NRC FORM 313
17-86
10 CFR 30, 32, 33, 34, 35 and 40

U.S. NUCLEAR REGULATORY COMMISSION
APPROVED BY OMB
3150-0120
Expires 5-31-87

APPLICATION FOR MATERIAL LICENSE

INSTRUCTIONS: SEE THE APPROPRIATE LICENSE APPLICATION GUIDE FOR DETAILED INSTRUCTIONS FOR COMPLETING APPLICATION. SEND TWO COPIES OF THE ENTIRE COMPLETED APPLICATION TO THE NRC OFFICE SPECIFIED BELOW.

APPLICATIONS FOR DISTRIBUTION OF EXEMPT PRODUCTS FILE APPLICATIONS WITH:

U.S. NUCLEAR REGULATORY COMMISSION
DIVISION OF FUEL CYCLE AND MATERIAL SAFETY, NMSS
WASHINGTON, DC 20555

ALL OTHER PERSONS FILE APPLICATIONS AS FOLLOWS. IF YOU ARE LOCATED IN:

CONNECTICUT, DELAWARE, DISTRICT OF COLUMBIA, MAINE, MARYLAND, MASSACHUSETTS, NEW HAMPSHIRE, NEW JERSEY, NEW YORK, PENNSYLVANIA, RHODE ISLAND, OR VERMONT, SEND APPLICATIONS TO:

U.S. NUCLEAR REGULATORY COMMISSION, REGION I
NUCLEAR MATERIALS SAFETY SECTION B
631 PARK AVENUE
KING OF PRUSSIA, PA 19406

ALABAMA, FLORIDA, GEORGIA, KENTUCKY, MISSISSIPPI, NORTH CAROLINA, PUERTO RICO, SOUTH CAROLINA, TENNESSEE, VIRGINIA, VIRGIN ISLANDS, OR WEST VIRGINIA, SEND APPLICATIONS TO:

U.S. NUCLEAR REGULATORY COMMISSION, REGION II
NUCEAR MATERIALS SAFETY SECTION
101 MARIETTA STREET, SUITE 2900
ATLANTA, GA 30323

IF YOU ARE LOCATED IN:

ILLINOIS, INDIANA, IOWA, MICHIGAN, MINNESOTA, MISSOURI, OHIO, OR WISCONSIN, SEND APPLICATIONS TO:

U.S. NUCLEAR REGULATORY COMMISSION, REGION III
MATERIALS LICENSING SECTION
799 ROOSEVELT ROAD
GLEN ELLYN, IL 60137

ARKANSAS, COLORADO, IDAHO, KANSAS, LOUISIANA, MONTANA, NEBRASKA, NEW MEXICO, NORTH DAKOTA, OKLAHOMA, SOUTH DAKOTA, TEXAS, UTAH, OR WYOMING, SEND APPLICATIONS TO:

U.S. NUCLEAR REGULATORY COMMISSION, REGION IV
MATERIAL RADIATION PROTECTION SECTION
611 RYAN PLAZA DRIVE, SUITE 1000
ARLINGTON, TX 76011

ALASKA, ARIZONA, CALIFORNIA, HAWAII, NEVADA, OREGON, WASHINGTON, AND U.S. TERRITORIES AND POSSESSIONS IN THE PACIFIC, SEND APPLICATIONS TO:

U.S. NUCLEAR REGULATORY COMMISSION, REGION V
NUCLEAR MATERIALS SAFETY SECTION
1450 MARIA LANE, SUITE 210
WALNUT CREEK, CA 94596

PERSONS LOCATED IN AGREEMENT STATES SEND APPLICATIONS TO THE U.S. NUCLEAR REGULATORY COMMISSION ONLY IF THEY WISH TO POSSESS AND USE LICENSED MATERIAL IN STATES SUBJECT TO U.S. NUCLEAR REGULATORY COMMISSION JURISDICTION.

1. THIS IS AN APPLICATION FOR *(Check appropriate item)*

[X] A. NEW LICENSE
[ ] B. AMENDMENT TO LICENSE NUMBER _____
[ ] C. RENEWAL OF LICENSE NUMBER _____

2. NAME AND MAILING ADDRESS OF APPLICANT *(Include Zip Code)*

Tri-Services, Inc.
P.O. Box 2671
Chesapeake, VA 23320

3. ADDRESS(ES) WHERE LICENSED MATERIAL WILL BE USED OR POSSESSED.

Building 1017 (PMEL)
Maxwell AFB, Alabama 36112

9001240409 871124
REG2 LIC30
45-24952-01 PDR

4. NAME OF PERSON TO BE CONTACTED ABOUT THIS APPLICATION

Mr. Fred J. Brown

TELEPHONE NUMBER: (205) 834-1163

SUBMIT ITEMS 5 THROUGH 11 ON 8½ x 11" PAPER. THE TYPE AND SCOPE OF INFORMATION TO BE PROVIDED IS DESCRIBED IN THE LICENSE APPLICATION GUIDE.

5. RADIOACTIVE MATERIAL
a. Element and mass number, b. chemical and/or physical form, and c. maximum amount which will be possessed at any one time.

6. PURPOSE(S) FOR WHICH LICENSED MATERIAL WILL BE USED.

7. INDIVIDUAL(S) RESPONSIBLE FOR RADIATION SAFETY PROGRAM AND THEIR TRAINING AND EXPERIENCE.

8. TRAINING FOR INDIVIDUALS WORKING IN OR FREQUENTING RESTRICTED AREAS.

9. FACILITIES AND EQUIPMENT.

10. RADIATION SAFETY PROGRAM.

11. WASTE MANAGEMENT.

12. LICENSEE FEES *(See 10 CFR 170 and Section 170.31)*
FEE CATEGORY: 1J
AMOUNT ENCLOSED: $ 230.00

13. CERTIFICATION. *(Must be completed by applicant)* THE APPLICANT UNDERSTANDS THAT ALL STATEMENTS AND REPRESENTATIONS MADE IN THIS APPLICATION ARE BINDING UPON THE APPLICANT.

THE APPLICANT AND ANY OFFICIAL EXECUTING THIS CERTIFICATION ON BEHALF OF THE APPLICANT, NAMED IN ITEM 2, CERTIFY THAT THIS APPLICATION IS PREPARED IN CONFORMITY WITH TITLE 10, CODE OF FEDERAL REGULATIONS, PARTS 30, 32, 33, 34, 35, AND 40 AND THAT ALL INFORMATION CONTAINED HEREIN, IS TRUE AND CORRECT TO THE BEST OF THEIR KNOWLEDGE AND BELIEF.

WARNING: 18 U.S.C. SECTION 1001 ACT OF JUNE 25, 1948, 62 STAT. 749 MAKES IT A CRIMINAL OFFENSE TO MAKE A WILLFULLY FALSE STATEMENT OR REPRESENTATION TO ANY DEPARTMENT OR AGENCY OF THE UNITED STATES AS TO ANY MATTER WITHIN ITS JURISDICTION.

SIGNATURE–CERTIFYING OFFICER	TYPED/PRINTED NAME	TITLE	DATE
Gail B. Sutliff	Gail B. Sutliff	Chief Operating Officer	10/30/87

14. VOLUNTARY ECONOMIC DATA

a. ANNUAL RECEIPTS
[ ] <$250K [ ] $1M–3.5M
[ ] $250K–500K [ ] $3.5M–7M
[X] $500K–750K [ ] $7M–10M
[ ] $750K–1M [ ] >$10M

b. NUMBER OF EMPLOYEES *(Total for entire facility excluding outside contractors)*: 15

c. NUMBER OF BEDS:

d. WOULD YOU BE WILLING TO FURNISH COST INFORMATION *(dollar and/or staff hours)* ON THE ECONOMIC IMPACT OF CURRENT NRC REGULATIONS OR ANY FUTURE PROPOSED NRC REGULATIONS THAT MAY AFFECT YOU? *(NRC regulations permit it to protect confidential commercial or financial–proprietary–information furnished to the agency in confidence.)*
[X] YES [ ] NO

FOR NRC USE ONLY

TYPE OF FEE	FEE LOG	FEE CATEGORY	COMMENTS	APPROVED BY
APP	NOV-1-IL	1J 3P	CK No. 1680 rec'd 9/12/87 25188 24952	M. Messier
AMOUNT RECEIVED	CHECK NUMBER			DATE
$230 (10/30/87)	1010/1680			11/9/87

PREFACE

Tri-Services, Inc. has been awarded a contract (F01600-87-C0088) for operation of the Precision Measurement Equipment Laboratory (PMEL) at Maxwell AFB, Alabama. Operations are currently covered under NRC Master Materials License No. 42-23539-01AF issued to the USAF Radioisotope Committee and Permit No. 01-10132-1AFP issued to the 3800 ABG/MAAF, Maxwell AFB, Alabama. Clause C5.1.2 of Tri-Services' contract requires the contractor to submit its own license application to the NRC within 30 days of commencement of contract operations.

5. MATERIAL TO BE POSSESSED

The following radioactive material will be utilized:

Material	Chemical/Physical Form	Max Activity/source
A. Cesium 137	NSN 6665-00-819-6606 Sealed source capsule with attenuator ICN, CNR Division, Model D-0062, Serial Nr. 1901	.103 ci
B. Plutonium 239	NSN 6665-00-767-7497 (AN/UDM-6) Alpha source consisting of four stainless steel disks	Alpha particles/min
	• A-301	1,515,554
	• B-44	145,437
	• C-44	16,291
	• D-247	1,640
	Total activity for set	1.4 microcuries
	Eberline Instrument Corp. Model S94-1, Serial Nr. 407	

O.K'd by Chuck Cain, RIII on 11/23/87. CAC

6. PURPOSE FOR WHICH LICENSED MATERIAL WILL BE USED

A. The Cesium 137 source will be used for calibration of low range dosimeters and geiger counters with sensitivity of 500 millireontgens per hour or less.

B. The Plutonium 239 source will be utilized for calibration of low range alpha meters.

7. INDIVIDUALS RESPONSIBLE FOR RADIATION SAFETY

a. Radiation Safety Officer (RSO): Fred J. Brown [also designated Radiac Protection Officer (RPO)]

b. Other individuals performing calibration:
- Raymond O. McCord
- Richard N. Knepp

c. Training Resumes:

Fred J. Brown

Graduate of RADIAC course number 4AST32470-007 given by the U.S. Air Force, 3450 Technical Training Group, Lowry AFB, Colorado.

On the job training was conducted a the Whiteman AFB PMEL from September 1973 to May 1974. With the exception of a brief period, Mr. Brown has worked in a PMEL environment including calibrating RADIAC equipment since that time.

Raymond O. McCord

Completion of U.S. Army Radiac Calibrator Custodian Course (4J-F1), course content and certificate attached.

On the job training was conducted at the Mannhein Operations Center, 524th Maintenance Company, Pirmasens, FRG from April 1986 to March 1987.

Richard N. Knepp

Graduate of RADIAC course A-670-0020 given by the Naval Technical Training Facility at Treasure Island, California.

On the job training was conducted at the Marine Corps Logistics Base PMEL, Albany, Georgia from November 1985 to March 1987.

d. Additional training will occur as new instruments are introduced and as the U.S. Air Force, the NRC, or the equipment manufacturer promulgates new/revised directives, procedures, or requirements.

8. TRAINING FOR INDIVIDUALS WORKING IN OR FREQUENTING RESTRICTED AREAS

A. Tri-Services' RPO shall conduct annual radiation safety training for all Tri-Services personnel assigned to the PMEL.

B. Tri-Services' RPO shall advise the Maxwell AFB RPO in writing on training conducted at the end of each calender quarter.

C. The following safety topics will be covered for ancillary personnel who will be working near the restricted "radiation area:"

- Principles of radiation safety
- Facts relating to Cesium 137 and Plutonium 239 (Maxwell AFB

PMEL sources)
- Purpose and use of radiation detection instruments (PDR-27T)
- Operating and emergency procedures
- Specific instructions to reduce radiation exposure
- Viewing of a slide and sound presentation titled "Ionizing Radiation"

D. The training is scheduled for approximately three hours.

E. The training instructor is Mr. Fred J. Brown.

F. All training will be documented in individual training records.

9. FACILITIES AND EQUIPMENT

An annotated sketch of the Maxwell AFB PMEL facility is attached.

The following additional information is provided:

- Scatter is not a significant factor in range operations. There is no scatter associated with the Pu-239 source. The Cs-137 source has minimal scatter due to shield design. Consequently, no additional scatter protection is required.

- No specialized handling equipment is required due to the low levels of source activity and the design of the source containers.

- No auxiliary shielding is required.

- There are no high radiation areas associated with PMEL operations. However, during RADIAC calibration involving use of the sources the dimensional calibration room is posted with a "RESTRICTED AREA" sign and the RADIAC range cordoned off using a yellow rope. Additionally, no sources will be utilized while work is being performed on the roof above the RADIAC range.

- Prevention of unauthorized use or removal of licensed material is accomplished through exercise of physical security over the Cs-137 and Pu-239 sources. Keys to the storage areas are kept by Tri-Services' PMEL Project Manager and are only issued to those qualified individuals previously identified as "responsible individuals."

10. RADIATION SAFETY PROGRAM

10.1 Personnel Monitoring Equipment

Monitoring will be accomplished through the use of film badges provided by a commercial service company such as Radiation

Detection Company, P.O. Box 3714, Sunnyvale, California. Film badges will be exchanged monthly.

10.2 Radiation Detection Instruments and Instrument Calibration

Instrument Type: PDR-27T, Portable Thin Window GM Survey Meter

Number Available: One

Radiation Detected: Beta and Gamma

Sensitivity Range: .5 to 500 mr/hr

Use: Survey and Monitoring

The PDR-27T will be calibrated every 180 days.

10.3 Operating and Emergency Procedures

A. Operations, General

1. Operations shall comply with the provisions of Title 10, Chapter 1, Code of Federal Regulations (CFR), Part 19, "Notices, Instructions and Reports to Workers; Inspections," Part 20, "Standards for Protection Against Radiation," T.O. 00-110N-2, and T.O. 00-110N-3. Personnel shall be provided with these and the following operating and emergency procedures.

2. The permitted material shall be used only at those facilities utilized by Tri-Services, Inc., at MAXWELL AFB, Alabama.

3. The permitted material shall be used by, or under the supervision of, individuals who have been appointed in writing by the Technical Director/General Manager of Tri-Services, Inc., and who have completed the 3450 Technical Training Group, Lowry AFB, Colorado, RADIAC Course No. 274ASF32470-007 or equivalent as determined by the USAF Radioisotope Committee.

4. Cesium 137 (D-0062) will be handled in accordance with T.O. 11H4-8-5-1.

5. Plutonium 239 (AN/UDM-6) will be handled in accordance with T.O. 11H4-8-4-1.

6. Compliance with all security and precautionary measures set forth in T.O. 00-110N-3, T.O. 11H-8-1, and T.O. 11H4-8-5-1 is mandatory.

7. All sources shall be operated in accordance with T.O. 00-11N, T.O. 11H4, 33K7 procedures and the applicable USAF permit (to be issued after issuance of the NRC license).

8. Only essential personnel shall be allowed to enter an area in which a source is operating.

B. Calibration Operations

1. Specific guidance on calibration of individual items of RADIAC equipment is contained in applicable USAF T.O.s as follows:

Item	T.O. Number
PAC-1S RADIAC, AC-3 Detection Probe, PG-1 Gamma Probe	33K7-4-2-1
AN/PDR-27	33K7-4-4-1
IM9 Dosimeter	33K7-4-6-1
AN/PDR-63	33K7-4-7-1
Dosimeter Part Nr. 7545394	33K7-4-13-1
General RADIAC Test Equipment, Low Range	33K7-4-28-1
CP-3A RADIAC Survey Meter	33K7-4-30-1
Gamma Dose Rate Meter	33K7-4-32-1
Dosimeter Part Nr. 005	33K7-4-34-1
SM-400 Geiger Counter	33K7-4-37-1
VR-10 RADIAC Survey Meter	33K7-4-66-1

2. The procedures in the 33K7 series calibration T.O.s are adequate for the ALARA program.

3. Leak testing and routine area surveys will be accomplished by the U.S. Air Force semi-annually in accordance with T.O. 11H4-8-5-1 through swipe readings. The swipes will be sent to the USAF Occupational and Environmental Health Laboratory, Brooks AFB, Texas 78235 using AF Form 495. In the event that a routine survey indicates a level more than three time higher than the background reading the associated source(s) will be removed from use pending results from the swipe test. Any source having a reading equal to or greater than .005 microcuries will be removed from use.

4. No hard (high energy) beta or gamma emitting materials or large sealed calibration sources will be utilized. Consequently, no associated special precautions or procedures are required.

5. Routine personnel monitoring will be accomplished through the use of film badges provided by a commercial service company such as Radiation Detection Company, P.O. Box 3714, Sunnyvale, California. Film badges will be exchanged monthly.

C. Emergencies

1. For accidents involving radioactive sources Tri-Services' RPO shall:

   a. Isolate the area
   b. Evacuate the area
   c. Turn off the air handler
   d. Call the Maxwell AFB RPO at extension 5848

2. For suspected overexposure Tri-Services' RPO shall:
   a. Terminate exposure
   b. Secure the source
   c. Call the Maxwell AFB RPO at extension 5848
   d. Get names of potentially exposed individuals
   e. Have all people involved write down details of all associated events (times, locations, circumstances, etc.)

3. Compliance with the reporting requirements contained in AFR 161-16, Control of Radioactive Materials, and AFR 127-4, Investigation and Reporting U.S. Air Force Mishaps, is mandatory.

D. Certifications

Calibration certification and documentation is accomplished through use of USAF TMDE Certifications and Equipment Maintenance Records. Specifically:

1. AFTO Forms 99, 108, 394, or 398, TMDE Certifications, contain the following data:
   - Identification of the item
   - Authority to calibrate (T.O. reference)
   - Accuracy standards from the T.O.
   - Date of calibration
   - Date next calibration is due
   - Name of certifying technician
   - Identification of source used through T.O. reference

2. AFTO Form 140, Equipment Maintenance Record, contains the following data:
   - Date
   - Comments/remarks
   - Owning organization
   - Location
   - Type of unit and serial number
   - Calibration frequency
   - T.O. reference
   - Signature of calibration technician

11. WASTE MANAGEMENT

Any source that becomes unservicable or is no longer needed will be sent to SA/ALC/MMIDEB, Kelly AFB, Texas 78241-5000 in accordance with applicable T.O.s. Contaminated swipes will be retained and disposed by the USAF Occupational and Environmental Health Laboratory, Brooks AFB, Texas.

For use of this form, see AR 340-15; the proponent agency is TAGO.

REFERENCE OR OFFICE SYMBOL	SUBJECT
AMXTM-EPO	Local Radiological Protection Officer

TO Commander
524th Maint Co (TMDE)

FROM RPO (Alt)
517th Maint Bn (TMDE)

DATE 31 Oct 85
SFC Kisiah/is/6441

CMT 1

1. Reference: AR 385-11, Ionizing Radiation Protection, 1 May 80.

2. Request duty assignment orders for SP4 McCord, Raymond O. for the additional duty of Local Radiological Protection Officer (LRPO)[Alt] for Mannheim Operations Center.

3. SP4 McCord has received 40 hours of formal training conducted by the U.S. Army Chemical School and provided both classroom and hands-on training. The class covered the following topics:

a. Principles of Nuclear Radiation
b. Radiation Units
c. Basics of Radiation Detection
d. Radiac Instruments
e. Shielding of Ionizing Radiation
f. Medical Aspects of Ionizing Radiation
g. Exposure Guidance and Control
h. Alpha Instruments
i. Monitoring, Wipe Test, and Transportation
j. Storage, Reporting, and Disposal
k. Alpha Instrument Calibration
l. Calibration Techniques and Safety
m. Radiation Accidents and Decontamination

4. Training certificate has not been received at this time from the Chemical School.

5. Orders must be forwarded through and approved by the USAREUR RCO in compliance with reference.

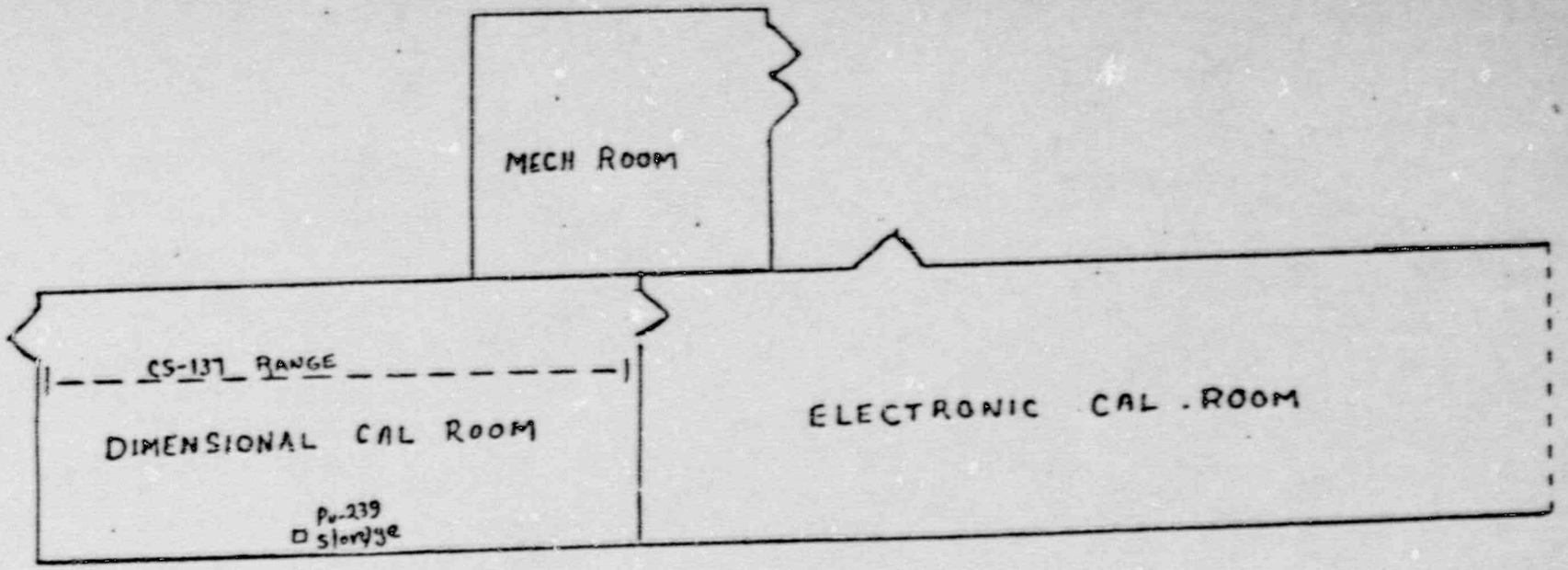
Stephen W. Kisiah

STEPHEN W. KISIAH
SFC, USA
RPO (Alt), 517th Maint Bn (TMDE)

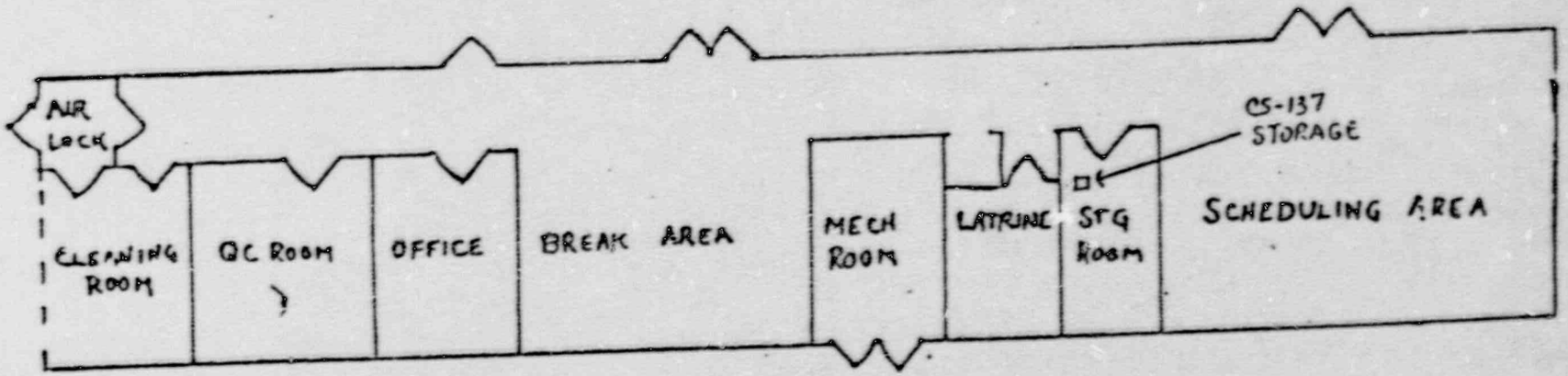
DA FORM AUG 80 2496

PREVIOUS EDITIONS WILL BE USED

MAXWELL AFB PMEL, Bldg 1017



NORTH WING BLD 1017



SOUTH WING BLD 1017

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

MAR 2 3 1989

Tri-Services, Inc.
ATTN: R. W. Sutliff
P.O. Box 2671
Chesapeake, VA 23320

Gentlemen:

This is in response to your November 30, 1988 letter indicating that you are disputing the license fees assessed for License 45-24952-01 under the provisions of 10 CFR 15.31 and 10 CFR 170.51. Your letter is in response to our November 17, 1988 letter informing you that an additional fee is required for the issuance of the license.

You state in your letter that the $230 fee submitted with your October 30, 1987 application for the new license was correct and covered fully all fees required. You further state that even if Category 1K was correct, the additional amount due would not be $350.

Enclosure 1 contains the schedule of fees in effect at the time your application was filed. Please note that fee Category 3P of §170.31, 10 CFR 170, specifies fees for "All other specific byproduct material licenses . . . . " (emphasis added), and is the correct category for the cesium 137 sources authorized in Items 6.A, 7.A, 8.A, and 9.A. of the license. Fee Category 1K specifies fees for "All other special nuclear material licenses . . . . " (emphasis added), and is the correct category for the Plutonium 239 sealed source set authorized in Items 6.B, 7.B, 8.B., and 9.B of the license. Plutonium 239 is special nuclear material as defined in §170.3(k)(1).

You also state that Footnote 1(a) of §170.31 provides that only the highest fee will apply if multiple categories apply to operations at the same location. Please note that the provision of Footnote 1(a) which you reference applies only to ". . . applications for licenses covering more than one fee category of special nuclear material (excluding 1H) . . . " License 45-24952-01 covers only one category of special nuclear material (i.e., 1K) and one category of byproduct material (i.e., 3P). Therefore, the first part of Footnote 1(a), which provides that "applications for materials licenses and approvals must be accompanied by the prescribed application fee for each category . . . ", is applicable to your October 30, 1987 application.

In order to consistently apply the regulations in 10 CFR 170, in fairness to other licensees who hold similar licenses and pay the prescribed fee, and since License 45-24952-01 is correctly classified in fee Categories 1K and 3P of Enclosure 1, the additional fee requested in our November 17, 1988 letter is due and payable. Payment should be made to the U.S. Nuclear Regulatory Commission and mailed to the attention of Glenda Jackson at our Washington, D.C. address.

MAR 2 3 1989

I apologize for the incorrect information you were given by NRC staff concerning the fee requirements prior to filing your application. If in the future you have any questions concerning the Commission's license fee requirements, please contact the License Fee Management Branch at (301) 492-4650.

Enclosure 2 contains the revised schedule of fees which went into effect January 30, 1989. Since the full cost categories were consolidated in the revised fee schedule, certain categories were relettered. Please note that the fee category for the special nuclear material authorized by License 45-24952-01 has been relettered from 1K to 1D. You should use the revised fee schedule for future applications and for inspection fee purposes.

Sincerely,

Graham D. Johnson, Director
Division of Accounting and Finance
Office of the Controller

Enclosures:
1. 10 CFR 170 (eff. June 20, 1984)
2. 10 CFR 170 (eff. January 30, 1989)

cc: Region II

DISTRIBUTION:
Pending Fee File
OC/DAF R/F
LFMB R/F (2)
DW/ABC/TRISERV
JHolloway

* previously concurred

OC:LFMB	OC:LFMB	*OGC	OC:DAF	OC:DAF
GJackson:kb	GJHolloway	RFonner	EBlack	GJohnson
3/20/89	3/22/89	03/15/89	3/22/89	3/27/89

I
~~We~~ apologize for the incorrect information you were given ~~by NRC staff outside the License Fee Management Branch~~ concerning the fee requirements prior to filing your application. If in the future you have any questions concerning the Commission's license fee requirements, please contact this office. Our telephone number is (301) 492-4650.

Enclosure 2 contains the revised schedule of fees which went into effect January 30, 1989. Since the full cost categories were consolidated in the revised fee schedule, certain categories were relettered. Please note that the fee category for the special nuclear material authorized by License 45-24952-01 has been relettered from 1K to 1D. You should use the revised fee schedule for future applications and for inspection fee purposes.

Sincerely,

Graham D. Johnson, Director
Division of Accounting and Finance
Office of the Controller

Enclosures:
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2. 10 CFR 170 (eff. January 30, 1989)

DISTRIBUTION:
Pending Fee File
OC/DAF R/F
LFMB R/F (2)
DW/ABC/TRISERV
CJ Holloway

OC:LFMB	OC:LFMB	OGC R. FONNER	OC:DAF	OC:DAF
GJackson:kb	CJHolloway		EBlack	GJohnson
3/21/89	3/20/89	3/15/89	3/21/89	/ /89

TRI-SERVICES, INC.
P.O. Box 2671
Chesapeake, Virginia 23320

RWS 88/166
30 November 1988

Ms. Glenda Jackson
License Fee Management Branch
U.S. Nuclear Regulatory Commission
Washington DC, 20555

Dear Ms. Jackson:

Referencing your letter of 17 November and Control Number 251858, the alledged debt of Tri-Services relative to its NRC license is disputed under the provisions of 10 CFR 15.31 and 10 CFR 170.51.

A careful review of our initial license application and 10 CFR 170 indicates that our remittance of $230 was correct and proper for the type of operation stated, covering fully all required fees, and, in any event, even if the additional fee category of 1K were applicable the additional amount due would not be $350. Specifically:

1. Review of 10 CFR 170 and contact with Mr. Lloyd Bolling of the Washington DC NRC office and Mr. Earl Wright of the Atlanta NRC office indicated that category 3P was the correct category for fee determination because the intended use of the sealed sources was not specifically addressed in any other fee category.

2. Tri-Services' assessment of the correct fee category was accepted by the NRC for over a year.

3. Note 1(a) to 10 CFR 170.31 provides that if multiple fee categories apply to operations at the same location only one fee, the highest, will apply. Consequently, even if fee category 1K were applicable the amount due would be $120 ($350 less $230), not $350.

Tri-Services' NRC license applies to operation of a calibration laboratory under a firm fixed price contract with the U.S. Air Force. In good faith we costed our services based, in part, upon the determination of fees associated with our NRC license and accepted by the NRC. To now, a year later, impose additional fees that we will have no hope of recovering imposes an unreasonable hardship upon

this small business enterprise. If for no other reason we ask that any request for additional fees be rescinded.

If you should require any additional information I may be reached at (804) 523-1788.

Sincerely,

R.W. Sutliff

Tri-Services, Inc.
P. O. Box 2671
Chesapeake, VA 23320

NOV 17 1988

Tri-Services, Inc.
ATTN: Mr. Fred J. Brown
P.O. Box 2671
Chesapeake, VA 23320

Gentlemen:

This refers to License 45-24952-01, issued November 24, 1987. The license was issued in response to your application dated October 30, 1987.

Through an oversight, the license was issued without remittance of the prescribed fee. Enclosed is a copy of Part 170 of the Commission's regulations which contains a schedule of fees for materials licenses. We received your check for $230, which is the appropriate fee for Category 3P of §170.31, 10 CFR 170. Your application, however, should have been accompanied by an additional fee of $350, as specified in fee Category 1K of §170.31, 10 CFR 170.

You are requested to remit the additional $350 fee to the U.S. Nuclear Regulatory Commission within twenty (20) days from the date of this letter. Payment should be made to the U.S. Nuclear Regulatory Commission and sent to my attention. When remitting the fee, please refer to CONTROL NUMBER 251858.

We apologize for the delay in notifying you of the additional fee due. If you have any question concerning this matter, please let us know.

Sincerely,
Signed by:
Glenda Jackson

Glenda Jackson
License Fee Management Branch
Division of Accounting and Finance
Office of Administration and
Resources Management

Enclosure:
10 CFR 170

DISTRIBUTION
Pending Fee File
ARM/DAF R/F
LFMB R/F (2)
DW/RIVV/TRISERV

OFFICE:	ARM/LFMB	ARM/LFMB
SURNAME:	MMessier:kb	Gjackson
DATE:	11/17/88	11/17/88