

# EXXON NUCLEAR COMPANY, INC.

2701 HORN RAPIDS ROAD, PO BOX 130, RICHLAND, WA 99352  
(509) 375-8100 TELEX: 15-2878

Process & Equipment Engineering  
Department

July 11, 1986

Mr. Douglas Weiss, Chief  
License Fee Management Branch  
Office of Administration  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555

License No. SNM-1227

Docket No. 70-1257 - IB, IF, IK

Dear Mr. Weiss:

The purpose of this memo is to request your review of the license category used to determine fees for routine inspections of Exxon Nuclear Company, Inc. facilities under License No. SNM-1227, and is in followup of our earlier telephone conversation. It is our contention that the proper category is I.B. rather than the I.E. category which was used on recent invoices submitted by your office.

It is true that the Exxon Nuclear license had authorized possession of greater than two (2) kg of plutonium; however, Exxon Nuclear no longer uses plutonium in its operation. Operations with plutonium ceased in 1975 and we have gradually reduced our inventory as laws and regulations have permitted. Our current inventory is above 200 grams but less than two (2) kgs which could place our license in category I.F. To our knowledge there is no legal way, under our control, to reduce the plutonium inventory further. Existing laws and regulations are defective in that they do not provide for the disposal of the plutonium waste which makes up our entire plutonium inventory. Since it is not of our own volition that we are licensed to possess plutonium we feel that it is inappropriate to be charged as if it were.

With the modification of fee schedule in mid 1984 we have been charged for routine inspections on a full cost recovery basis as allowed under license category IE or IF rather than with a fee cap of \$35,300 as provided under license category IB. For the reasons given above we request a change in license category to IB and a refund of overcharges made during 1984 and 1985 to date.

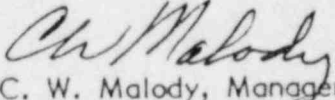
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We appreciate your review of this matter.

Sincerely,

  
C. W. Malody, Manager  
Corporate Licensing

CWM:jrs