



# **FY 2015 Congressional Budget Justification Summary**

U.S. Nuclear Regulatory  
Commission

March 2014

## NRC FY 2015 Budget

### NRC Mission:

- License and regulate the Nation's civilian use of byproduct; source, and special nuclear materials to ensure adequate protection of public health and safety, promote the common defense and security, and protect the environment.

### NRC Goals:

- (1) Safety – Ensure adequate protection of public health and safety and the environment.
- (2) Security – Ensure the secure use and management of radioactive materials.

### Highlights:

- Proposed FY 2015 budget is \$1,059.5 million, with 3,881.8 full time equivalents, including the Office of the Inspector General (OIG). This represents an increase of \$3.6 million, including 66.8 FTE, when compared to the FY 2014 enacted budget.
- NRC recovers approximately 90 percent of its budget less from licensee fees (less other specific activities which are not fee recoverable). This will result in a net appropriation of \$124.2 million, which is a decrease of \$1 million in net appropriations when compared with the FY 2014 enacted budget.
- NRC's FY 2015 budget request includes a 1.0 percent provisional estimate of the pay raise for January 2015 that is consistent with the guidance in OMB Circular A-11.
- The FY 2015 budget request reduces the Corporate Support Budget by \$22 million, from FY 2014 enacted budget levels including elimination of the Integrated University Program grants. This reduction is distributed across the programs.

## NRC Budget Summary (Dollars in Millions)

|                                    | <u>FY 2014</u><br><u>Enacted</u> | <u>FY 2015</u>   | <u>Delta</u> |
|------------------------------------|----------------------------------|------------------|--------------|
| <b>Nuclear Reactor Safety</b>      | \$811.4                          | \$815.2          | \$3.8        |
| <b>Nuclear Materials and Waste</b> | 232.5                            | 232.2            | (0.3)        |
| <b>Inspector General</b>           | <u>12.0</u>                      | <u>12.1</u>      | <u>0.1</u>   |
| <b>Total *</b>                     | <b>\$1,055.9</b>                 | <b>\$1,059.5</b> | <b>\$3.6</b> |

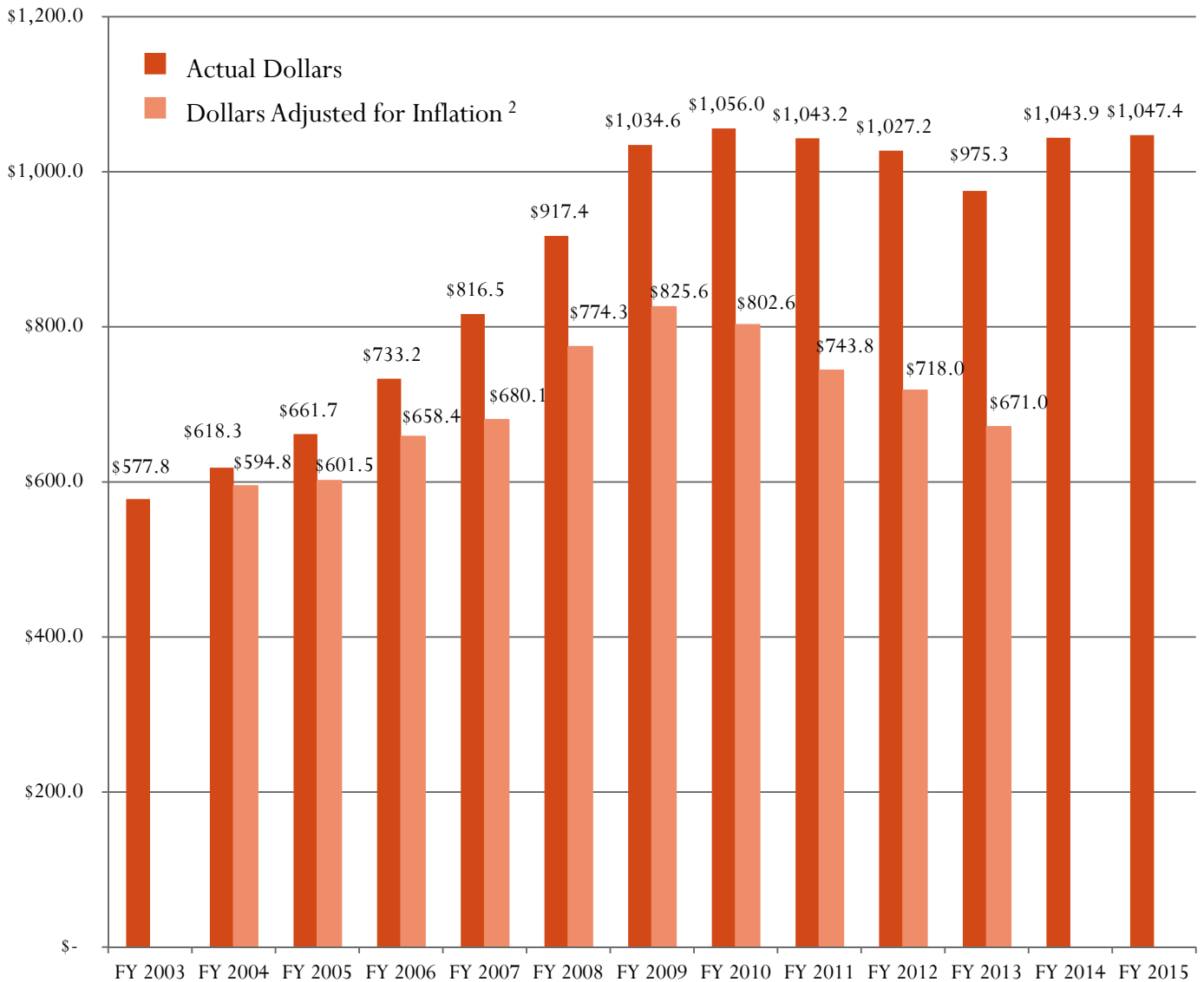
\* Numbers may not add due to rounding.

## Agency Staffing Level (Excluding Reimbursable FTE)

|   | <u>FY 2014</u><br><u>Enacted</u> | <u>FY 2015</u> | <u>Delta</u> |
|---|----------------------------------|----------------|--------------|
| <b>Nuclear Reactor Safety</b>             | 2,908.5                          | 2,958.4        | 49.9         |
| <b>Nuclear Materials and Waste Safety</b> | 843.5                            | 860.4          | 16.9         |
| <b>OIG FTE</b>                            | <u>63.0</u>                      | <u>63.0</u>    | <u>0.0</u>   |
| <b>Total *</b>                            | <b>3,815.0</b>                   | <b>3,881.8</b> | <b>66.8</b>  |

\* Numbers may not add due to rounding.

# NRC Inflation Adjusted Budget <sup>1</sup> (Dollars in Millions)



<sup>1</sup> Not including OIG.

<sup>2</sup> Amounts adjusted for inflation with FY 2003 as baseline based on the Producer Price Index-All Commodities, published 6/3/13, from the U.S. Department of Labor, Bureau of Labor Statistics.

## Source of Funds (Dollars in Millions)

|                             | <u>FY 2014</u><br><u>Enacted</u> | <u>FY 2015</u> | <u>Delta</u>   |
|-----------------------------|----------------------------------|----------------|----------------|
| <b>Budget Authority</b>     | \$1,055.9                        | \$1,059.5      | \$3.6          |
| <b>Offsetting Fees</b>      | <u>930.7</u>                     | <u>935.2</u>   | <u>4.6</u>     |
| <b>Net Appropriations *</b> | <b>\$125.2</b>                   | <b>\$124.2</b> | <b>(\$1.0)</b> |

\* Numbers may not add due to rounding.

### Breakout of Net Appropriations

|  | <u>FY 2014</u><br><u>Enacted</u> | <u>FY 2015</u> | <u>Delta</u>   |
|--|----------------------------------|----------------|----------------|
| <b>Generic Homeland Security</b>                         | \$19.5                           | \$18.1         | (\$1.4)        |
| <b>Waste Incidental to<br/>Reprocessing</b>              | 1.4                              | 1.4            | 0.0            |
| <b>OIG - Defense Nuclear<br/>Facilities Safety Board</b> | 0.9                              | 0.9            | 0.0            |
| <b>General Fund – Other</b>                              | <u>103.4</u>                     | <u>103.9</u>   | <u>0.5</u>     |
| <b>Total Net Appropriations *</b>                        | <b>\$125.2</b>                   | <b>\$124.2</b> | <b>(\$1.0)</b> |

\* Numbers may not add due to rounding.

## Nuclear Reactor Safety (Dollars in Millions)

|                           | <u>FY 2014</u><br><u>Enacted</u> | <u>FY 2015</u> | <u>Delta</u> |
|---------------------------|----------------------------------|----------------|--------------|
| <b>Operating Reactors</b> | \$590.1                          | \$577.3        | (\$12.8)     |
| <b>New Reactors</b>       | <u>221.3</u>                     | <u>237.9</u>   | <u>16.5</u>  |
| <b>Total *</b>            | <b>\$811.4</b>                   | <b>\$815.2</b> | <b>\$3.8</b> |

\* Number may not add due to rounding.

### Operating Reactors:

- Significant changes from FY 2014 to FY 2015 include:
  - Increasing licensing activities related to Cyber security;
  - Fukushima Tier I and II activities, specifically increasing for reviews related to Mitigating Strategies;
  - Increasing for work related to Generic Issue-191;
  - Reviewing new applications for Medical Isotope Production facilities; and
  - Completing operating reactor decommissioning activities at Kewaunee, Crystal River 3, and San Onofre Units 1 and 2.

## Nuclear Reactor Safety (Dollars in Millions)

- Specific activities that the requested resources will support include:
  - Continuing licensing activities for 100 power reactors and completing 900 licensing actions (100 of which are Fukushima-related, 6 power uprates and approximately 15 ongoing reviews of compliance with National Fire Protection Association 805 for the approximately 25 reactors that will be transitioning to a risk-informed, performance-based set of requirements).
  - Continuing Fukushima lessons-learned activities, including seismic and flooding reevaluations, staff closeout reviews and inspections of Mitigating Strategies, enhanced spent fuel pool instrumentation orders, and completing safety evaluations for the licensee's Phase 1 integrated plans related to the severe accident capable hardened vents order, monitoring licensee implementation, and emergency preparedness activities.
  - Continuing reviews for 11 license renewal applications (19 units at 12 sites) for operating reactors.
  - Continuing oversight of plants through the NRC's Reactor Oversight Process to verify that the 100 currently licensed operating nuclear power reactors continue to operate safely and securely.
  - Reviewing 18 high-priority rulemakings and three medium-priority rulemaking activities directed by the Commission, including policy development activities related to the NRC regulatory framework after the Fukushima Event.

## Nuclear Reactor Safety (Dollars in Millions)

- Conducting research based on lessons-learned from the Fukushima accident, fire safety, digital and electrical systems, materials degradation, reactor safety code development and analysis, radiation protection, probabilistic risk assessment, and evaluation of hazards from natural events.
- Ensuring that the NRC is ready to respond around the clock and able to collect and disseminate event response information consistent with the NRC's responsibilities under the National Response Framework.

### **New Reactors:**

- Significant changes from FY 2014 to FY 2015 include:
  - Reviewing additional Small Modular Reactor and combined license applications;
  - Decreasing construction inspection activities associated with the oversight development program maintenance; and
  - Increasing to oversee the startup of Watts Bar 2.
- Specific activities that the requested resources will support include:
  - Reviewing the nine combined license (COL) applications that remain active (two applications were issued licenses, six applicants requested that their reviews be suspended, and one application was withdrawn).



## Nuclear Reactor Safety (Dollars in Millions)

- Continuing review of four design certifications (DC) (Babcock & Wilcox mPower, U.S. EPR, U.S. Advanced Pressurized Water Reactor (APWR)), and Korea Hydro and Nuclear Power (KHNP) KHNP/APR-1400).
- Continuing review of one DC renewal (Advanced Boiling Water Reactor), continuing pre-application activities for two projected DC applicants (Westinghouse and Holtec).
- Initiating the review of one new DC (NuScale).
- Supporting construction inspection activities of the reactors under construction (Vogtle Units 3 & 4, Summer Units 2 & 3, and Watts Bar Unit 2).
- Performing 30 vendor inspections to ensure integrity of the supply chain, which would be consistent with the expected increase in the number of suppliers and sites under active construction.

## Nuclear Materials and Waste Safety (Dollars in Millions)

|  | <u>FY 2014</u><br><u>Enacted</u> | <u>FY 2015</u> | <u>Delta</u>   |
|--|----------------------------------|----------------|----------------|
| <b>Fuel Facilities</b>                       | \$54.9                           | \$61.1         | \$6.2          |
| <b>Nuclear Materials Users</b>               | 90.2                             | 86.5           | (3.7)          |
| <b>Spent Fuel Storage and Transportation</b> | 47.6                             | 45.3           | (2.3)          |
| <b>Decommissioning and Low-Level Waste</b>   | <u>39.8</u>                      | <u>39.3</u>    | <u>(0.5)</u>   |
| <b>Total *</b>                               | <b>\$232.5</b>                   | <b>\$232.2</b> | <b>(\$0.3)</b> |

\* Numbers may not add due to rounding.

### Fuel Facilities:

- Significant changes from FY 2014 to FY 2015 include:
  - Reviewing a new uranium enrichment plant license application from GE-Hitachi for the Paducah Laser Enrichment Facility;
  - Increasing to review a possible amendment to expand operations at International Isotopes; and
  - Progressing with revisions to the Fuel Cycle Oversight Program.

## Nuclear Materials and Waste Safety (Dollars in Millions)

- Specific activities that the requested resources will support include:
  - Licensing conversion/deconversion, enrichment, fuel fabrication and greater than critical mass facilities, including new facilities at MOX.
  - Supporting regulatory activities related to agency follow-up of the Fukushima event, including actions from the Fukushima Near-Term Task Force and inspections for fuel cycle facilities conducted under Temporary Instruction 2600/015, “Evaluation of Licensee Strategies for the Prevention and/or Mitigation of Emergencies at Fuel Facilities.”
  - Coordinating inspection procedures, event coordination, and the inspections for verification of the MOX principal systems, structures, and components.
  - Rulemaking in security-related areas, including enhanced security at fuel cycle facilities (CAT I and III), material categorization, the 10 CFR Part 26 Fitness for Duty Program, and fingerprinting for Safeguards Information access.
  - Facilitating application of the International Atomic Energy Agency safeguards to fuel cycle facilities, international coordination, and assistance on next generation safeguards designs.

## Nuclear Materials and Waste Safety (Dollars in Millions)

### Nuclear Materials Users:

- There are no significant changes from FY 2014 to FY 2015.
- Specific activities that the requested resources will support include:
  - Completing approximately 2,000 materials licensing reviews (new applications, amendments, renewals, and terminations).
  - Completing approximately 900 routine health and safety inspections as well as reciprocity and reactive inspections, and a registration and follow-up inspection program for certain general licensees.
  - Conducting four materials waste safety rulemakings as well as continuing as an interactive liaison with industry and professional societies to develop new codes and consensus standards and to review petitions for rulemaking submitted to the agency.
  - Reviewing import/export authorizations of nuclear components and radiological materials and Executive Branch Subsequent Arrangements and Proposed 810 Licenses.
  - Controlling and tracking imports and exports of sources, and bilateral and multilateral activities initiated for the exchange of technical information for the safe handling, storage, transport, and disposal of nuclear waste.

## Nuclear Materials and Waste Safety (Dollars in Millions)

- Operating the Integrated Source Management Portfolio track sources and enhance security of radioactive materials.
- Supporting the National Materials Program, including 10 to 12 Integrated Materials Performance Evaluation Program reviews for Agreement State and NRC programs to ensure that they are adequate to protect public health and safety and compatible with NRC programs.
- Coordinating and funding state participation in, NRC training courses (including Agreement State training and travel), and responding to state technical assistance requests.
- Interacting with the Conference of Radiation Control Program Directors, Inc., and the Organization of Agreement States, Inc., and developing and maintaining policies and procedures for the Agreement State program.

### **Spent Fuel Storage and Transportation:**

- Significant changes from FY 2014 to FY 2015 include:
  - Completing the near-term Waste Confidence Rule in FY 2014.
  - Increasing to evaluate potential revisions of regulatory framework for extended dry spent fuel storage and subsequent transportation to support potential updates to the regulatory framework (guidance) and possible future rulemaking.

## Nuclear Materials and Waste Safety (Dollars in Millions)

- Increasing to analyze data collection, and modeling for future alternate strategies for disposal of spent fuel and high-level waste.
- Decreasing as a result of transitioning the Storage and Transportation Information Management System from development to operations and maintenance.
- Specific activities that the requested resources will support include:
  - Reviewing approximately 65 radioactive material transportation package design applications and approximately 22 spent nuclear fuel (SNF) storage applications, to ensure the safe and secure storage of SNF.
  - Supporting the Renewal of the Prairie Island independent spent fuel storage installation (ISFSI) license.
  - Completing 16 safety inspections of storage and transportation cask vendors, fabricators, and designers and of ISFSI pad construction, dry-run operations, initial loading operations, and routine operations.
  - Evaluating regulatory framework and possible future rulemaking to support and respond to changes in the national high-level waste and spent nuclear fuel management program.

### **Decommissioning and Low-Level Waste:**

- There are no significant changes from FY 2014 to FY 2015.

## Nuclear Materials and Waste Safety (Dollars in Millions)

- Specific activities that the requested resources will support include:
  - Licensing reviews for decommissioning 14 power and early demonstration reactors, 7 research and test reactors, 23 complex materials facilities, and 38 uranium recovery facilities.
  - Licensing for up to 40 military and civilian sites with Naturally Occurring and Accelerator-Produced Radioactive Materials sites and depleted uranium contamination.
  - Reviewing 8 to 10 environmental and safety licensing applications (hearings included) for uranium recovery facilities, as well as licensing activities associated with 7 operating uranium recovery facilities.
  - Overseeing decommissioning and uranium recovery operations, low-Level waste program activities, and Waste Incidental to Reprocessing activities at two U.S. Department of Energy sites.
  - Providing research related assistance on complex licensing cases, such as application of codes for decommissioning reviews and site reviews employing bio-remediation as the remediation process chosen for site cleanup at shallow sites with uranium contamination and in situ leach uranium recovery facilities.