



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

September 30, 2019

CHIEF FINANCIAL  
OFFICER

Mr. Craig B. Clemmens, Managing Partner  
Appalachian Geophysical Surveys  
5511 Greensburg Road  
Apollo, PA 15613

Dear Mr. Clemmens:

On behalf of the Nuclear Regulatory Commission (NRC), I am responding to your letter dated August 10, 2019, (Agency Documents Access and Management System Accession Number ML19235A011) requesting the NRC to grant an extension of time to terminate license 37-19798-01 and avoid the fiscal year (FY) 2019 50-percent prorated annual fee for Invoice LFB 19-2532 in the amount of \$7,450.00.

In your letter, you asserted that Appalachian Geophysical Surveys ceased business operations before the end of 2017. The NRC received your termination request on November 29, 2018. You state that you began working on the Mariner II East pipeline project in September 2018, and generally worked 60 hours per week or more and a considerable distance from home. Finally, you state that you intended to terminate your license prior to October 1, 2018, but that you were unable to do so until the project that you were working on slowed down, at which time you filed for termination.

The NRC has an established procedure for waiving an annual fee upon termination of a materials license. This procedure is set forth in Footnote 1 of 10 CFR 171.16, "Annual fees: Materials licensees, holders of certificates of compliance, holders of sealed source and device registrations, holders of quality assurance program approvals, and government agencies licensed by the NRC." The NRC staff has reviewed your request based on this provision:

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. If a person holds more than one license, certificate, registration, or approval, the annual fee(s) will be assessed for each license, certificate, registration, or approval held by that person. For licenses that authorize more than one activity on a single license (e.g., human use and irradiator activities), annual fees will be assessed for each category applicable to the license.

Based on the provision above, when you hold a license during the current FY, fees are incurred, irrespective of whether licensed materials are in use. Appalachian Geophysical Surveys already received a 50% invoice in accordance with the proration regulations in 10 CFR 171.17. I do not believe that the circumstances you describe merit a cancellation or additional reduction of the invoice. Therefore, I am denying your request.

Based on your invoice payment history over the past few years, your company has self-certified and been approved as a small entity. I have attached a copy of an NRC Form 526 "Certification of Small Entity Status for the Purposes of Annual Fees," which can be completed and submitted to the NRC with your payment of 50-percent of the small entity amount for which you may qualify.

Please direct any questions regarding the settlement of your invoice to Mrs. Christian Leatherbury at 301-415-3479. If you have any other questions, please contact Mr. William Blaney of my staff at 301-415-5092.

Sincerely,

*/RA/*

Maureen E. Wylie, Chief Financial Officer  
Office of the Chief Financial Officer

Enclosure:  
NRC Form 526

SUBJECT: LETTER TO CRAIG CLEMMENS IN RESPONSE TO A REQUEST TO GRANT  
AN EXTENSION OF TIME TO TERMINATE LICENSE 37-19798-01  
DATED: September 30, 2019

**DISTRIBUTION:**

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ADAMS: ☒ Yes ☐ No Initials: WB SUNSI Review: WB

☒ Publicly Available ☐ Non-Publicly Available ☐ Sensitive ☒ Non-Sensitive

**ADAMS Accession No: Letter: ML19239A386**

**Package: ML19239A385**

**Incoming: ML19235A011**

**\*via e-mail**

**CFO-0009**

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<b>DATE</b>	08/28/2019	08/28/2019	09/04/2019	09/24/2019	9/25/19
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<b>NAME</b>	ARossi	JMartin	SCoffin	BFicks	MEWylie
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