



McDermott International

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June 17, 1992

Secretary  
ATTN: Docketing and Service Branch  
U. S. Nuclear Regulatory Commission  
Washington, DC 20555

SUBJECT: Comments on the revised 10 CFR 170 and 171 published in  
the April 29, 1992 Federal Register.

Gentlemen:

Babcock & Wilcox, Naval Nuclear Fuel Division appreciates the opportunity to comment on the proposed revisions to 10 CFR 170 and 171, published in the Federal Register Vol. 57, No. 83, dated April 29, 1992. B&W believes that the annual fees allocated to NNFD are inappropriate and should be reevaluated and adjusted for the reasons discussed in this letter.

NNFD, as addressed in the proposed revisions, is a "High Enriched Fuel Facility." The annual fee for such facilities is comprised of two components, Safeguards and Safety. We believe that allocating the majority of the Safeguards fees to High Enriched Fuel (HEF) facilities is appropriate because of the differences in regulatory requirements between HEF and Low Enriched Fuel (LEF) Facilities. However, we believe that the apportionment of annual fees for safety is inappropriate. The proposed 10 CFR 171 allocates twice as much annual safety fee to HEF facilities as it does to LEF facilities, but the safety regulations apply equally to HEF and LEF facilities and the licensee safety programs should be comparable. B&W believes that the apportionment of the fees associated with the Safety component of the annual fees should be equally shared by HEF Facilities and LEF Facilities. We believe that, currently, more NRC safety resources are being applied to LEF and UFs Conversion Facilities than to HEF facilities.

UNCLASSIFIED

*Barbara J. DeLoach* 6/17/92  
Clerk Date

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The Part 171 regulations issued in the July 10, 1991 Federal Register listed three licensees which were termed "High Enriched Fuel Facilities." The proposed revision lists two HEF facilities, NNFD and Nuclear Fuel Services. The annual fees allocated to these two facilities in the proposed part 171 is equivalent to the annual fees previously apportioned to the three HEF facilities and a \$90,000.00 increase. We believe that the resources needed by the NRC to support the Safeguards and Safety programs for two licensees should be significantly less than that required for three licensees and consequently the total annual fee for the two remaining HEF facilities should be significantly less than that specified in the proposed revisions. We do not believe retaining extra resources and charging significantly increased fees is responsible or justified.

Most of our business is conducted in support of government defense activities. During this time of defense budget reductions, the size of NRC fees has a significant impact on our activities and our business survival. We believe the proposed annual fees for NNFD are inappropriately apportioned and, if unchanged, will cause us to pay more than our fair share of NRC oversight costs. We request that the fees be reevaluated as indicated in this letter and revised.

Sincerely,

*J. A. Conner*  
J. A. Conner  
Vice President and  
General Manager

JAC/AFO/dkm

CONGRESSIONAL CORRESPONDENCE SYSTEM  
DOCUMENT PREPARATION CHECKLIST

This checklist is to be submitted with each document (or group of Qs/As) sent for filing into the CCS.

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2. TYPE OF DOCUMENT ☒ Correspondence ☐ Hearings (Qs/As)
3. DOCUMENT CONTROL ☐ Sensitive (NFC CR) ☐ Non-sensitive
4. CONGRESSIONAL COMMITTEE and SUBCOMMITTEES (if applicable)  
\_\_\_\_\_  
Congressional Committee  
\_\_\_\_\_  
Subcommittee
5. SUBJECT CODES  
(a) \_\_\_\_\_  
(b) \_\_\_\_\_  
(c) \_\_\_\_\_
6. SOURCE OF DOCUMENTS  
(a) 3520 (document name) \_\_\_\_\_  
(b) ☒ Scan (c) ☐ Attachments  
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(a) 12/2/92 Date OCA sent document to CCS  
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