

sent 8/25/93
MILWAUKEE
SCHOOL OF
ENGINEERING

1025 North Broadway (414) 277-7300
P.O. Box 644
Milwaukee, Wisconsin
53201-0644



SNM-997
Am00481-93

August 25, 1993

U.S. Nuclear Regulatory Commission
License Fee and Debt Collection Branch
P.O. Box 954514
St. Louis, Missouri 63195-4514

Dear Sir:

The Milwaukee School of Engineering wishes to request an exemption from your 1993 annual fee for nonprofit educational institutions materials licensee fee under 10 CFR 171.11 (b,d).

You state that "any licensee seeking an individual exemption under the public interest standard 171.11(b) would be expected, as part of its showing that exceptional treatment is justified, to demonstrate severe financial handicap resulting from the newly imposed fees as well as significant 'externalized benefits.'" This could include benefits to other NRC licensees.

The financial hardship that we would feel would come about on our department budget where this expense has not been planned for. Our budget is essentially fixed (or capped at this time); any additional expenses will reduce the funds available to purchase supplies and operate our instructional laboratories. The original fee would represent about 15% of our laboratory budget (which at the very least we would hope to reduce to 10% under the "small entity status certification").

The nuclear materials source that we have is a small plutonium neutron source which is used to neutron activate small metal samples. Engineering students then study decay schemes, measure half lives, etc. In general, having such experiments as part of our engineering physics classes will provide a degree of "nuclear scientific literacy" and potentially benefit all NRC licensees because future employees from the Milwaukee School of Engineering would have some nuclear experiences in their educational backgrounds. I would estimate that about 250 students per year go through our Modern Physics laboratory course.

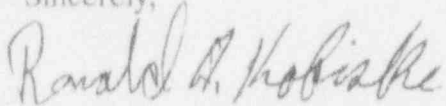
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In my frank opinion, imposed license expense fees such as the amounts requested could well lead to the demise of nuclear-related courses not only at MSOE but at other educational institutions as well. The nuclear-related educational experience to our engineering students should be a significant "externalized benefit" to all other NRC licensees to warrant an exemption of all or part of this fee.

In order to comply with the law, we are enclosing \$1800, which would be the maximum fee imposed if we are granted small entity status.

Sincerely,



Ronald A. Kobiske, Ph.D.
Chairman
Department of Physics and Chemistry
Radiation Safety Officer