



Revisions to Matrix of Areas Regulated

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Agenda

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

Objectives

- Discuss proposed changes in the matrix of regulated areas
 - Rationale for effort rating
 - Basis for numerical value of effort factors
- Obtain stakeholder input
- Answer questions

Background

- Current matrix used since 1999
- Staff initiated evaluation of fee matrix in 2016
- Public meeting in December 2017 discussed 3 approaches
- Public meeting in March 2018 discussed 2 additional approaches

Background

At the public meeting in March, NRC introduced the approach of using a matrix of areas regulated. In response, two significant issues were raised:

- No rationale was provided for the generic effort rating in each area (high/mod/low).
- No basis was provided for the numerical value of effort factors in each area.

Rationale for Effort Rating

- Management and Organization – Minimal changes this fiscal year. Rated Low for each category.
- Integrated Safety Analysis – Ongoing efforts to track operational experience and evaluate lessons learned. Rated Moderate for each category.
- Radiation Protection – Minimal changes this fiscal year. Rated Low for each category.
- Criticality Safety – Rated High for HEU Fuel Fab, Moderate for LEU Fuel Fab, Low for Enrichment, and No Effort for Conversion.

Rationale for Effort Rating

- Chemical Safety – Ongoing effort to develop generic guidance. Rated Moderate for each category.
- Fire Safety – Minimal changes this fiscal year. Rated Low for each category.
- Emergency Management – Minimal changes this fiscal year. Rated Low for each category.
- Environmental Protection – Minimal changes this fiscal year. Rated Low for each category.

Rationale for Effort Rating

- Decommissioning – Ongoing effort to improve guidance and procedures as licensees cease operations. Rated Moderate for each category.
- Management Measures – Ongoing efforts to track operational experience and evaluate lessons learned. Rated Moderate for each category.
- Material Control and Accounting – Rated High for HEU Fuel Fab, Moderate for LEU Fuel Fab and Enrichment, and Low for Conversion.

Rationale for Effort Rating

- Physical Protection – Rated High for HEU Fuel Fab and Low for all other categories.
- Information Security – Rated High for LES because NRC is cognizant security agency. Rated Moderate for NFS and BWXT because DOE is cognizant security agency. Rated Low for all other licensees.
- Cyber Security – Based on generic efforts that will be needed if regulations are issued, this area is rate Moderate for all categories.

Basis for Numerical Value

- Current matrix uses 10 for high effort, 5 for moderate effort, and 1 for low effort.
- NRC staff evaluated how the resources budgeted in FY 2018 apply to each area.
- Total resources for each product were converted to dollars.
- Range of numerical values based on the total resources in each area.

NRC FUEL CYCLE FACILITIES

ANNUAL FEES – BASIS FOR EFFORT FACTOR RANGE (FY18 ENACTED BUDGET)

1 FTE = \$175K

Non-Billable Effort includes (1) Rulemaking, (2) Guidance, (3) Implementing Procedures, and (4) Training,

Product Line	Product	Office	Location	RESOURCES (\$K) IN REGULATED AREAS															TOTAL BUDGETED
				MGMT & ORG	ISA	RAD PROT	CRIT SAFETY	CHEM SAFETY	FIRE SAFETY	EMERG MGMT	ENV PROT	DECOM	MGMT MEASURES	MC&A	PHYS PROT	INFO SEC	CYBER SEC		
PL-1 Evt Response	P-179 Response Ops	NSIR/DPR	HQ/RII							380								2 FTE + \$30K	
PL-3 Intl Activities	P-150 Licensing Export/Import	OIP	HQ											175				1 FTE	
PL-4 Licensing	P-122 Emerg Prep	NSIR/DPR	HQ							175								1 FTE	
	P-125 Env Reviews	NMSS/FCSE	HQ								475							1 FTE + \$300K	
	P-149 Lic Actions	NMSS/DUWP	HQ									235						1 FTE + \$60K	
	P-149 Lic Actions	All Other	HQ	350	350	350	350	350	350	350	350	350	350	350	350	350	350	26 FTE + \$352K	
	P-172 Policy Outreach	OGC	HQ	13	13	13	13	13	13	13	13	13	13	13	13	13	13	1 FTE	
	P-186 Security	NSIR/DPCP	HQ												350			2 FTE	
PL-5 Oversight	P-124 Enforcement	OE	HQ/RII	38	38	38	38	38	38	38	38	38	38	38	38	38	38	3 FTE + \$10K	
	P-139 Inspection	NMSS/FCSE	HQ/RII/RIV	375	375	375	375	375	375	375	375	375	375	375	375	375	375	30 FTE	
	P-144 IT Infrastructure	OCIO/OD	HQ	29	29	29	29	29	29	29	29	29	29	29	29	29	29	\$407K	
	P-163 NSPDP Trng	RII/DCI	RII	13	13	13	13	13	13	13	13	13	13	13	13	13	13	1 FTE	
	P-186 Security	NSIR/DPCP	HQ														437	1 FTE + \$262K	
	P-186 Security	NSIR/DSO	HQ/RII												825	275		6 FTE + \$50K	
PL-7 Rulemaking	P-183 Rulemaking	NSIR/DPCP	HQ												175		175	2 FTE	
	P-183 Rulemaking	All Other	HQ												359		539	5 FTE + \$23K	
PL-M Mission Support/Supv	P-162 Non-Supv	NMSS/PMDA	HQ	31	31	31	31	31	31	31	31	31	31	31	31	31	31	2 FTE + \$82K	
	P-190 Supervisors	NSIR	HQ							88					88	88	88	2 FTE	
	P-190 Supervisors	All Other	HQ/RII	175	175	175	175	175	175	175	175	175	175	175	175	175	175	14 FTE	
	P-202 Admin Asst	NMSS & RII	HQ/RII	69	69	69	69	69	69	69	69	69	69	69	69	69	69	4 FTE + \$268K	
PL-N Training	P-157 Mission Training	OCHCO	HQ	22	22	22	22	22	22	22	22	22	22	22	22	22	22	\$304K	
PL-O Travel	P-158 Mission Travel	All Offices	HQ/RII/RIV	70	70	70	70	70	70	70	70	70	70	70	70	70	70	\$981K	
			Totals	1185	1185	1185	1185	1185	1185	1828	1660	1420	1185	1360	2982	1548	2424		
	Total / 400 = Effort Factor Range			1-3	1-3	1-3	1-3	1-3	1-3	1-4	1-4	1-4	1-3	1-3	1-8	1-4	1-6		

NRC FUEL CYCLE FACILITIES
FY 2018 ANNUAL FEES - NONBILLABLE EFFORT FACTOR MATRIX

Non-Billable Effort includes (1) Rulemaking, (2) Guidance Development, (3) Implementing Procedures, and (4) Training,

Category	Licensee	Docket	Fee Category	Regulated Areas														Total
				MGMT		RAD	CRIT	CHEM	FIRE	EMERG	ENV		MGMT		PHYS	INFO	CYBER	
				& Org	ISA	Prot	Safety	Safety	Safety	MGMT	Prot	Decom	Measures	MC&A	Prot	Sec	Sec	
Fuel Fabrication (HEU)	B&W NOG (SNM-42)	70-00027	1A(1)(a)	1	2	1	3	2	1	1	1	2	2	3	8	2	3	32
	NFS (SNM-124)	70-00143	1A(1)(a)	1	2	1	3	2	1	1	1	2	2	3	8	2	3	32
Uranium Enrichment	LES (SNM-2010)	70-03103	1E	1	2	1	1	2	1	1	1	2	2	2	1	4	3	24
	Centrus ACP (SNM-2011)*	70-07004	1E															-
	AREVA Eagle Rock (SNM-2015)*	70-07015	1E															-
	Global Laser Enrich (SNM-2019)*	70-07016	1E															-
Fuel Fabrication (LEU)	Global Nuclear Fuel (SNM-1097)	70-01113	1A(1)(b)	1	2	1	2	2	1	1	1	2	2	2	1	1	3	22
	Framatome (SNM-1227)	70-01257	1A(1)(b)	1	2	1	2	2	1	1	1	2	2	2	1	1	3	22
	Westinghouse (SNM-1107)	70-01151	1A(1)(b)	1	2	1	2	2	1	1	1	2	2	2	1	1	3	22
UF6 Conversion	Honeywell (SUB-526)	40-03392	2A(1)	1	2	1	0	2	1	1	1	2	2	1	1	1	3	19
	Intl Isotopes (SUB-1011)	40-09086	2A(1)															-
Enrichment Demonstration	None		1A(2)(b)															-
Hot Cell	None		1A(2)(c)															-
																		TOTAL = 173
			HIGH =	3	3	3	3	3	3	4	4	4	3	3	8	4	6	
			MODERATE =	2	2	2	2	2	2	2	2	2	2	2	4	2	3	
			LOW =	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
			NONE =	0	0	0	0	0	0	0	0	0	0	0	0	0	0	

Impact of Revised Approach

Fee Category	Licensee	Percent Based on Matrix of Regulated Areas		Total Annual Fee Amount for FY18	New Annual Fee for FY18	Actual Annual Fee for FY18
Fuel Fab (HEU)	BWXT 07000027	18.5	18.5	\$27,706,000	\$5,125,610	\$7,346,000
	NFS 07000143	18.5		\$27,706,000	\$5,125,610	\$7,346,000
Fuel Fab (LEU)	GNFA 07001113	12.7	12.7	\$27,706,000	\$3,518,662	\$2,661,000
	Framatome 07001257	12.7		\$27,706,000	\$3,518,662	\$2,661,000
	Westinghouse 07001151	12.7		\$27,706,000	\$3,518,662	\$2,661,000
Enrichment	LES 07003103	13.9	13.9	\$27,706,000	\$3,851,134	\$3,513,000
Conversion	Honeywell 04003392	11.0	11.0	\$27,706,000	\$3,047,660	\$1,517,000



Next Steps

- Request comments on proposed changes discussed today by August 8, 2018.
- Public will have an opportunity to comment further when the proposed fee rule is published in January.