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MEMORANDUM FOR: Ronald M. Smith, Attorney
Division of Rulemaking & Fuel Cycle
Office of the General Counsel

FROM: John J. Surmeier, Acting Director
Planning and Program Analysis Staff, NMSS

SUBJECT: COMMENTS ON PROPOSED REVISION OF PART 170

We appreciate the briefing you gave us on the proposed revision. In response to your March 10, 1987 memorandum and items discussed during the briefing, NMSS has the following comments:

1. Regional Involvement

We suggest that the Regions be given the opportunity to comment on the proposed rule. The Uranium Recovery Field Office of Region IV will have to be involved in the process of gathering/analyzing historical data on uranium recovery to support this new rule. All five regions issue materials licenses; NMSS will take the lead in gathering/analyzing historical data for this area.

2. Flat Fees for Materials Licensing

During the March 19, 1987 meeting, you mentioned \$2,000 arbitrarily as the threshold. Such an approach for "full cost" vs. flat fees for materials licensees seems reasonable, provided that there are not too many material licensing cases in the "full cost" categories. The large number of material licensing actions (about 6,000 per year) would make it very difficult to keep accurate records of time spent on each individual licensing action. If \$2,000 is the cutoff, it appears that "full cost" would apply principally to large irradiators (Category 3G). The number of licenses in this category is small enough that the licensing staff could be expected to keep accurate records. We hope that whatever the threshold is, it should be high enough that only a small percentage (e.g., 1-5 percent) of material licensing actions are subject to full cost.

Please note that the phrase describing Category 3G is broad enough to include not only the megacurie irradiators which might appropriately be charged "full cost," but also teletherapy units with 12,000 Curie cobalt-60 sources used to irradiate various items (e.g., animals, biological samples, etc.). Consideration may need to be given to revising the descriptive phrase for Category 3G to ensure that it covers only the "service" irradiators or adding a new category specifically for "service" irradiators.

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or may never become aware that the action was submitted (e.g., guidance given by NMSS staff, application filed in a Region, etc.).

6. Fees for transportation quality assurance reviews (Category 10F)

NMSS recommends that QA reviews for transportation packages be changed from actual cost to flat fees. The majority of these reviews typically require 2 hours of staff time; we feel the administrative burden of discretely capturing and reporting this time may exceed the amount we collect. We suggest the following labor rates be used to calculate the fees:

- a. New use QA program for use and maintenance only - 2 hours.
- b. New QA program for use, maintenance, design and fabrication - 6-8 hours.
- c. Renewals/Amendments of QA program - 2 hours.