



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

January 3, 1997

Epikon Inc.
ATTN: Ms. Patti Koslo
P.O. Box 402
Northfield, OH 44062-0402

Dear Ms. Koslo:

I am responding to your August 15, 1996, and September 9, 1996, letters concerning annual fee Invoice AM3194-96 for Materials License No. 34-26625-01.

You state that Epikon Inc. discontinued all operations on April 22, 1996, Materials License 34-26625-01 was terminated on June 17, 1996, and Epikon Inc. is in the process of selling all remaining technology to satisfy its debts. You also stated that Check Nos. 1175 (\$670) and 1387 (\$730) should cover the period beginning November 17, 1994, and ending September 30, 1996.

The Omnibus Budget Reconciliation Act of 1990, Public Law 101-508, requires the NRC to recover approximately 100 percent of its budget authority, less appropriations from the Nuclear Waste Fund, for Fiscal Years 1991 through 1998 by assessing license and annual fees. To meet this requirement, the NRC assesses two types of fees. First, license fees are assessed under 10 CFR Part 170 of the Commission's regulations to recover the costs to the NRC of providing individually identifiable services to specific applicants for, and holders of, NRC licenses and approvals. 10 CFR Part 170 fees are assessed for processing applications for new licenses and amendments.

The second type of fees are annual fees which were first established for materials licensees in FY 1991. These fees are assessed to NRC licensees under 10 CFR Part 171 to recover generic and other regulatory costs not recovered under 10 CFR Part 170.

The fee submitted for your December 1, 1994, request for a materials license is the application fee required under 10 CFR Part 170 for the processing of your request. The fee assessed under Invoice AM3194-96 is the FY 1996 annual fee required under 10 CFR Part 171. As stated on the invoice, the FY 1996 annual fee is for the period October 1, 1995, through September 30, 1996. Because License 34-26625-01 was issued April 28, 1995, it was not subject to an FY 1995 annual fee.

Footnote 1 of 10 CFR 171.16 provides that the annual fee is waived when a license is terminated prior to October 1 of each fiscal year. The 1996 annual fee is waived for those licensees and holders of certificates, registrations, and approvals who either filed for termination of their licenses or approvals or filed for possession only/storage only licenses prior to October 1, 1995, and permanently ceased licensed activities by September 30, 1995. An amendment request filed after October 1 of each fiscal year to cancel a license does not cancel the annual fee invoice. As provided in 10 CFR 171.17, licenses for which termination requests are filed during the period October 1

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through March 31 of the fiscal year are assessed one-half of the annual fee. Your May 16, 1996, and May 29, 1996, termination requests, which indicate that licensed material was disposed of on May 7, 1996, were not timely filed for purposes of avoiding the FY 1996 annual fee or for the 50 percent proration. However, if within 30 days from the date of this letter you provide evidence that Epikon Inc. permanently ceased licensed activities prior to October 1, 1995, or prior to March 31, 1996, I will grant an extension of time to file for termination to May 16, 1996, for purposes of avoiding the FY 1996 annual fee or for the 50 percent proration, as appropriate. Absent such evidence, Invoice No. AM3194-96 is due and payable.

The following is a summary of monies received for your December 1, 1994, application:

<u>Check No.</u>	<u>Check Date</u>	<u>Check Amount</u>	<u>Amount Refunded</u>	<u>Balance Paid</u>
1175	11/30/94	\$ 670	\$ 100	\$ 570
1264	01/04/95	730	730	0
1266	01/06/95	10	10 (Check returned)	0
1387	02/15/95	730	0	730
	Total:	\$2,140	\$ 840	\$1,300

The application fee in effect on December 1, 1994, for the use of byproduct material for calibration and standardization of radiation instrumentation, technetium-99m production, and engineering quality control of equipment (fee Category 3P) was \$570. Based on the above summary, Epikon Inc., overpaid by \$730 (\$1,300 balance paid minus \$570 application fee).

We have applied the \$730 overpayment for your December 1, 1994, application to Invoice AM3194-96, which leaves a balance due of \$870 (\$1,600 billed minus \$730 overpayment applied). Due to the amount of time we have taken to respond to your letter, in accordance with 10 CFR 15.37, interest and late charges will be waived if payment is received within 30 days. If payment is not received in 30 days, all late charges will be assessed. If, however, you determine that Epikon Inc., qualifies as a lower-tier small entity and you complete and return the enclosed NRC Form 526, the amount billed would be reduced to \$400, and NRC would refund the resultant \$330 overpayment (\$730 overpayment applied minus \$400 reduced annual fee). If Epikon Inc. qualifies for the lower-tier small entity fee, please complete and return NRC Form 526 within 30 days to prevent Invoice AM3194-96 from being considered delinquent.

If you submit evidence that Epikon Inc. ceased licensed activities as provided above, the invoice will be cancelled or reissued for the 50 percent proration, and the amount of the overpayment for the December 1, 1994, application will be refunded in total or in part accordingly. For your convenience, the options available to you for cancelling the invoice or reducing the amount due are summarized on the enclosed chart.

P. Koslo

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We completed the trade creditor claim and returned it to you on September 30, 1996. A copy is enclosed herewith. If you have any questions concerning this matter, please contact Shirley Crutchfield at 301-415-6097.

Sincerely,

Original signed by
James M. Taylor

James M. Taylor
Executive Director
for Operations

Enclosures: NRC Form 526
Chart of Options
Trade Creditor Claim

Distribution:

L. Tremper, OC/DAF/LFARB ARS
G. Jackson, OC/DAF/LFARB LFS
S. Kimberley, OC/DAF/LFARB LFS
Invoice File AM3194-96 w/cy inc & encl
License File 34-26625-01 w/cy inc & encl
NUDOCS (ML-61) w/cy inc & encl
PDR w/cy inc & encl

OC/DAF/LFARB RF w/o cy inc & encl
OC/DAF RF (DAF-6-254) w/o cy inc & encl
OC/DAF SF (LF-3.2.3) w/orig inc & encl;
LF-3.2.2 w/cy inc & encl
LF-96-204 w/o cy inc & encl
EDO RF w/o cy inc & encl
OC RF w/o cy inc & encl

DOCUMENT NAME: G:\DAF6-254

(To receive a copy of this document, indicate in the box: "C" = Copy without attachment/enclosure "E" = Copy with attachment/enclosure "N" = No copy.)

OFFICE	OC/DAF/LFARB/LFS	OC/DAF	OC	OGC	EDO
NAME	SCrutchfield/DBDandois	JTurdici	RMScreedins	TRothschild	JMTaylor
DATE	/ /97	/ /97	/ /97	/ /97	/13/97

OFFICIAL RECORD COPY

NRC FORM 526
(4-96)
10 CFR 171

U.S. NUCLEAR REGULATORY COMMISSION

INVOICE NUMBER

LICENSE NUMBER

**CERTIFICATION OF SMALL ENTITY STATUS
FOR THE PURPOSES OF ANNUAL FEES
IMPOSED UNDER 10 CFR PART 171
FY 96**

To be completed **ONLY** by those licensees who meet the size standards below. See instructions on reverse side.

NAME AND ADDRESS OF LICENSEE (as it appears on the invoice):

If a licensee qualifies as a small entity under the size standards below and completes this form (NRC Form 526), the licensee may pay the reduced annual fee for each category applicable to the license. A separate form must be submitted for each invoice. Submit the required reduced annual fee with the "Payment Copy" of the invoice and the NRC Form 526 to:

License Fee and Accounts Receivable
U.S. Nuclear Regulatory Commission
P.O. Box 954514
St. Louis, MO 63195-4514

SIZE STANDARDS (Check one box only)

MAXIMUM ANNUAL FEE
PER LICENSED CATEGORY
(See Item 3. on back)

1. SMALL BUSINESS

A for-profit concern that provides a service or a concern not engaged in manufacturing with average gross receipts of \$5 million or less over its last 3 completed fiscal years.

- ☐ A. \$350,000 TO \$5,000,000
☐ B. LESS THAN \$350,000

\$1,800
\$ 400

2. MANUFACTURING INDUSTRY

A manufacturing concern with an average number of 500 or fewer employees based upon employment during each pay period for the preceding 12 calendar months.

- ☐ A. 35 TO 500 EMPLOYEES
☐ B. LESS THAN 35 EMPLOYEES

\$1,800
\$ 400

3. SMALL ORGANIZATION

A not-for-profit organization which is independently owned and operated and has annual gross receipts of \$5 million or less.

- ☐ A. \$350,000 TO \$5,000,000
☐ B. LESS THAN \$350,000

\$1,800
\$ 400

4. SMALL GOVERNMENTAL JURISDICTION (INCLUDING PUBLICLY SUPPORTED EDUCATIONAL INSTITUTIONS ¹)

A government of a city, county, town, township, village, school district, or special district with a population of less than 50,000.

- ☐ A. 20,000 TO 50,000 POPULATION
☐ B. LESS THAN 20,000 POPULATION

\$1,800
\$ 400

5. SMALL EDUCATIONAL INSTITUTION THAT IS NOT STATE OR PUBLICLY SUPPORTED AND HAS 500 OR FEWER EMPLOYEES ¹

- ☐ A. 35 TO 500 EMPLOYEES
☐ B. LESS THAN 35 EMPLOYEES

\$1,800
\$ 400

¹An educational institution referred to in the size standards is an entity whose primary function is education, whose programs are accredited by a nationally recognized accrediting agency or association, who is legally authorized to provide a program of organized instruction or study, who provides an educational program for which it awards academic degrees, and whose educational programs are available to the public.

CERTIFICATION

This certification **MUST** be signed by the owner of the entity named above or an official empowered to act on behalf of the entity.

I certify that the above named NRC licensee qualifies as a small entity under the size standards established by the NRC for its licensees in 10 CFR 2.810 (60 FR 18344). The licensee qualifies as a small entity under the specific size standard indicated above.

WARNING: 18 U.S.C. Section 1001, Act of June 25, 1948, 62 Stat. 749, makes it a criminal offense to make a willfully false statement or representation to any Department or Agency of the United States as to any matter within its jurisdiction. The submittal of willful false statements is punishable by fine or imprisonment, or both, and for purposes of this certification, may result in revocation or suspension of the license.

I CERTIFY UNDER PENALTY OF
PERJURY THAT THE FOREGOING
IS TRUE AND CORRECT.

TYPED OR PRINTED NAME AND TITLE

SIGNATURE

DATE

OPTIONS AVAILABLE FOR INVOICE AM3194-96

1. Submit within 30 days from the date of this letter evidence that Epikon Inc. permanently ceased licensed activities prior to October 1, 1995:
 - A. Invoice AM3194-96 will be cancelled; \$730 overpayment of application fee will be refunded.
2. Submit within 30 days from the date of this letter evidence that Epikon Inc. permanently ceased licensed activities prior to March 31, 1996:
 - A. If Epikon Inc. does not qualify as a lower-tier small entity, the fee due under Invoice AM3194-96 will be prorated 50 percent (\$800); \$730 overpayment of application fee will be applied; balance of \$70 due within 30 days to avoid interest and late charges.
 - B. If Epikon Inc. qualifies as a lower-tier small entity, the fee due under Invoice AM3194-96 will be reduced to \$200; \$200 will be applied from the \$730 overpayment for the application fee; \$530 will be refunded.
3. No evidence that Epikon Inc. ceased licensed activities prior to October 1, 1995, or March 31, 1996:
 - A. If Epikon Inc. does not qualify as a lower-tier small entity, Invoice AM3194-96 is due and payable; \$730 overpayment for the application fee will be applied to the \$1,600 fee; balance of \$870 due within 30 days to avoid interest and late charges.
 - B. If Epikon Inc. qualifies as a lower-tier small entity, Invoice AM3194-96 will be reduced to \$400; \$400 will be applied from the \$730 overpayment for the application fee; \$330 will be refunded.

TRADE CREDITOR CLAIM FORM

The undersigned trade creditor of Epikon Inc. (the "Company") is owed a total of \$ 1,674.94 by the Company and hereby makes a claim in that amount. This claim arises from [state the basis of the claim, e.g. sale of goods, provision of services, etc.]:

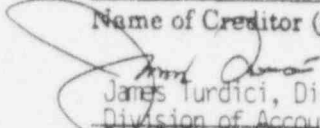
Annual fee for Materials License No. 34-26625-01 and Invoice No. AM3194-96

Supporting materials (if any) for this claim are attached.

Date SEPTEMBER 20, 1996

U.S. Nuclear Regulatory Commission

Name of Creditor (please type or print)


James Turdici, Director
Division of Accounting and Finance
Signature and title of
creditor representative

Address of creditor:

Office of the Controller

Division of Accounting and Finance

License Fee & Accounts Receivable Branch

Mail Stop: T-9 E10

Washington, D.C. 20555-0001

(Please complete this form and send it Epikon Inc. at the address listed above.)