

JUL 31 1986

MEMORANDUM FOR: W. T. Crow, Acting Chief  
Uranium Fuel Licensing Branch  
Division of Fuel Cycle & Material Safety, NMSS

FROM: C. James Holloway, Jr., Acting Director  
License Fee Management Staff, ADM

SUBJECT: EXXON NUCLEAR - SNM-1227

Attached is a copy of a letter dated July 11, 1986, from Exxon requesting review of the fee categories assigned to License SNM-1227. As you know, fee categories are assigned to a license based on the possession limits and use of the material. Exxon's license is currently categorized in fee Categories 1E, 1F and 1K. The assignment of the 1F (plutonium) category is based on Amendment 27 dated May 30, 1986.

The inspection fee assessed for licenses covering more than one fee category is the fee for the highest fee category covered by the license if the inspection of the entire license is done at the same time. For Exxon, Category 1F is the highest fee category since the inspection fees for that category are based on the full costs to conduct the inspection with no ceiling. Exxon has asked this office to review the matter. They indicate in their letter that they cannot further reduce the plutonium waste inventory below 200 grams because of existing laws and regulations.

We would appreciate your review of their letter to determine if Exxon can reduce the Pu possession limit further and whether the plutonium currently licensed falls within the definition of fee Category 1F. A response by August 15, 1986, would be appreciated.

*Signed: C. James Holloway, Jr.*

C. James Holloway, Jr.  
Acting Director  
License Fee Management Staff  
Office of Administration

Enclosure:  
As stated

DISTRIBUTION:  
Docket File  
LFMS R/F  
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*2/19/87*

*no response -  
called George Siddleman  
on 2/19/87.*

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