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UNITED STATES GOVERNMENT
OFFICE OF NAVAJO AND HOPI INDIAN RELOCATION

1998 OCT 26 AM 10:03

Christopher J. Bavasi
Executive Director

October 22, 1998

U.S. Nuclear Regulatory Commission
License Fee Section
License Fee and Accounts Receivable Branch
Washington, DC 20555-0001

ATTN: Ms. Diane Dandois

RE: NRC INVOICES OF ANNUAL FEES FOR FY 92, FY94, FY95, AND FY96
for the Office of Navajo and Hopi Indian Relocation
License No. 02-29031-01

Dear Ms. Dandois:

This is to acknowledge your agency's letter (and two copies of your Annual Fee Billing Handbook) of 9/18/98 regarding payment of annual fees for the above fiscal years (FY).

Needless to say, your letter came as both a shock and is an inconvenience since we were led to believe by your agency in 1994 that there was nothing more due because of your revisions to the regulations and the nature of our agency's mission (a very small sunset executive agency in direct support of two Native American Tribes).

On 10/15/98 I discussed this situation with Ms. Sandra Kimberley of your office and explained that our density meter program (consisting of only two portable gauges) has been dormant since August, 1993. We terminated our program effective 9/28/98 and have transferred our equipment to another license holder. The only reason we did not terminate our program sooner was that we are in a remote area which has made it extremely difficult to locate a properly licensed entity that was willing to accept our equipment and the fact that we believed nothing was due since we had received no invoices from your agency after we paid our license renewal fee in 1993. I told her that we sincerely believed that there were no fees due as we had not been invoiced by you nor had we received any correspondence from your agency. We have only had one inspection from your agency in the last four years which just occurred in June of this year. Ms. Kimberley felt that this was a reasonable request and suggested that I provide you with the details and a formal request for a waiver.

Over the past three years, our Agency has begun its close out process and, as a result, Congress has forced regular budget cuts every year on our program. For reasons discussed above, no funds have been obligated or reserved for this expenditure.

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U.S. Nuclear Regulatory Commission
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Based on the above information, I respectfully request that all fees invoiced with your letter of 9/21/98 be waived for the following specific reasons:

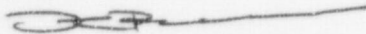
1. No invoices were ever provided by your Agency for the years in question and verbal communications from your Agency led us to believe there was no such fee requirement for our agency. In effect, we relied on statements from and lack of actions of the NRC that nothing was due.
2. As mentioned above, our agency was directed by Congress at the end of 1992 to prepare our shut down plan. Accordingly, Congress has made major annual budget cuts on our program which have averaged 18% per year for the last seven years.
3. Our density meter program was very small and has been inactive since August, 1993 as documented in our equipment inventory and Leak Tests logs.
4. We have received no tangible benefit from NRC during the periods for said fees.
5. As part of the shut down activities, our density meter program has been formally terminated and the equipment transferred effective September 28, 1998.

We feel that after so many years it is unreasonable (if not in violation of the statutes of limitations or repose) to require back payments from agencies as a result of internal problems at your agency. Also, we feel that this situation places a heavy burden on our small agency which restricts our ability to accomplish the strict mission assigned to us by Congress.

If you have any questions or need additional information, please call me at (520) 779-2721, extension 147.

Thank you for your consideration in this matter.

Sincerely,



J.L. Brooks
Radiation Safety Officer

attachments

cc: A.Hernandez
RSO File
desk