



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

Christopher S. Pugsley Esq., on behalf of
Water Remediation Technology, LLC
Environmental and Regulatory Affairs
5525 West 56th Avenue, Suite 100
Arvada, CO 80002

Dear Mr. Pugsley:

I am responding to the petition for rulemaking (PRM) submitted on behalf of Water Remediation Technology, LLC, to the U.S. Nuclear Regulatory Commission (NRC) dated July 2, 2018 (Accession No. ML18214A757 in the NRC's Agencywide Documents Access and Management System). The petition requested that the NRC amend its regulations under Part 171 of Title 10 of the *Code of Federal Regulations* (10 CFR) to re-categorize licensees performing water treatment services from a full-cost recovery category to a category with fixed annual fees. Secondly, the petition also asked NRC to address consistency issues between 10 CFR Parts 170 and 171 for small entities. Lastly, the petition also asked NRC to consider amending language under 10 CFR 170.11 to extend the timeframe from 90 to 180 days in which a licensee may appeal the assessment of fees and apply for a fee exemption.

The petition was docketed as PRM-170-7 on August 2, 2018, and the NRC published a notice of docketing in the *Federal Register* (FR) on November 2, 2018 (83 FR 55113). The NRC received one comment on the petition regarding the NRC's consideration of the petition in the fiscal year (FY) 2019 proposed fee rule (84 FR 578; January 31, 2019) in favor of the changes as proposed.

Based on its review, the NRC concluded that full-cost recovery was not warranted for licensees that do not profit from concentrating uranium. Therefore, in its FY 2019 proposed fee rule, the NRC addressed the first two of the three petition requests by proposing to eliminate fee category 2.A.(5) under §§ 170.31 and 171.16 and re-categorize existing and future uranium water treatment licensees to fee category 2.F. Because of the elimination of fee category 2.A.(5) and respective re-categorization to fee category 2.F., uranium water treatment licensees such as Water Remediation Technology shifted from a 10 CFR Part 170 full-cost fee category to a flat-fee category. Since the small entity regulations pertain to 10 CFR Part 171 annual fees now applied to Water Remediation Technology, the annual fee for uranium water treatment, licensees may now qualify for the small entity reduced fee. The NRC finds this action addresses the first two issues submitted in the petition.

The third petition request was related to the timeframe to appeal the assessment of fees under 10 CFR 170.11(c). The 90-day timing requirement only applies to those exemption requests for special projects submitted under § 170.11(a)(1), which states that no application fees, license fees, renewal fees, inspection fees, or special project fees shall be required for a special project that is a request/report submitted to the NRC. Therefore, the 90-day timeframe is limited to only those who are seeking fee exemptions after submitting a request or report to the NRC. This timing requirement does not apply to applicants or licensees that submit an application for the

licensing activities addressed in the petition (i.e., license amendments, license renewal, and inspections). For these licensing activities, an applicant or licensee may request an exemption at any time. In addition, pursuant to § 15.31, "Disputed debts," the NRC provides the regulatory framework, including the timing requirement, by which a debtor may dispute a debt. Under § 15.31(a), "[a] debtor who disputes a debt shall explain why the debt is incorrect in fact or in law within 30 days from the date that the initial demand letter was mailed or hand-delivered. The debtor may support the explanation by affidavits, cancelled checks, or other relevant evidence," and the petition did not indicate any concerns related to changing this requirement. For these reasons, the NRC is denying the third change request by the petition.

Upon publication of the enclosed notice, the NRC will close the docket for PRM-170-7. You may direct any questions regarding this matter to Gregory Trussell by calling 301-415-6244 or by e-mailing Gregory.Trussell@nrc.gov.

Sincerely,

Annette L. Vietti-Cook,
Secretary of the Commission

Enclosure:
Federal Register notice