



CHIEF FINANCIAL
OFFICER

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

November 24, 2020

Mr. John Christian CNMT, PET, R.T.
Imaging Manager
Alaska Spine Institute
3801 University Lake Drive
Anchorage, AK 99508

Dear Mr. Christian:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter, which was dated October 6, 2020 (Agencywide Documents Access and Management System Accession No. ML20282A232). In the letter, you requested relief of the annual fee on invoice No. LFB 20-4250, Docket No. 03038049, related to the fiscal year (FY) 2020 annual fee.

In your letter, you indicate that your business was forced to shut down due to COVID-19 in March and when you decided to reopen, the owners decided that they would close the Nuclear Medicine Department for good as you had no requests for nuclear medicine services. In addition, you state that you spoke with Roberto Torres in our Region IV office and asked him for direction on how to shut down your department. On September 28, 2020, Mr. Torres provided you with an NRC Form 314, "Certificate of Disposition of Materials," and instructions for completing the termination of your license. You request a fee waiver under 10 CFR 171.11 for "extraordinary circumstances," namely the forced closure of the Nuclear Medicine Department and potentially the business as a whole due to COVID-19.

Although you reference "extraordinary circumstances" under 10 CFR 171.11, the part of the regulation that contains this language, Section 171.11(a), pertains to only the timeframe for when exemptions must be filed with the NRC in order to be considered. Therefore, I reviewed your exemption request under Footnote 1 of 10 CFR 171.16 and 10 CFR 171.17, and the other provisions in 10 CFR 171.11.

NRC regulations in Footnote 1 of 10 CFR 171.16 and 10 CFR 171.17 specify when an annual fee may be prorated upon termination of a materials license. Footnote 1 of 10 CFR 171.16 provides as follows:

Annual fees will be assessed based on whether a licensee held a valid license with the NRC authorizing possession and use of radioactive material during the current FY. The annual fee is waived for those materials licenses and holders of certificates, registrations, and approvals who either filed for termination of their licenses or approvals or filed for possession only/storage licenses before October 1 of the current FY, and permanently ceased licensed activities entirely before this date. Annual fees for licensees who filed for termination of a license, downgrade of a license, or for a possession-only license during the FY and for new licenses issued during the FY will be prorated in accordance with the provisions of §171.17. . .

Based on the provision above, when you hold a materials license during the current FY, fees are incurred irrespective of whether licensed materials are in use. The proration provision in 10 CFR 171.17(b)(2) provides that the “annual fee will be prorated for licenses for which a termination request . . . has been received on or after October 1 of a FY *on the basis of when the application for termination . . . is received* by the NRC provided the licensee permanently ceased licensed activities during the specified period. Licenses for which applications for termination . . . are filed during the period October 1 through March 31 of the FY are assessed one-half the annual fee for the applicable category(ies) for that FY.” Your termination request has not been received as of the date of this letter. Therefore, Alaska Spine Institute is not eligible for proration under these regulations and is responsible for the full FY 2020 annual fee.

We also considered whether the NRC can grant an exemption that would allow you to pay a reduced annual fee under the other provisions in 10 CFR 171.11. However, based on the information provided in your letter, we have determined that you have not met the criteria for the NRC to grant an exemption under 10 CFR 171.11.

If you are unable to pay Invoice LFB 20-4250 with one payment, you may also arrange for a payment plan. As per 10 CFR 15.35(b), a debtor may arrange an installment plan with the NRC for payment of fees if the debtor is unable to pay the invoice in one lump sum. An installment plan is available for up to 36 months, starting from the date on which the installment agreement is entered. Please note that currently all installment agreements require the payment of interest at 1 percent annually and an administrative charge of \$7.00 per period.

Please direct any questions regarding the payment plan or settlement of invoice LFB 20-4250 to Ms. Carly Nelson-Wilson of my staff at (301) 415-3479. Please contact Mr. Billy Blaney of my staff at (301) 415-5092 for any fee-related questions.

Sincerely,

Cherish K. Johnson
Chief Financial Officer

SUBJECT: LETTER TO JOHN CHRISTIAN, ALASKA SPINE INSTITUTE, IN RESPONSE TO A FEE EXEMPTION REQUEST DATED OCTOBER 6, 2020; RESPONSE LETTER DATED NOVEMBER 24, 2020

DISTRIBUTION:

Public
 K. Riner, OCFO
 R. Torres, RIV
 H. Gepfor, RIV
 C. Hill, RIV
 RidsNMSS

ADAMS: Yes No Initials: WB SUNSI Review: WB
 Publicly Available Non-Publicly Available Sensitive Non-Sensitive
ADAMS Accession No: ML20295A503 (package); ML20282A232 (incoming); ML20295A488 (Response letter)

OFFICE	OCFO/DOB/LFPT	OCFO/DOB/LFPT	OCFO/DOC/LAFBB	OGC
NAME	WBlaney	JJacobs	JGibbs-Nicholson	CMcCann* ^{NLO}
DATE	10/19/2020	10/19/2020	10/27/2020	11/13/2020
OFFICE	OCFO/DOC/FSOB	OCFO/DOC/LAFBB	OCFO/DOB/LFPT	OCFO/DOB
NAME	ELeGrand	MBlair	ARossi	FMiller
DATE	11/13/2020	11/13/2020	11/16/2020	11/17/2020
OFFICE	OCFO/DOB	DCFO	CFO	
NAME	JEShay	BFicks	CKJohnson	
DATE	11/20/20	11/23/20	11/24/20	

OFFICIAL RECORD COPY