



JUL 27 1981

MEMORANDUM FOR: Daniel J. Donoghue, Director
Office of Administration

FROM: Victor Stello, Jr., Director
Office of Inspection and Enforcement

SUBJECT: PROPOSED LICENSE FEE SCHEDULE REVISION

I have reviewed your proposal to use actual inspection manhours for license fee purposes, rather than a flat rate, as a way to recover more of the costs of performing inspections. More specifically, you propose to use manpower expended for all routine and reactive work plus all associated preparation and documentation effort, but not direct travel time. There are certain aspects of this proposal that I would like to have changed. First, I see numerous problems associated with trying to bill licensees for certain reactive work such as investigations, enforcement actions, and incident response effort. However, reactive inspections are more analogous to routine inspection activity and could logically be combined with the routine effort. Second, I believe it would make sense to include direct travel time since it is time that must be expended to conduct on-site inspections and is certainly as much a part of the overall inspection activity as writing the inspection report itself. You also proposed to include IE contractual support dollars. I understand that the program support costs of other offices that are now included in license fee billings are those that can be specifically identified with a given docket. None of our contracts are docket specific. Unless we establish an elaborate accounting mechanism to track contract costs on a per docket basis, I see no way of including any of IE's program support costs.

You asked me to provide a range of manhours expended at reactors and fuel facilities. I have done so for reactors, but I need more time to compute good statistics for the classes of fuel facilities you have specified. I will provide this information to you in the near future.

A handwritten signature in black ink, appearing to read "Victor Stello, Jr.", written in a cursive style.

Victor Stello, Jr., Director
Office of Inspection and Enforcement

Dupe ~~ST~~

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enclosure 1

Range of Inspection Manpower expected Per Typical Licensee
For Inspections Conducted During FY 1981
(Man-Hours)

Category (170.23 & 170.24)	Routine Inspections				Reactive Inspections			
	Safety		Safeguards		Safety		Safeguards	
	From	To	From	To	From	To	From	To
Power Reactor Sites:								
Single Unit	1,220	2,865	80	270	80	1,380	0	95
Dual Unit	1,025	1,730	45	155	85	510	0	50
Triple Unit	785	1,345	40	125	150	410	0	45
Test and Research Reactors	15	45	5	15	0	15	0	
Production or Utilization Facility Licensed for possession but not operation								

170.32

- 1A
- 1B
- 1C
- 1D
- 1E
- 1F
- 1G
- 1H
- 2A
- 2B
- 2C
- 4A

New Categories

Ore Buying Station

Ion Exchange facilities