



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

DOCKET NO. 70-371

MAY 24 1979

United Nuclear Corporation
ATTN: Mr. William F. Kirk
Nuclear and Industrial
Safety Department
67 Sandy Desert Road
Uncasville, CT 06382

Gentlemen:

This responds to your letter dated October 11, 1978 (NIS: 78-10-17), concerning an amendment fee for the review of your safeguards contingency plan. The matter of fees for safeguards contingency plans has been reviewed in light of your letter and our conclusion is that the fee specified in 10 CFR 170 is due.

The requirements specified by Appendix C of 10 CFR 73 are for the protection of fuel cycle and other nuclear facilities licensed by the NRC under the Atomic Energy Act of 1954, as amended. The submission of a safeguards contingency plan is required by Commission regulations, and the purpose of NRC's review is to assure that a licensed fuel cycle facility has in effect an acceptable plan for dealing with threats, thefts, and industrial sabotage relating to special nuclear materials. The Commission's fee guidelines provide that fees may be assessed to persons who are identifiable recipients of "special benefits" conferred by specifically identified activities of the NRC. The term "special benefits" includes services rendered at the request of a recipient and all services required for the issuance of a license, permit, approval, or amendment, or other services necessary to assist a recipient in complying with statutory obligations or obligations under the Commission's regulations. The guidelines further provide that it is not necessary to allocate costs in proportion to the degree of public or private benefit resulting from conferring a special benefit on a recipient. While some of the benefits of this program may extend to the general public, the Commission must review each contingency plan on behalf of the licensee, and if the plan is found to be acceptable, grant its approval thereof by license amendment.

Footnote 1(d) of Section 170.31 provides that amendments resulting from NRC written requests may be exempt from fees at the discretion of the Commission when the amendment is issued for the convenience of the Commission. The term "written NRC requests", as used in the footnote, is not intended to apply to a licensee's compliance with Commission regulations.

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The Licensing staff has determined that the review of your contingency plan will require a major review effort to determine its acceptability, and as mentioned earlier, such reviews are subject to fees according to 10 CFR Part 170. While it is true that your contingency plan may not decrease the effectiveness of your overall Physical Security Plan, it is a plan which the Commission is required by regulation to review, make a determination and grant its approval. For this review and approval effort, an amendment fee is being charged.

Based on the foregoing and as requested in our September 27, 1978 letter, an amendment fee of \$8,300 remains due and payable. Payment of the fee should be remitted to this office. Upon completion of the review, the Commission will review its costs and, if necessary, refund any overcharges.

Sincerely,

Original Signed by

Wm. O. Miller

William O. Miller, Chief
License Fee Management Branch
Office of Administration

Enclosure:
10 CFR 170

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