



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

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2. File PPB 2.6.1

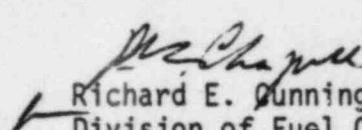
March 10, 1983

MEMORANDUM FOR: Robert S. Brown, Jr.
Assistant to the Director
and Chief
Program Support Branch

FROM: Richard E. Cunningham, Director
Division of Fuel Cycle and Material Safety

SUBJECT: SIMPSON HEARINGS (NMSS #83-259)

Attached are the two pages you requested on comparison of current
and proposed license fees.


Richard E. Cunningham, Director
Division of Fuel Cycle and
Material Safety

Enclosures: As stated

Fees for new licenses

Current

- o The fees charged are based on APST
(Average Professional Staff Time)
FY77 cost
BPM (By Products Material Lic.)

- o For BPM, the range is from
\$ 110 to \$ 1900
- o The cap for BPM is
\$ 110 to \$ 1900 and
is established by ~~(how done)~~
average professional staff time
in FY 1977 for each category
of licensing

FC

- o For FC, the range is
from \$20,800 to \$771,900.
- o The cap for FC is
\$20,800 to \$771,900
and is established by ~~(how done)~~
actual cost up to cap

WM (URL)

- o For URL, the range is from
\$12,000 to \$258,000
- o The cap for URL is
\$ 140 to \$107,700.
and is established by ~~(how done)~~
actual cost up to cap

(Proposed)
Revised

- o The fees charged are based on APST
FY81 cost
BPM (By Products Material Lic)

- o For BPM, the range is from
\$ 230 to \$ 1400
- o There is no "cap" for BPM for
category 1 of applications
routinely handled.
Some types of BPM, such as
are charged by actual costs. field flooding and tracer studies

FC

- o For FC, there is no cap. Charges are
actual costs and are anticipated
to be \$31,000 to \$1,444,000.

URL

- o For URL there is no cap. Charges
are actual costs and are
anticipated to be \$13,000 to \$258,000.

Costs generally are broken down by:

NRC Professional Staff % 33 (office avg) \$ _____

Contractors % 67 (office avg) \$ _____

The percentages vary greatly based on the type of case.

The contractors ~~do not~~ are used for: (What are they used for)

assist in the preparation of Environmental Appraisals and Environmental Impact Statements and for technical assistance in specialized safety areas such as seismic, structural and heat transfer, ground water evaluations, and dam stability evaluations.

Contractors are used rather than direct NRC employees because: they provide technical expertise which the staff does not have, on a wide spectrum of specialization it would not be cost effective to have such specialties as full-time staff because of limited utilization.

Inefficiencies alleged:

Reply:

o Changes in personnel

(NRC reply): New project managerial charge a significant amount of their time to administrative and non-specific casework type categories while "coming up to speed."

o Eliminate full NEPA

Required by 10 CFR 51 & consistent w/CEQ regulations and NEPA.

o Reduce use of outside technical consultants

Cannot find & retain qualified experts in the varied disciplines.

o Improve & streamline internal administrative review process

One of the motivating factors for regionalizing URL is to improve licensing process.

Costs Recovered

o Direct costs consisting of _____

Salaries, benefits, proportionate shared overhead (Offices of Research, ADM, heat, lights), travel, depreciation.

	Current		Proposed	
BPM \$	<u>355,000</u>	<u>9.3</u> %	\$ <u>*</u>	<u> </u> %
FC \$	<u>290,000</u>	<u>13.3</u> %	\$ <u>*</u>	<u> </u> %
URL \$	<u>430,000</u>	<u>16.4</u> %	\$ <u>*</u>	<u> </u> %
	<u>1,075,000</u>			

1. Approximately 1/3 of all BPM is not subject to fee, e.g., State & Federal government and educational institutions.
2. NMSS recovered \$1,075,000. The total NMSS budget was \$35,940,000. Therefore NMSS recovered in fees approximately 3 percent of its total budget. Under the proposed fee schedule, we would recover approximately 6 percent of the total NMSS budget.

*This information is not available from LFMB.

DATE OF DOCUMENT	DATE RECEIVED 03 10 83	DUE DATE 03 10 83	REVISED DUE DATE	COMPLETION DATE 3/10/83	CONTROL NUMBER 830259
OFFICE ASSIGNED FC/M	NAME OF ORIGINATOR AND OFFICE Brown RS NMSS				
REFERRED TO	DESCRIPTION Simpson Hearings				
TRANSITION TYPE (Code Option)		REMARKS			
<input type="checkbox"/> 1. Add new items <input type="checkbox"/> 2. Delete items <input type="checkbox"/> 3. Change item date <input type="checkbox"/> 4. Update item status (close out) <input type="checkbox"/> 5. Revised due date <input type="checkbox"/> 6. Correct item status		Please Furnished Attached Info for Simpson Hearings for Mr Davis by 11:00 93/19/83 (24 Given input to Mr Brown) <i>FC + WM Closed ticket</i>			
DISTRIBUTION					
NRC FORM 300 (1-79)		U.S. NUCLEAR REGULATORY COMMISSION			
WORK ITEM TRACKING SYSTEM (WITS, NMSS)					

Fees for new licenses only

Current

Increase Professional Staff Time

(Proposed)
Revised

- o The fees charged are based on APST
FY-1977 cost

BPM (By Products Material Lic.)

- o For BPM, the range is from
\$ 110 to \$ 1900

- o The cap for BPM is
\$ 110 to \$ 1900 and
is established by (how done)

*Average professional staff time in FY-77
for each category of licensing.*

FC

- o For FC, the range is
from \$20,800 to \$771,900

- o The cap for FC is ~~20,800~~ 771,900
\$20,800 to \$
and is established by (how done)

actual cost up to cap

WM (URL)

- o For URL, the range is from
2,000 \$ to \$258,000

- o The cap for URL is
\$ to \$107,700
and is established by (how done)

by actual cost up to cap

- o The fees charged are based on APST
FY-1981 cost

BPM (By Products Material Lic)

- o For BPM, the range is from
\$ 230 to \$ 1400

- o There is no "cap" for BPM for
category 1 of applications
routinely handled. Fixed (ex. APST)
Some types of BPM, such as
are charged by actual costs.

field products & minor business

FC

- o For FC, there is no cap. Charges are
actual costs and are anticipated
to be \$31,000 to \$144,000

~~field products~~
3

URL

- o For URL there is no cap. Charges
are actual costs and are
anticipated to be \$12,000 to \$258,000

~~field~~
applications

Salaries + Benefits
P.S.
Travel

~~12,600~~
~~24,040~~
~~535~~

~~37,175~~
 320

\$39,375/person

	<u>SV</u>	<u>Staff costs</u>	<u>TS</u>	<u>Total</u>
FCL	39	153,562	2,025,000	2,178,562
TS	17	669,375	305,000	669,680
ML	46	1,811,250	2,000,000	3,811,250
URL	34	1,338,750	1,300,000 2,235,000	2,573,750 2,638,750
			16.3%	

Current \$3800/hr Proposed 5800/hr

Costs generally are broken down by:

NRC Professional Staff % 33 avg/ \$ 68,000
Contractors % 67 avg/ \$ 185,000

Ogle Rest.
\$253,000
m & mill
EA & EIS

These percentages vary widely on case to case basis.
The contractors are used to: (What are they used for)

Assistance in preparing EA and EIS, and for technical assistance in specialized safety areas such as seismic, structural and heat transfer, ground water evaluations, and dam stability evaluations

Contractors are used rather than direct NRC employees because:

Provide technical expertise which the staff does not have, on a wide spectrum of specialties it would not be cost effective to have such specialists as full time staff because of limited utilization.

Inefficiencies alleged:

Reply:

Changes in personnel

(NRC reply):

Costs Recovered

Direct costs consisting of

Salaries, benefits, proportionate share of overhead (office, Res, Admin, rent, light) travel, depreciation.
Re: bills

	Current		Proposed	
BPM	\$355,000	9.3 %	\$ *	%
FC	\$290,000	13.3 %	\$ *	%
URL	\$430,000	12.4 %	\$ *	%
	1,075,000			

- Approx 1/3 of all BPM is not subject to fee State and Federal
- Government and educational institutions.
- NMSS recovered \$1,075,000. NMSS budget was \$35,940,000. Therefore NMSS recovered in fees 3% of total budget.

Total NMSS bucket. approximately 1/3 of 11. Total NMSS bucket.

This information is from LEMB.

BPM
FC
URL

FY '84

Proposed

Budget '84 \$ 36,300,000

Power 2,200,000

~6% of budget expected for recovery.

APST

APST

50%

50%

BPM 355,000
~~100,000~~

FC 290,000

URL 430,000

~~5000~~
T-rana 100,000

1,300,000 out of

37,340,000

at 3% recovery.