



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

November 14, 1996

Crown Vantage
ATTN: Mr. Gerhard Hamedl
Manager, Utilities and Engineering
Milford Mill
404 Frenchtown Road
Milford, NJ 08848-1333

Dear Mr. Hamedl:

I am responding to your July 24, 1996, letter regarding Invoice No. AM3002-96 and License No. 29-16552-01. Your letter states payment for Invoice No. AM3002-96 should not be required because you terminated your license.

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 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.

Annual fees are assessed based on whether a licensee holds a valid NRC license that authorizes possession and use of radioactive material. Whether or not a licensee is actually conducting operations using the material is a matter of licensee discretion. The NRC cannot control whether a licensee elects to possess and use radioactive material once it receives a license from the NRC. Your April 9, 1996, termination request was not timely filed for purposes of avoiding the FY 96 annual fee. Your license was terminated on June 19, 1996. Therefore, Invoice No. AM3002-96 is due and payable.

An NRC Form 526, Certification of Small Entity Status, is enclosed with the invoice. If you determine Crown Vantage meets NRC's small entity size standards and so certify by completing and returning the NRC Form 526 for FY 1996, the annual fee would be reduced as indicated on the form. Payment of the reduced fee should be sent with the completed NRC Form 526 to the address listed on the invoice.

The enclosed forecast report shows the amount currently due, including interest and late charges that have accrued. However, I will waive all interest and late charges if payment of the annual fee is received within 30 days from the date of this letter. If payment is not received within 30 days, all late charges will be assessed.

G. Hamedl

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If you have any questions concerning this matter, please contact Brenda Brown at 301-415-6055.

Sincerely,

/s/ Ronald M. Scroggins

Ronald M. Scroggins
Deputy Chief Financial
Officer/Controller

Enclosure: As stated

Distribution:

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License File 29-16552-01 w/cy inc
Invoice File AM3002-96 w/cy inc
NUDOCS (ML-61) w/cy inc
PDR w/cy inc
OC/DAF/LFARB LF-96-140
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