

W.J. Donoghue

JUL 15 1981

MEMORANDUM FOR: Victor Stello, Director, Office of Inspection and Enforcement
 FROM: Daniel J. Donoghue, Director, Office of Administration
 SUBJECT: PROPOSED LICENSE FEE SCHEDULE REVISION

The Commission has requested that we prepare a proposed revision to the fee schedule for their consideration by August 31, 1981. In order to meet that deadline, we plan to propose two major changes in the inspection area for facilities (reactors) and the major fuel cycle type facilities. First, inspection fees assessed will be based on the actual manpower expended to conduct the inspections (excluding all travel man-hours) rather than flat fees as currently prescribed by the schedule and second, we propose to assess fees for all routine and non-routine (reactive) inspections rather than just routine inspections. For license fee purposes, a reactive "inspection" is defined to include non-routine inspections, investigations, enforcement actions, and incident response work. It is important to note that the charges will not be limited to a maximum amount as in the current schedule. We understand, based on discussions with your staff, that the MPS system presently captures the direct inspection effort as well as the preparation and documentation time for both routine and reactive inspections. However, the system does not presently have the capability of identifying the manpower expended for specific inspection reports. We would need this information to respond to a licensee's question regarding the cost of a particular routine inspection, follow-up inspection, investigation, etc. We have discussed this matter with your staff.

In revising 170.23, 170.24 and certain fee categories in 170.32, we have been advised by the legal staff to show the expected range of fees for inspections based on the actual manpower expended. To assist us in developing a proposed revision to the fee schedule, we request that your office provide us with a range of manpower expended (Enclosure 1) for inspections of power, test, research and "possession only" reactors as well as inspections conducted in the fuel cycle area which are presently covered by 170.32 fee categories 1A through 1H, 2A, 2B, 2C and 4A.

The range would encompass the minimum costs (manpower and contractual) required to conduct the inspections, during a one-year period, to the maximum costs to conduct the inspections in that same category. In addition to the presently designated fee categories, we request that a range of fees be established, as shown above, for the inspection of (1) ore buying stations and (2) for ion exchange (solvent extraction) facilities.

10

JUL 15 1981

Victor Stello

-2-

We would appreciate your providing us with the above information by c.o.b. July 21, 1981. If you have any questions concerning this matter, please contact William Miller, LFMB, on extension 2-7225.

Daniel J. Donoghue, Director
Office of Administration

Enclosure:
Range of Inspection Manpower Expended...

cc: Kevin Cornell, EDO - w/encl.

DISTRIBUTION: (w/encl.)

- License Fee File
- DJDonoghue, ADM
- PNorry, ADM
- WOMiller, LFMB
- CJHolloway, LFMB ✓
- ASCabell, LFMB
- KLKohler, LFMB
- LFMB R/F (2)
- LDonnelly, RMB
- GMathews, RMB

WOM

OFFICE	LFMB:ADM	LFMB:ADM	ADM	ADM		
NAME	CJHolloway	WOMiller	PNorry	DJDonoghue		
DATE	7/ /81 vml	7/15/81	7/ /81	7/ /81		

Category
(170.23 & 170.24)

- Power Reactor
First Unit
Additional Unit
(same site)
- Test Reactor
- Research Reactor
- Production or Utilization
Facility Licensed for
possession but not operation

Routine Inspections			
Safety		Safeguards	
<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>

Reactive Inspections			
Safety		Safeguards	
<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>

170.32

- 1A
- 1B
- 1C
- 1D
- 1E
- 1F
- 1G
- 1H
- 2A
- 2B
- 2C
- 2A

Categories (categories not presently covered by .art 170)

- Buying Station
- Exchange (solvent extraction) facilities