May 25, 1994

Secretary of the Commission
Nuclear Regulatory Commission
Washington, D.C. 20555

ATTN: Docketing and Service Branch

Please accept my comments on the proposed amendments to Part 170 and 171 concerning fee schedules.

Not only is this proposed amendment bad, but the whole concept of changing fees for licenses, inspections, amendments to licenses, etc. is terrible.

The Nuclear Regulatory Commission should fight Congress to change the 1990 policy of making the NRC recover 100% of its budget. It's counter productive to nuclear safety. The only time a charge might conceivably be justified is a one-time license application fee (small at that) every five years.

Sincerely,

Robert M. Boyd

Robert M. Boyd
Radiation Safety Officer

RMB/tl

c: Senator Paul Coverdale
Senator Sam Nunn
Senator John Glenn

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No. 94-73 May 10, 1994

NRC PROPOSES CHANGES IN FEE SCHEDULES

The Nuclear Regulatory Commission is proposing to amend its licensing, inspection and annual fee schedules to recover approximately 100 percent of its fiscal year 1994 budget.

The proposed revisions implement the requirements of the Omnibus Budget Reconciliation Act of 1990 which requires the NRC to recover approximately 100 percent of its budget authority, less appropriations from the Nuclear Waste Fund, for fiscal years 1991 through 1998 by assessing license and annual fees. The amount to be recovered in fiscal year 1994 is $513 million.

The proposed fee schedule reflects the Commission's efforts to streamline operations and its recent proposal, which has been approved by the Congress, for a $12.7 million rescission to its original appropriation for fiscal year 1994 of $547.7 million for a revised budget authority of $535.0 million.

Of the $535.0 million budget authority, approximately $22.0 million has been appropriated from the Nuclear Waste Fund leaving a total of $513.0 million to be recovered from fees. This amount for fiscal year 1994 is about $6.0 million less than the total amount for fiscal year 1993.

As proposed, the annual fees for power reactor licensees would decrease slightly compared to the fiscal year 1993 fees. Annual fees for materials licensees would increase about 15 percent compared to the fiscal year 1993 fees.

The fiscal year 1994 budget amount attributable to materials licensees is about 10 percent higher than the comparable fiscal year 1993 amount and the number of licensees to be assessed annual fees has decreased from about 6,800 to about 6,500, resulting in fewer licensees to pay for the full costs of regulatory activities.

Written comments on the proposed amendments to Parts 170 and 171 of the Commission's regulations should be received by June 9, 1994. They should be addressed to the Secretary of the Commission, Nuclear Regulatory Commission, Washington, D.C. 20555, Attention: Docketing and Service Branch.

No. 94-74 May 10, 1994

NRC STAFF PROPOSES $50,000 FINE AGAINST CONSUMERS POWER COMPANY FOR FAILING TO ADEQUATELY CORRECT DESIGN PROBLEMS

The Nuclear Regulatory Commission staff has proposed a $50,000 fine against Consumers Power Company for failing to take prompt corrective actions for problems found with equipment cooling systems at the Palisades Nuclear Power Plant. The plant is located at Covert, Michigan.

During design reviews in 1989 and 1990, utility personnel found design problems with two systems which provide cooling water to various pieces of equipment in the plant. (The reactor cooling system was not affected by these findings.) An NRC inspection in January-February 1994 determined that adequate corrective actions were not taken for these problems.

In one instance, the system which provides cooling for the pumps in the emergency reactor cooling system relied on a non-safety-related compressed air system to actuate valves. Therefore, if there was a major pipe break in the reactor cooling system and -- at the same time there was a loss of offsite electrical power -- the pumps in the emergency reactor cooling system might fail because of inadequate cooling.

The NRC inspection also identified additional design problems which had not been adequately corrected: (1) failure to include a valve in the equipment