



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

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- NOTICE -

THIS DOCUMENT CONTAINS IMPORTANT INFORMATION RELATING TO
PROPOSED REVISIONS TO THE NUCLEAR REGULATORY COMMISSION'S
LICENSE FEE REGULATIONS IN 10 CFR PARTS 170 AND 171 FOR FY 1998.
THE PROPOSED CHANGES AFFECT ALL APPLICANTS FOR AND HOLDERS
OF NRC LICENSES, CERTIFICATES AND APPROVALS.



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0X.01

March 26, 1998

IMPORTANT NOTICE

TO: ALL PARTS 30, 40, 50, 61, 70, 71, 72, 73, AND 110 LICENSEES, APPLICANTS
AND REACTOR VENDORS

SUBJECT: PROPOSED REVISIONS TO 10 CFR PARTS 170 AND 171 ON LICENSE,
INSPECTION AND ANNUAL FEES FOR FY 1998

Within the next few days, the U.S. Nuclear Regulatory Commission will publish in the Federal Register for public comment the enclosed Proposed Notice of Rulemaking. This notice proposes revisions to the fee requirements of 10 CFR Part 170 ("Fees for Facilities and Material Licenses and Other Regulatory Services...") and Part 171 ("Annual Fees for Reactor Operating Licenses and Fuel Cycle Licenses and Materials Licenses..."). These proposed revisions are being made to implement Public Law 101-508 enacted on November 5, 1990, which mandates that the NRC recover approximately 100 percent of its budget authority less the appropriation from the Nuclear Waste Fund in FY 1998.

The amount of the FY 1998 budget to be recovered from fees is \$454.8 million, which is \$7.5 million less than the fee recovery amount for FY 1997. The NRC estimates that approximately \$94.6 million will be recovered in FY 1998 from fees assessed under 10 CFR Part 170 and other receipts compared to \$95.2 million in FY 1997. The remaining \$360.2 million in FY 1998 would be recovered through the 10 CFR Part 171 annual fees. The total amount to be recovered through annual fees in FY 1998 is approximately \$6.4 million less than in FY 1997.

In addition to the decrease in the total amount to be recovered through annual fees and the slight reduction in the estimated amount to be recovered in 10 CFR Part 170 fees, the number of licensees paying annual fees in FY 1998 has decreased compared to FY 1997. For example, Commonwealth Edison has notified the NRC that the Zion Station Units 1 and 2 ceased operations on February 13, 1998. In addition, both the Haddam Neck Plant and the Maine Yankee Plant ceased operations during FY 1997 and therefore are not subject to the FY 1998 annual fees. This is equivalent to a reduction of 2.5 power reactors subject to the FY 1998 annual fees compared to FY 1997.

As a result of these changes, the proposed FY 1998 annual fees would increase slightly, by 0.1 percent, compared to the FY 1997 actual (prior to rounding) annual fees. Because this is a slight increase, after rounding the proposed FY 1998 annual fees for many fee categories are the same as the final FY 1997 annual fees. The following examples illustrate the changes in annual fees:

<u>Class of Licensees</u>	<u>FY 1997 Annual Fee</u>	<u>FY 1998 Proposed Annual Fee</u>
Power Reactors	\$2,978,000	\$2,980,000
Nonpower Reactors	57,300	57,300
High Enriched Uranium Fuel Facility	2,606,000	2,607,000
Low Enriched Uranium Fuel Facility	1,279,000	1,280,000
UF ⁶ Conversion Facility	648,000	649,000
Uranium Mills	61,800	61,800
<u>Typical Materials Licenses</u>		
Radiographers	14,100	14,100
Well Loggers	8,200	8,200
Gauge Users	1,700	1,700
Broad Scope Medical	23,500	23,500

The specific changes to Parts 170 and 171 would:

1. Part 170

- (a) Revise the two professional hourly rates in §170.20 which will be used to determine the 10 CFR Part 170 fees assessed by the NRC. The proposed hourly rate for the reactor program is \$124 per hour compared to \$131 per hour in FY 1997, and the proposed hourly rate for the materials program is \$121 per hour compared to \$125 per hour in FY 1997;
- (b) Adjust the §170.31 licensing (application and amendment) "flat" fees for materials licenses to reflect the costs of providing the licensing services;
- (c) Revise the fees in §§170.21 and 170.31 that relate to the export and import of radioactive material to reflect the costs of providing the licensing services;
- (d) Revise §170.12(g) to include full cost recovery for resident inspectors and to recover costs incurred up to 30 days after issuance of the inspection report;
- (e) Revise §170.12(h) to include credit cards as an additional method of payment for small dollar amounts, and to provide additional information on electronic payments; and

- (f) Implement a procedural change whereby fees would be assessed under §§170.21 and 170.31 for activities, such as application reviews and inspections, performed during compensated overtime. The compensated overtime hours would be billed at the normal hourly rate.

2. Part 171

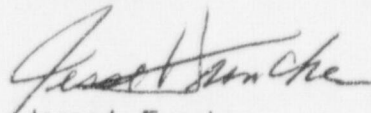
- (a) Adjust all annual fees upward by about 0.1 percent. The proposed change is consistent with the NRC's intention stated in the FY 1995 final rule, that beginning in FY 1996, annual fees would be stabilized by adjusting the prior year annual fees by the percent change (plus or minus) in the NRC budget authority taking into consideration the estimated collections from 10 CFR Part 170 fees and the number of licensees paying fees; and
- (b) Revise §171.19 to include credit cards as an additional method of payment for small dollar amounts and to provide additional information on electronic payments.

All parties desiring to submit written comments for consideration should send them to the Secretary of the U.S. Nuclear Regulatory Commission, Washington, D.C. 20555, Attention: Docketing and Services Branch, within 30 days from publication in the Federal Register. Comments may also be submitted via the NRC's interactive rulemaking website through the NRC home page (<http://www.nrc.gov>). Questions relating to the proposed revision should be directed to the U.S. Nuclear Regulatory Commission, Washington, D.C. 20555, Attention: Office of the Chief Financial Officer.

In addition to the amendment to Parts 170 and 171, the NRC is proposing conforming amendments to 10 CFR Parts 2 and 140 to include additional payments options for civil penalties and indemnity fees.

Please note that the NRC plans to discontinue mailing the final rule to all licensees. In addition to publication in the Federal Register the final rule will be available on the internet at <http://ruleforum.llnl.gov>. Copies of the final rule will be mailed upon request. To request a copy of the final rule, contact the Office of the Chief Financial Officer at 301-415-7554.

Sincerely,



Jesse L. Funches
Chief Financial Officer

Enclosure: Proposed Notice of
Rulemaking