

71-0227



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

April 22, 1997

Tennessee Valley Authority
ATTN: Mr. Raul R. Baron
General Manager
Nuclear Assurance and Licensing
1101 Market Street
Chattanooga, TN 37402-2801

Dear Mr. Baron:

On September 30, 1996, TVA requested: 1) that Quality Assurance Program Approval 0227 (QA 0227) be downgraded from "User/Fabricator" to "User" only; 2) that Certificates of Compliance Nos. 6722 and 9139 be terminated; and 3) that Certificate of Compliance No. 6568 be transferred to Chem-Nuclear Systems, Inc. (Chem-Nuclear). Your letter stated that this would save TVA approximately \$72,000 per year.

Invoice AM2558-97 was recently issued for the FY 1997 annual fee for QA 0227 under fee Category 10B(2). In reviewing this matter, we found that the invoice was issued in error. Enclosed is a copy of 10 CFR 171.17, the proration section of the NRC's annual fee regulations. As provided in 10 CFR 171.17(a)(2), annual fees for downgraded licenses are prorated 50 percent on the basis of when the application is received by the NRC, provided the licensee permanently ceased the stated activities during the specified period.

Although your request for a downgrade of QA 0227 was filed September 30, 1996, the fabricator activities did not cease under QA 0227 until the Certificate of Compliance was reissued to Chem-Nuclear on February 4, 1997. The Certificate of Compliance was reissued based on your September 30, 1996, request and Chem-Nuclear's December 20, 1996, request. Concurrent with the reissuance of the Certificate of Compliance, the authority to design, fabricate, or modify the package is now covered by a QA held by Chem-Nuclear.

Based on the above, Invoice AM2558-97 has been revised to reflect a 50 percent proration for fee Category 10B(1) and a 50 percent proration for fee Category 10B(2) as provided in 10 CFR 171.17(a)(2)(ii)(A). The revised invoice is enclosed. We received your payment for \$950 (the original invoiced amount). Payment of the additional \$35,875 is due within 30 days of the invoice date.

If you have any questions concerning this matter, please contact Maurice Messier at 301-415-6087.

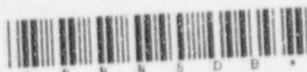
Sincerely,

Glenda C. Jackson, Chief
License Fee Section
License Fee and Accounts Receivable Branch
Division of Accounting and Finance
Office of the Controller

090052

Enclosures: 1. 10 CFR 171.17
2. Revised Invoice

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PDR ADOCK 07100227
C PDR



ML-61

71-0227

Letter To: Tennessee Valley Authority -2-

ATTN: Mr. Raul R. Baron

Dated: April 22, 1997

Distribution:

S. Kimberley, OC/DAF/LFARB LFS

Invoice File AM2558-97 w/cy inc

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PDR w/cy inc

OC/DAF/LFAKB RF w/o cy inc

OC/DAF RF (DAF-7-000) w/o cy inc

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DOCUMENT NAME: G:\BARON

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OFFICIAL RECORD COPY

§171.17

[56 FR 31507, July 10, 1991, as amended at 56 FR 57588, Nov. 13, 1991; 57 FR 32714, July 23, 1992; 57 FR 39421, Aug. 31, 1992; 58 FR 38686, July 20, 1993; 58 FR 45553, Aug. 30, 1993; 59 FR 26099, May 19, 1994; 59 FR 36924, July 20, 1994; 60 FR 32245, June 20, 1995; 60 FR 33482, June 29, 1995]

§171.17 Proration.

Annual fees will be prorated for NRC licensees as follows:

(a) Reactors. The annual fee for reactors (power or nonpower) that are subject to fees under this part and are granted a license to operate on or after October 1 of a FY is prorated on the basis of the number of days remaining in the FY. Thereafter, the full fee is due and payable each subsequent FY. Licensees who have requested amendment to withdraw operating authority permanently during the FY will be prorated based on the number of days during the FY the license was in effect before the possession only license was issued or the license was terminated.

(b) Materials licenses (including fuel cycle licenses). (1) *New licenses and terminations.* The annual fee for a materials license that is subject to fees under this part and issued on or after October 1 of the FY is prorated on the basis of when the NRC issues the new license. New licenses issued during the period October 1 through March 31 of the FY will be assessed one-half the annual fee for that FY. New licenses issued on or after April 1 of the FY will not be assessed an annual fee for that FY. Thereafter, the full fee is due and payable each subsequent FY. The annual fee will be prorated for licenses for which a termination request or a request for a POL has been received on or after October 1 of a FY on the basis of when the application for termination or POL is received by the NRC provided the licensee permanently ceased licensed activities during the specified period. Licenses for which applications for termination or POL are filed during the period October 1 through March 31 of the FY are assessed one-half the annual fee for the applicable category(ies) for that FY. Licenses for which applications for termination or POL are filed on or after April 1 of the FY are assessed the full annual fee for that FY.

10 CFR Ch. I (1-1-96 Edition)

(2) *Downgraded licenses.* (i) The annual fee for a materials license that is subject to fees under this part and downgraded on or after October 1 of a FY is prorated upon request by the licensee on the basis of when the application for downgrade is received by the NRC provided the licensee permanently ceased the stated activities during the specified period. Requests for proration must be filed with the NRC within 90 days from the effective date of the final rule establishing the annual fees for which a proration is sought. Absent extraordinary circumstances, any request for proration of the annual fee for a downgraded license filed beyond that date will not be considered.

(ii) Annual fees for licenses for which applications to downgrade are filed during the period October 1 through March 31 of the FY will be prorated as follows:

(A) Licenses for which applications have been filed to reduce the scope of the license from a higher fee category(ies) to a lower fee category(ies) will be assessed one-half the annual fee for the higher fee category(ies) and one-half the annual fee for the lower fee category(ies), and, if applicable, the full annual fee for fee categories not affected by the downgrade; and

(B) Licenses with multiple fee categories for which applications have been filed to downgrade by deleting a fee category will be assessed one-half the annual fee for the fee category being deleted and the full annual fee for the remaining categories.

(iii) Licenses for which applications for downgrade are filed on or after April 1 of the FY are assessed the full fee for that FY.

[56 FR 36926, July 20, 1994, as amended at 60 FR 32246, June 20, 1995]

§171.19 Payment.

(a) *Method of payment.* Fee payments shall be made by check, draft, money order or electronic fund transfer made payable to the U.S. Nuclear Regulatory Commission. Federal agencies may also make payment by either Standard Form SF-1081 (Voucher and Schedule of Withdrawals and Credits) or by the On-line Payment and Collection System (OPAC's). Where specific

U. S. NUCLEAR REGULATORY COMMISSION
FY 97 Annual Materials Fee Invoice
Period 10/1/1996 - 9/30/1997
10 CFR 171.16

Invoice Date
=====

License Anniversary Month
=====

REVISED
Invoice Number
=====

04/16/97

March

AM2558-97

TO: TENNESSEE VALLEY AUTHORITY
OFFICE OF NUCLEAR POWER
ATTENTION: RADIATION SAFETY OFFICER
1101 MARKET STREET
CHATTANOOGA, TN 37402-2801

***** Mark PAYMENT COPY with any billing address changes *****

| License/Approval/ Registration/ Certificate Number ===== | Code AA905 ===== | Annual Fee Category(s) ===== | Fee Amount ===== |
|---|------------------------|------------------------------------|---------------------|
| 0227 | ANN | 10B(2) | \$ 475.00 |
| 0227 | ANN | 10B(1) | \$ 36,350.00 |
| TOTAL: | | | \$ 36,825.00 |
| TOTAL INVOICE: | | | \$ 36,825.00 |

Amount Billed Represents 50% Proration

If paid by Fedwire see attached Terms and Conditions. If paid by check,
make check payable to the NRC (reference Invoice no.) and mail to:

=====

| | |
|--|------------------------------|
| U.S. Nuclear Regulatory Commission | <=== This PO Box address is |
| License Fee & Accounts Receivable Branch | <=== for receipt of payments |
| P.O. Box 954514 | <=== only. |
| St. Louis, MO 63195-4514 | |

For terms and conditions see attached.
Payment must be received within 30 days of the
date of this invoice to avoid late charges.
Questions: call 301/415-7554.

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* P A Y M E N T C O P Y *
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