



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

April 12, 2016

OFFICE OF THE
CHIEF FINANCIAL
OFFICER

Louisiana Energy Services
ATTN: Stephen Cowne
P.O. Box 1789
Eunice, NM 88231

SUBJECT: LICENSE FEE BILLING ERROR

Dear Mr. Cowne:

The U.S. Nuclear Regulatory Commission (NRC) identified an error related to the amount billed to Louisiana Energy Services (dba URENCO, USA) under Title 10 of the *Code of Federal Regulations*, Part 170, *Fees for Facilities, Materials, Import and Export Licenses, and Other Regulatory Services under the Atomic Energy Act of 1954, as amended*. During fiscal years 2013 through 2015, NRC made payments to contractors for technical assistance services in support of work related to docket 07003103 (license number SNM-2010). Payments in the amount of \$554,362.40 were incorrectly recorded in our financial system without the associated cost activity codes, L34228 – Louisiana Energy Services License Amendment Review, L34222 - LES Protection of Classified Information and Related Security Activities at the LES Uranium Enrichment Facility, and L34192 - LES Classification of Information at the Louisiana Energy Services Enrichment Facility. The omitted cost activity codes prevented the payments from being accumulated for license fee billing. Therefore, NRC has not yet billed Louisiana Energy Services for these charges totaling \$554,362.40.

Staff from the Office of the Chief Financial Officer (OCFO) and Office of Nuclear Material Safety and Safeguards (NMSS) identified these errors while performing an audit of fee recoverable contract costs. NMSS staff substantiated all charges by performing a thorough review of the original invoices and monthly/quarterly letter status reports provided by the contractors. Please note that since this error occurred, NRC has implemented internal control measures to prevent reoccurrence of this type of error.

Based on the information stated above, NRC will include these charges on the next quarterly Part 170 invoice which will be issued to Louisiana Energy Services in April 2016. I sincerely regret the inconvenience this has caused. If you have questions related to this matter, please contact Ms. Meghan Blair of OCFO at 301-415-5242 or Meghan.Blair@nrc.gov.

Sincerely,

/RA/

Maureen E. Wylie
Chief Financial Officer

April 12, 2016

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Sincerely,

/RA/
Maureen E. Wylie
Chief Financial Officer

Docket Number: 07003103

License Number: SNM-2010

Adams: ☒ Yes ☐ No Initials: MB/

☒ Publicly Available ☐ Non-Publicly Available

ADAMS ML: ML15323A365

SUNSI Review By: MB/

☐ Sensitive ☒ Non-Sensitive

*see previous concurrence

OFFICE	OCFO/DOC/ARB	OCFO/DOC/ARB	NMSS/FCSE/ECB	NMSS/FCSE/ECB
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OFFICE	NMSS/FCSE/ECB	NMSS/FCSE/ECB	NMSS/PBPA	NMSS
NAME	TGrice*	CErlanger*	CSchum*	SMoore*
DATE	03/ 7 /2016	03/ 7 /2016	03/ 7 /2016	03/ 8 /2016
OFFICE	OCFO/DOC	OCFO/DOC	DCFO	CFO
NAME	KWilliams	GPeterson	MCMuessle	MEWylie
DATE	03/08/2016	03/08/2016	03/11/2016	04/12/2016