



UNITED STATES  
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

April 8, 1997

Welborn Cancer Center  
Welborn Baptist Hospital, Inc.  
ATTN: Mr. Steve Kern  
Senior Vice President  
401 S. E. Sixth Street  
Evansville, IN 47713

Dear Mr. Kern:

I am responding to your September 25, 1996, letter concerning our August 21, 1996, notification that Welborn Cancer Center does not qualify as a small entity under NRC size standards for purposes of the reduced FY 1996 annual fee assessed under Invoice No. AM5535-96 for License 13-01674-02. Our August 21, 1996, notification advised you that a subsidiary of a large entity does not qualify as a small entity.

Your letter states that Welborn Cancer Center is an independent, for profit, joint venture entity operated in partnership with the Cancer Center of Evansville, P.C., an Indiana professional corporation, and although you are located on Welborn Baptist Hospital (WBH) property, all financial matters are segregated, audited, reported and taxed independent of the WBH operations. You further stated that your gross receipts are between \$350,000 and \$5,000,000 and requested that you be certified as a small business under NRC size standards.

As Ms. Phillips of this office explained in a recent telephone conversation with you, NRC's Region III Licensing staff verified that WBH is the licensee for License 13-01674-02 and owns 50 percent of the Welborn Cancer Center. Therefore, small entity status can only be granted if WBH meets the small business size standard. To meet the small business size standard under item 1 of the NRC Form 526, the average gross receipts of WBH, including those of Welborn Cancer Center, must be \$5,000,000 or less over your last three completed fiscal years. The term gross receipts includes all revenue in whatever form received or accrued from whatever source, not solely receipts from licensed activities or from a segment of the entire business. Enclose is an additional copy of the NRC Form 526 for your use if you determine that the gross receipts for WBH, including those of Welborn Cancer Center, Inc., average \$5,000,000 or less over the last three completed fiscal years. Absent the filing of a valid small entity certification (NRC Form 526) in the name of WBH, the \$4,300 annual fee assessed under Invoice AM5535-96 is not reduced.

We received your payment of \$1,800, and the remaining balance currently due, including interest and late charges, is \$2,733.24. Because of the amount of time it has taken to respond to your letter, interest and late charges will be waived if payment of the additional \$2,500 annual fee is received within 30 days from the date of this letter. If payment is not received in 30 days, all late charges will be assessed.

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PDR ADOCK 03033236  
C PDR



S. Kern

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April 8, 1997

If you have any questions regarding this matter, please contact Cheryl A. Phillips of my staff at 301-415-6089.

Sincerely,

(Original signed by James Turdici)

Jim Turdici, Director  
Division of Accounting and Finance  
Office of the Controller

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