definitions of high, medium and low from 10-5-1 to 3-2-1.
- In response to the comment that Solid UF6 effort for an Enrichment facility should be consistent with the effort for a Category III Fuel Fabrication facility, we lowered the score from high to medium.
- In response to the comment that there should be a column for physical security, we added a column.

Current Matrix with Revisions

NRC FUEL CYCLE FACILITIES																																
ANNUAL FEES - EFFORT FACTOR MATRIX																																
CATEGORY	LICENSEE	DOCKET	FEE CATEGORY	PROCESSES																				SUBTOTALS		TOTAL						
				SOLID		ENRICHMENT		LIQUID		HEU DOWN		CONVERSION		PELLET		ROD/ BUNDLE		SCRAP/ WASTE		HOT CELL		PHYSICAL SECURITY		SENSITIVE INFORMATION			S	SG				
				S	SG	S	SG	S	SG	S	SG	S	SG	S	SG	S	SG	S	SG	S	SG	S	SG	S	SG							
Fuel Fabrication (HEU)	B&W NOG (SNM-42)	70-00027	1A(1)(a)	3	3	0	0	0	0	2	2	2	2	3	2	2	2	3	2	1	1	1	3	1	3	18	20	38				
	NFS (SNM-124)	70-00143	1A(1)(a)	3	3	0	0	0	0	3	3	3	3	0	0	0	0	3	3	0	0	1	3	1	3	14	18	32				
Uranium Enrichment	LES (SNM-2010)	70-03103	1E	2	1	2	3	1	1	0	0	0	0	0	0	0	0	2	1	0	0	1	2	0	3	8	11	19				
	Centrus ACP (SNM-2011)*	70-07004	1E	3	1	2	3	1	1	0	0	0	0	0	0	0	0	2	1	0	0			0	3	-	-	Not in op.				
	AREVA Eagle Rock (SNM-2015)*	70-07015	1E	3	1	2	3	1	1	0	0	0	0	0	0	0	0	2	1	0	0			0	3	-	-	Not in op.				
	Global Laser Enrich (SNM-2019)*	70-07016	1E	3	1	2	3	1	1	0	0	0	0	0	0	0	0	2	1	0	0			0	3	-	-	Not in op.				
Fuel Fabrication (LEU)	Global Nuclear Fuels (SNM-1097)	70-01113	1A(1)(b)	2	1	1	2	1	1	0	0	2	1	2	1	1	1	2	1	0	0	1	2	1	2	13	12	25				
	Framatome (SNM-1227)	70-01257	1A(1)(b)	2	1	0	0	1	1	0	0	2	1	2	1	1	1	2	1	0	0	1	2	1	1	12	9	21				
	Westinghouse (SNM-1107)	70-01151	1A(1)(b)	2	1	0	0	1	1	0	0	2	1	2	1	1	1	2	1	0	0	1	2	1	1	12	9	21				
UF6 Conversion	Honeywell (SUB-526)	40-03392	2A(1)	2	1	0	0	2	2	0	0	1	0	0	0	0	0	1	0	0	0	1	1	0	1	7	5	12				
	International Isotopes (SUB-1011)	40-09086	2A(1)	2	1	0	0	2	2	0	0	1	0	0	0	0	0	1	0	0	0			0	1	-	-	Not in op.				
Enrichment Demonstration	None		1A(2)(b)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
Hot Cell	None		1A(2)(c)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
S = Safety			HIGH =	3																								TOTALS		84	84	168
SG = Safeguards			MODERATE =	2																												
			LOW =	1																												
			NONE =	0																												

Impact of the Revised Approach

Fee Category	Licensee	Percent Based on Current Matrix With Revisions		Total Annual Fee Amount for FY17	New Annual Fee for FY17	Actual Annual Fee for FY17
Fuel Fab (HEU)	BWXT 07000027	22.6	20.8	\$27,365,000	\$5,691,920	\$7,255,000
	NFS 07000143	19.0		\$27,365,000	\$5,691,920	\$7,255,000
Fuel Fab (LEU)	GNFA 07001113	14.9	13.3	\$27,365,000	\$3,639,545	\$2,629,000
	Framatome 07001257	12.5		\$27,365,000	\$3,639,545	\$2,629,000
	Westinghouse 07001151	12.5		\$27,365,000	\$3,639,545	\$2,629,000
Enrichment	LES 07003103	11.3	11.3	\$27,365,000	\$3,092,245	\$3,470,000
Conversion	Honeywell 04003392	7.1	7.1	\$27,365,000	\$1,942,915	\$1,498,000

Matrix Based on Areas Regulated

- There was a comment that the matrix should include areas that are not technically a licensed process (sensitive information and physical security).
- What if we based the whole matrix on areas regulated by NRC (instead of processes)?

Matrix Based on Areas Regulated

NRC FUEL CYCLE FACILITIES																			
ANNUAL FEES - NONBILLABLE EFFORT FACTOR MATRIX																			
Non-Billable Effort includes (1) Rulemaking, (2) Guidance, (3) Implementing Procedures, and (4) Training,																			
CATEGORY	LICENSEE	DOCKET	FEE CATEGORY	REGULATED AREAS															TOTAL
				MGMT & ORG	ISA	RAD PROT	CRIT SAFETY	CHEM SAFETY	FIRE SAFETY	EMERG MGMT	ENV PROT	DECOM	MGMT MEASURES	MC&A	PHYS PROT	INFO SEC	CYBER SEC		
Fuel Fabrication (HEU)	B&W NOG (SNM-42)	70-00027	1A(1)(a)	2	2	2	3	2	2	2	2	2	2	2	3	3	2	2	31
	NFS (SNM-124)	70-00143	1A(1)(a)	2	2	2	3	2	2	2	2	2	2	2	3	3	2	2	31
Uranium Enrichment	LES (SNM-2010)	70-03103	1E	2	2	2	1	2	2	2	2	2	2	2	1	3	2	27	
	Centrus ACP (SNM-2011)*	70-07004	1E															-	
	AREVA Eagle Rock (SNM-2015)*	70-07015	1E															-	
	Global Laser Enrichmt (SNM-2019)*	70-07016	1E															-	
Fuel Fabrication (LEU)	Global Nuclear (SNM-1097)	70-01113	1A(1)(b)	2	2	2	2	2	2	2	2	2	2	2	1	3	2	28	
	AREVA NP Richland 1227) (SNM-1227)	70-01257	1A(1)(b)	2	2	2	2	2	2	2	2	2	2	2	1	1	2	26	
	Westinghouse (SNM-1107)	70-01151	1A(1)(b)	2	2	2	2	2	2	2	2	2	2	2	1	1	2	26	
UF6 Conversion	Honeywell (SUB-526)	40-03392	2A(1)	2	2	2	0	2	2	2	2	2	2	1	1	1	2	23	
	International Isotopes 1011) (SUB-1011)	40-09086	2A(1)															-	
Enrichment Demonstration	None		1A(2)(b)															-	
Hot Cell	None		1A(2)(c)															-	
			HIGH = 3															192	
			MODERATE= 2																
			LOW = 1																
			NONE = 0																

Impact of New Matrix

Fee Category	Licensee	Percent Based on Matrix of Regulated Areas		Total Annual Fee Amount for FY17	New Annual Fee for FY17	Actual Annual Fee for FY17
Fuel Fab (HEU)	BWXT 07000027	16.1	16.1	\$27,365,000	\$4,405,765	\$7,255,000
	NFS 07000143	16.1		\$27,365,000	\$4,405,765	\$7,255,000
Fuel Fab (LEU)	GNFA 07001113	14.6	13.9	\$27,365,000	\$3,803,735	\$2,629,000
	Framatome 07001257	13.5		\$27,365,000	\$3,803,735	\$2,629,000
	Westinghouse 07001151	13.5		\$27,365,000	\$3,803,735	\$2,629,000
Enrichment	LES 07003103	14.1	14.1	\$27,365,000	\$3,858,465	\$3,470,000
Conversion	Honeywell 04003392	12.0	12.0	\$27,365,000	\$3,283,800	\$1,498,000

Questions on Approaches

- Are there any comments on the revisions included in the first new possible approach?
- Are there other revisions we should make?
- Is the matrix of regulated areas a better approach?
- Should the effort factors assigned to regulated areas be different? If so, why?
- Are there other approaches we should consider?

Next Steps

- Request comments in connection with this public meeting by April 27, 2018.
- After evaluating the comments, the NRC staff plans to prepare any recommendations on this issue to be included in the Commission paper for the FY19 Proposed Fee Rule.