MAY 1 1989

MEMORANDUM FOR: Robert L. Fonner, Deputy Assistant

General Counsel for Rulemaking

and Fuel Cycle

Office of the General Counsel

FROM:

C. James Holloway, Jr., Chief License Fee Management Branch

Division of Accounting and Finance, OC

SUBJECT:

APPLICABLE FEES UNDER 10 CFR 170 FOR DISMANTLEMENT

OF THE PATHFINDER GENERATING PLANT

The Northern States Power Company (NSP) holds the enclosed Byproduct Material License No. 22-08799-02 under Materials Category 3.P of 10 CFR 170.31 for the radioactivity remaining in components of the defueled and partially dismantled Pathfinder Generating Plant in Sioux Falls, South Dakota. The defueling, partial dismantlement and placement of the plant in a Safe Storage condition was authorized by NRC in 1971. After certain requirements were placed on NSP to do such things as fill the containment with gravel, cut pipes, rods, etc., the Part 50 license was terminated in 1973. What remains of the facility is under the above byproduct material license. It is our understanding that NSP plans to file an application in July 1989 to further dismantle and dispose of the Pathfinder facility. We have been informed that NSP plans to retain the steam turbine portion. Since this portion contains residual radioactivity, NSP will probably still need a byproduct material license. We do not know what form the NRC action will take (e.g., license amendment or order), but we understand that an SER will be done and probably an environmental impact statement.

The purpose of this memorandum is to seek your legal assistance as to what category of fees should be assessed for the review of an application in a situation such as that described above for the Pathfinder Plant. The possible categories are:

- Their present materials license Category 3.P under 170.31 where an amendment is currently a flat fee of \$60.
- Special Projects under Category 13 of the materials fee schedule in 170.31 where we would collect full cost for the review of the application.
- Special Projects under Category J of the reactor fee schedule in 170.21 which is also based on full cost recovery.

On June 17, 1988, NRC issued revisions to Parts 30, 40, 50, 51, 70 and 71 which addressed general requirements for decommissioning nuclear facilities. A copy of these revisions is attached for your information.

Based on the details we have on this case, it would appear that the applicable fee category is Special Projects (Category 13) under the materials fee schedule Section 170.31, since there is no decommissioning section under any of the categories in 10 CFR 170.31. Also, what remains of the facility is under a byproduct material license and not a reactor license.

If additional information is necessary or desired contact Reba Diggs on extension 28746. The NMSS contact for this case is Tim Johnson on extension 20558.

> Signed by: C. James Hollowey, Jr.

C. James Holloway, Jr., Chief License Fee Management Branch Division of Accounting and Finance Office of the Controller

Enclosures:

1. Byproduct Lic. 22-08799-02

2. 6/27/88 Decommissioning Revisions

cc w/o encls .:

- T. Johnson, NMSS
- J. Whitten, RIV
- C. Defino, NMSS
- P. Erickson, PDSNP

DISTRIBUTION:

Reg Records File w/encl. 1 LFMB Fee Records w/encl. 1 CJHolloway, LFMB

RMD1ggs, LFMB GJackson, LFMB

LTremper, LFMB Docket-030--05004 (RIV)

LFMB R/F (2) OC/DAF R/F

DW/RMD/RFONNER

OFFICE: SURNAME: DATE:

DAF/LFMB RMD1ggs:ab: 128/89

: CJHOTToway