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81 FR 15352

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Comment On: NRC-2016-0056-0001
 Fees Development and Communications; Request for Information

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Submitter Information

Name: Mike Thomas

General Comment

Cameco Resources comments on the NRC Fees Development and Communications are attached.

Attachments

Cameco Resources NRC Fee Comments 6May16

SUNSI Review Complete

Template = ADM - 013

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Add= A. Bradford (AHBI)



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May 6, 2016

Ms. Cindy Bladey
Office of Administration
Mail Stop: OWFN-12-H08
U.S. Nuclear Regulatory Commission,
Washington, DC 20555-0001

RE: Cameco Resources Comments on Nuclear Regulatory Commission Request for Information- Fees Development and Communications- (Federal Register Volume 81, Number. 55 / Tuesday, March 22, 2016 / Notices)

Dear Ms. Bladey,

By this letter, Cameco Resources (Cameco) hereby submits comments for the Request for Information – Fees Development and Communications that was published via Federal Register notice (Volume 81, No. 55) on March 22, 2016. With the notice, the Nuclear Regulatory Commission (NRC) is seeking input from interested stakeholders regarding the general communications the NRC provides about its fees and the public's understanding of the NRC's fees. The comments and information collected will be used by the NRC in developing ways to improve the transparency of its fees development and invoicing process.

Cameco is America's largest uranium producer. The Smith Ranch-Highland in situ uranium mine in Converse County, Wyoming, is the largest uranium operation in the United States. Cameco also has the North Butte in situ uranium mine located in Campbell County, Wyoming, and the Crow Butte in situ uranium mine in Dawes County, Nebraska. In addition, Cameco has potential future growth opportunities in Wyoming and Nebraska – all of which are envisioned as in situ mining operations. As such, all the uranium operations are regulated by the NRC and subject to NRC invoicing, annual fees, and cost recovery fees.

The following are Cameco's comments on the Request for Information – Fees Development and Communications:

The NRC is seeking information on ways to improve the clarity and content of invoices. Increasing invoice detail is an issue that has been brought to the NRC's attention since 2001 in previous comments to the NRC by the uranium industry, Wyoming Mining Association, and the National Mining Association through the proposed annual fee rule. This issue has also been brought to the attention of the NRC at several of the recent annual NRC/National Mining Association Workshops. To improve invoicing, Cameco suggests that when an invoice is submitted, the NRC provide more detail in the description of the work conducted by NRC staff along with providing more detail in the work conducted

by contractors that are reviewing licensing submittals. The detail currently submitted in the NRC invoices would not suffice if it were to be submitted by a consultant, law or accounting firm, or contractor performing work for Cameco. More details in what work was performed would also improve the accountability for the hours reported on specific projects and inspections allowing for a better understanding of the services provided by the NRC staff to Cameco.

The following is an example of the lack of detail that is currently found in all Cameco NRC invoices.

| | | | | | | | |
|---------------------|---|----------------------------------|-----------|---|---|---|------------|
| Cameco Resources | CROW BUTTE - MARSLAND EXPANSION ENVIRONMENTAL REVIEW | SANFORD COHEN & ASSOCIATES | 3/28/2016 | 0 | 0 | 1 | \$1,726.12 |
|---------------------|---|----------------------------------|-----------|---|---|---|------------|

As the example demonstrates, a consultant worked on the Environmental Review for one project and charged \$1,728.12. The work done, total number of people working on the project, and hours worked on the project are missing. If any consultant, contractor, lawyer, or other entity submitted an invoice like the one in the example above, it would be sent back with requests for more information and clarity.

In addition to providing more detail in the invoices, the NRC needs to work on being more accountable for the handling of invoices to industry. On April 7, 2016, Cameco received a letter from the NRC regarding a billing error (ML15323A364). The letter stated that during the fiscal years 2013 and 2014, the NRC made payments to contractors for work related to Cameco's Source Material and Byproduct License SUA-1534, but did not bill Cameco because of an omitted cost activity code. The NRC then billed Cameco for the two missed bills shortly after the letter was sent. Even though the NRC stated that they have implemented internal control measures to prevent reoccurrence of this type of error, the fact that the charges were missed and then expected to be paid after two years is not acceptable. Cameco and the uranium recovery industry have asked for more certainty for the licensing/re-licensing fees so that these processes can be accurately budgeted. The lack of any set NRC schedule for the licensing/re-licensing process, lack of detail in invoices, having no accountability when it comes to contractor or staff charges, and not knowing if there is or will be large amount of back charges makes it almost impossible to determine the cost for any licensing action. At a time when the uranium industry is in a depressed mode, not knowing any of this information makes it difficult to make business decisions to keep the industry moving forward.

The one positive outcome of the missed bill is that the NRC was able to provide better details of the work that the contractors performed. The details provided were:

Cost Activity Code J00862 – Crow Butte Marsland Expansion Environmental Review

- Amount: \$207,306
- Description: The contractor was tasked with working on the entire Environmental Assessment including all resource areas. In addition, similar to Crow Butte License Renewal, the focus of the contractor effort has also been on cultural and water resources for the Environmental Assessment as well as assistance with section 106 consultation under the National Historic Preservation Act.

Cost Activity Code J00883 – Crow Butte In Situ Leach License Renewal

- Amount: \$37,529

- Description: The contractor worked on Cultural Resources and Water Resources. Cultural resources included the analysis used in the Environmental Assessment for that resource as well as assistance with section 106 consultation under the National Historic Preservation Act.

Although the descriptions were still brief, they contained more detail than what is found in any current invoice. This demonstrates that the NRC has the ability to easily provide the detail that has been requested by industry over the last 15 years:

The NRC also has asked if there are activities that the NRC should convert from non-fee billable to fee billable such as hearings for new licenses. Cameco strongly suggests that hearings on new licensing actions should remain non-fee billable to licensees or potential licensees. Any work conducted by NRC staff as a result of a hearing that results from a licensing action should remain as a cost recovery under 10 CFR part 171 annual charges.

Cameco appreciates the NRC's asking for input regarding invoicing and fees and supports any improvements that the NRC can make these areas. If you have comments or questions concerning any of the comments, please contact me at 307-333-7665 or by e-mail: Mike.Thomas@cameco.com.

Sincerely,



Mike Thomas
Director Safety, Health, Environment, Quality
Cameco Resources