



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D.C. 20555-0001

September 14, 1994

The Honorable Marilyn Lloyd, Chairman  
Subcommittee on Energy  
Committee on Science, Space and  
Technology  
U.S. House of Representatives  
Washington, D.C. 20515-6301

Dear Madam Chairman:

I am responding to your letter of August 12, 1994, concerning the FY 1994 annual fees for General Atomics (GA), which supplies nonpower reactor fuel for TRIGA type research reactors. As you know, the Omnibus Budget Reconciliation Act of 1990 (OBRA-90), as amended, requires the Nuclear Regulatory Commission for fiscal years 1991 through 1998 to recover approximately 100 percent of its budget authority, less the amount appropriated from the Nuclear Waste Fund, by assessing fees to NRC applicants and licensees. Each year, we must develop fees that will permit NRC to meet this requirement. We make constant efforts to ensure that the budget that must be recovered is only what is needed to provide adequate protection of the public health and safety.

On May 10, 1994, the Commission published for public comment a proposed rule indicating the amounts of the licensing, inspection, and annual fees necessary to recover approximately 100 percent of the NRC FY 1994 budget authority. After evaluating all comments, including those from GA and the National Organization of Test, Research and Training Reactors, we published the final rule establishing fees for FY 1994 on July 20, 1994. Prior to this rule, the GA facility had been inadvertently misclassified for fee purposes. The classification was corrected in the July 20, 1994 rule. Although the Commission concluded that the GA license has now been properly classified in the current fee rule, it also took note of the issues raised by GA regarding NRC's allocation of costs to them and decided that it would treat those comments as a request for an exemption from payment of the full FY 1994 fee under 10 CFR 171.11(d). GA submitted additional information on August 26, 1994, in support of their exemption request. The Commission expects to issue a decision on this exemption request in the near future, and, until that time, has withheld issuance of the FY 1994 annual fee invoice to GA.

The Commission is reexamining the fee classes that have been established for fuel facilities. This reexamination will consider input and decisions relative to the exemption. The result of the reexamination will be included in the proposed FY 1995 fee rule for public comment.

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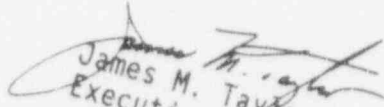
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The Honorable Marilyn Lloyd

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We appreciate the additional insights your letter has provided us on the possible impacts of the fees assignable to materials licensees such as General Atomics. Thank you for your communication. If I can be of further assistance, please let me know.

Sincerely,

  
James M. Taylor  
Executive Director  
for Operations