

# Public Meeting on Fuel Facilities Fee Matrix

December 2017

# Agenda

- NRC – Introductions
- NRC – Fee Matrix Presentation
- Everyone – Comments and Questions
- NRC – Adjourn Meeting

# Objectives

- Review the current method to calculate annual fees
- Review data gathered and possible alternative approaches considered so far
- Obtain stakeholder input
- Answer questions

# Background

## Fuel Facilities Budgeted FTE:

- FY 2016 Enacted = 136 FTE
- FY 2017 Enacted = 113 FTE
- FY 2018 CBJ = 114 FTE

# Background

- The NRC has 2 types of fees:
  - Service Fees for direct services.
  - Annual Fees for other costs.
- Fuel Facility Business Line distributes annual fees based on the level of effort to regulate each facility.
- A matrix of effort factors used since 1999 (64 FR 31448, June 10, 1999).

# What is basis for amount billed?

## Budget (\$M)

33.9 Total Budgeted Resources for FY17

- 9.6 Estimated Part 170 Collections

+ 4.1 Other Adjustments

28.4 Total Annual Fees for FY17

# FY17 Budgeted Resources

## Fuel Facilities Business Line

### Budget (\$K)

819	Event Response
395	International Activities
13,002	Licensing
16,128	Oversight
0	Research
2,762	Rulemaking
197	State and Tribal Programs
<u>571</u>	Training
33,874	Total

# Existing Matrix for Annual Fee

NRC FUEL CYCLE FACILITIES																													
FY 2018 ANNUAL FEES - EFFORT FACTOR MATRIX																													
Sept 2017																													
CATEGORY	LICENSEE	DOCKET	FEE CATEGORY	PROCESSES																								SUBTOTALS	TOTAL
				SOLID		ENRICHMENT		LIQUID		HEU DOWN		CONVERSION		PELLET		ROD/		SCRAP/		HOT CELL		SENSITIVE							
				UF6/METAL	SG	S	SG	S	SG	S	SG	S	SG	S	SG	S	SG	S	SG	S	SG	S	SG	S	SG				
Fuel Fabrication (HEU)	B&W NOG (SNM-42)	70-00027	1A(1)(a)	10	10	0	0	0	0	5	5	5	5	10	5	5	5	10	5	1	1	1	10	47	46	93			
	NFS (SNM-124)	70-00143	1A(1)(a)	10	10	0	0	0	0	10	10	10	10	0	0	0	0	10	10	0	0	1	10	41	50	91			
Uranium Enrichment	LES (SNM-2010)	70-03103	1E	10	1	5	10	1	1	0	0	0	0	0	0	0	0	5	1	0	0	0	10	21	23	44			
	Centrus ACP (SNM-2011)*	70-07004	1E	10	1	5	10	1	1	0	0	0	0	0	0	0	0	5	1	0	0	0	10	-	-	-			
	AREVA Eagle Rock (SNM-2015)*	70-07015	1E	10	1	5	10	1	1	0	0	0	0	0	0	0	0	5	1	0	0	0	10	-	-	-			
	Global Laser Enrichment (SNM-2019)*	70-07016	1E	10	1	5	10	1	1	0	0	0	0	0	0	0	0	5	1	0	0	0	10	-	-	-			
Fuel Fabrication (LEU)	Global Nuclear (SNM-1097)	70-01113	1A(1)(b)	5	1	1	5	1	1	0	0	5	1	5	1	1	1	5	1	0	0	1	5	24	16	40			
	AREVA NP Richland (SNM-1227)	70-01257	1A(1)(b)	5	1	0	0	1	1	0	0	5	1	5	1	1	1	5	1	0	0	1	1	23	7	30			
	Westinghouse (SNM-1107)	70-01151	1A(1)(b)	5	1	0	0	1	1	0	0	5	1	5	1	1	1	5	1	0	0	1	1	23	7	30			
UF6 Conversion	Honeywell (SUB-526)	40-03392	2A(1)	5	1	0	0	5	5	0	0	1	0	0	0	0	0	1	0	0	0	0	1	12	7	19			
	International Isotopes (SUB-1011)	40-09086	2A(1)	5	1	0	0	5	5	0	0	1	0	0	0	0	0	1	0	0	0	0	1	-	-	-			
Enrichment Demonstration																													
Hot Cell	None		1A(2)(b)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
	None		1A(2)(c)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			



# Existing Matrix for Annual Fee

PROCESSES									
SOLID UF6/METAL	ENRICHMENT	LIQUID UF6	HEU DOWN BLEND	CONVERSION POWDER	PELLET	ROD/ BUNDLE	SCRAP/ WASTE	HOT CELL	SENSITIVE INFORMATION
S SG	S SG	S SG	S SG	S SG	S SG	S SG	S SG	S SG	S SG

## Effort Factors Used:

- High = 10
- Moderate = 5
- Low = 1
- None = 0

# Billing Data

Category	Licensee	Total Part 170 Charges Over 4 Years	Percent Based on Billing Data	
Fuel Fab (HEU)	BWXT 07000027	5,414,062	16.5	19.4
	NFS 07000143	7,307,831	22.2	
Fuel Fab (LEU)	GNFA 07001113	2,493,327	7.6	9.3
	AREVA 07001257	2,303,037	7.0	
	Westinghouse 07001151	4,416,558	13.4	
Enrichment	LES 07003103	7,439,265	22.6	22.6
Conversion	Honeywell 04003392	3,526,103	10.7	10.7
		Total = \$32,900,183		

# Document Data

- Billing data is for direct services, but annual fee includes other services.
- Maintaining procedures and guidance is a large part of the other services.
- Staff listed licensing and inspection documents, and applicability to each fee category.
- Many documents applicable to more than one fee category.
- Compared results for all documents against results for documents revised recently (2013 or later).

# Guidance and Procedures

All Documents		
HEU Fuel Fabrication	231	28%
LEU Fuel Fabrication	210	26%
Uranium Conversion	164	20%
Uranium Enrichment	207	26%
Total	812	100%

Documents Revised in 2013 or later		
HEU Fuel Fabrication	90	29%
LEU Fuel Fabrication	76	25%
Uranium Conversion	65	21%
Uranium Enrichment	77	25%
Total	308	100%

Approximately 250 documents were identified.  
Many are applicable to multiple categories.

# Possible Alternative Approaches

- Continue using fee matrix. Consider changes to factors assigned.
- Distribute Annual Fees Uniformly Over Business Line (method used for reactors)
- Distribute Annual Fees Using Combination of Uniform and Proportional Methods

# Comparisons

Category	Licensee	Uniform Approach	Combination Approach				Actual FY17 Annual Fee (Existing Matrix)
		Revised FY17 Annual Fee (Total/7)	Proportional Percent	Proportional Amount of \$4,104,750 (15% of \$27,365,000)	Uniform Amount of \$23,260,250 (85% of \$27,365,000)	Revised FY17 Annual Fee	
Fuel Fab (HEU)	BWXT 07000027	3,909,286	19.4	796,322	3,322,893	4,119,215	7,255,000
	NFS 07000143	3,909,286	19.4	796,322	3,322,893	4,119,215	7,255,000
Fuel Fab (LEU)	GNFA 07001113	3,909,286	9.3	381,742	3,322,893	3,704,635	2,629,000
	AREVA 07001257	3,909,286	9.3	381,742	3,322,893	3,704,635	2,629,000
	Westinghouse 07001151	3,909,286	9.3	381,742	3,322,893	3,704,635	2,629,000
Enrichment	LES 07003103	3,909,286	22.6	927,674	3,322,893	4,250,567	3,470,000
Conversion	Honeywell 04003392	3,909,286	10.7	439,208	3,322,893	3,762,101	1,498,000
		27,365,000	100.0			27,365,000	27,365,000

# Questions on Data

- Should we compare the billing data to amount of effort predicted by the fee matrix?
- Should we compare the document data to the amount of effort predicted by the fee matrix?
- Are there other things we should analyze?

# Questions on Approaches

- Should we continue using the fee matrix?
- Should we change to a uniform approach?
- Should we change to the combination approach?
- Are there other approaches we should consider?



# Schedule

- Comments in connection with the public meeting are requested by January 17, 2018.
- Follow-up call to discuss comments (if clarification needed) the week of January 22, 2018.