

Holloway
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MAR 07 1984

MEMORANDUM FOR: Richard T. Ferri, Director, DRMA, Region I
Richard J. Maley, Director, DRMA, Region II
Dennis J. Dougherty, Director, DRMA, Region III
William E. Foster, Director, DRMA, Region IV
Kathleen J. Hamill, Acting Director, DRMA, Region V

FROM: William O. Miller, Chief
License Fee Management Branch
Office of Administration

SUBJECT: LICENSE FEE REQUIREMENTS AND RNAT/RITS SYSTEM

On February 23, 1984, I had the privilege of attending your conference in Dallas to review a new license fee rule and requirements for its implementation. In this discussion, the importance of accurately recording and verifying professional staff time and contractual services costs associated with inspections and other casework were stressed. From the participants' comments, I have the impression that the operating offices generally understand the data needs for fee billing of the revised fee rule and schedule (SECY-83-495). Chuck Fitzgerald and his Resource Management staff are working with the LFMB and with the regions to assure that there is a clear understanding of RITS and how the system will be used to provide data for fees.

The data needs for fee purposes may be separated into two categories, namely, "Existing Data Elements" and "New Data Elements."

Existing Data Elements - First, we have those elements which currently exist on MPS and will continue on RITS. They are:

1. Docket Number
2. Regular Hours of professional staff expended on individual casework
3. Position Identification Codes
4. Activity Codes for preparation, on-site inspection, documentation and certain other inspector conducted activities related to inspections (both routine and reactive)
5. Week Ending Dates

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New Data Elements - Secondly, certain new coding requirements will be needed to properly bill licensees under the revised license fee rule. They are:

1. Inspection Report Number - In 1982, IE proposed that the inspection report number be included in MPS; however, it is my understanding that up to this point in time, only Region 3 has instituted a system which makes inspection report numbers readily available so they may be assigned immediately to an inspector upon request. I have been informed that this element is now to be entered into RITS.
2. Inspection Status Code - This element would serve as a means of identifying "a completed inspection" for fee billing purposes under the revised rule. Without this element, licensees could receive invoices for inspections that are still in progress or at the preparation stage.

The status code, which I understand has been adopted by all regions, is intended for use by the principal inspector. The use of status codes would signal LFMB when it's time to bill the licensee. In certain instances, there may be additional professional staff effort required on an inspection which by necessity is completed after the report is dispatched to the licensee. When such effort is required, the inspector should charge it directly to the docket number without using the old inspection report number. If, however, unresolved or follow-up items are pursued on the next inspection of the licensee, the professional staff hours should be coded as part of the new inspection using a new inspection report number.

The data elements discussed above are important because the legal staff has advised LFMB/ADM that the invoice must state what the fee covers (e.g., completed inspection report number 84-01) and the NRC should not expect a licensee to pay on a general statement of account or before receiving a report of the completed inspection. The legal staff has also advised that the method of reporting by the regions must be consistent.

The revised regulation provides that a detailed statement of costs will be furnished to an applicant/licensee upon request and where questions arise on a particular fee, the NRC will review the disputed charge with the applicant or licensee representative.

The above discussion is concerned with only those categories of applications and licenses that are to be billed for full cost using professional staff time and contractual services costs. All small materials programs licensed by the NRC will continue on fixed fees.

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In the near future, I plan to provide the operating offices with revised fee procedures and suggested report forms. These are being held up until there is an understanding of the reporting system and coding elements by all parties involved in fees.

I appreciate your support and cooperation in these matters. If you or any of the staff have questions please contact me. Enclosed is a copy of SECY-83-495 which I promised to furnish you.

Original Signed by
Wm. O. Miller

William O. Miller, Chief
License Fee Management Branch
Office of Administration

Enclosure:
SECY-83-495

cc: P. Norry, ADM
M. Springer, ADM
J. Sniezek, EDO
L. Cooper, ADM
J. Blaha, IE
E. Greher, IE
C. Fitzgerald, RM
P. Smith, RM

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