



UNITED STATES  
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

March 31, 2000

MEMORANDUM TO: Those on the Attached List

FROM: James Turdici, Director  
Division of Accounting and Finance  
Office of the Chief Financial Officer

SUBJECT: NOTICE OF PROPOSED RULEMAKING -- 100 PERCENT FEE  
RECOVERY -- FY 2000

On March 27, 2000, a proposed rule that would establish the fees necessary to recover approximately 100 percent of NRC's FY 2000 budget was published in the Federal Register (65 FR 16250). The comment period expires April 26, 2000.

The amount of the FY 2000 budget to be recovered from fees is \$447.0 million, which is \$2.6 million less than the fee recovery amount for FY 1999. We estimate that approximately \$106.0 million will be recovered in FY 2000 from fees assessed under 10 CFR Part 170 and other receipts, compared to \$107.7 million in FY 1999. The remaining \$341.0 million for FY 2000 would be recovered through 10 CFR Part 171 annual fees, compared to \$341.9 in FY 1999.

The specific proposed changes to 10 CFR Part 171 (annual fees) and 10 CFR Part 170 (licensing and inspection fees) are as follows:

1. Part 171

- a. All annual fees would be adjusted upward by approximately 1.4 percent. The increase in the annual fees results primarily from a decrease in the number of licensees paying annual fees, and a decrease in offsetting receipts compared to FY 1999. The proposed change is consistent with the NRC's intention, stated in the FY 1999 final rule, that the NRC would continue to stabilize fees by adjusting prior year annual fees by the percent change (plus or minus) in the NRC budget authority, taking into consideration the estimated collections for Part 170 fees and the number of licensees paying fees. Due to rounding, some annual fee amounts will remain the same as in FY 1999.
- b. The annual fees for those licensees qualifying as small entities would increase by 25 percent. The proposed increase reflects the changes in NRC policy affecting the types of costs now included in the annual fees and increases to those costs. When the small entity annual fees were established in FY 1991 and FY 1992, small entities also paid Part 170 fees for inspections, amendments, and renewals. Although the costs of these activities are now included in the annual fee, the small entity annual fee has remained unchanged. The increase is consistent

with the percentage increase in fees paid annually by other materials licensees. The proposed annual fee for small entities would increase from \$1,800 to \$2,300. The annual fee for small entities with relatively low gross annual receipts or populations would increase from \$400 to \$500.

The FY 1999 annual fees and the proposed FY 2000 annual fees for representative classes of licensees are as follows:

<u>Class of Licensees</u>	<u>FY 1999 Annual Fee</u>	<u>FY 2000 Proposed Annual Fee</u>
Power Reactors (Including Spent Fuel Storage/Reactor Decommissioning fee)	\$2,776,000	\$2,815,000
Spent Fuel Storage/Reactor Decommissioning	206,000	209,000
Nonpower Reactors	85,900	87,100
High Enriched Uranium Fuel Facility	3,281,000	3,327,000
Low Enriched Uranium Fuel Facility	1,100,000	1,116,000
UF <sub>6</sub> Conversion Facility	472,000	478,000
Uranium Mills	131,000	132,000
<u>Typical Materials Licensees</u>		
Radiographers	14,700	14,900
Well Loggers	9,900	10,100
Gauge Users	2,600	2,600
Broad Scope Medical	27,800	28,100

2. Part 170

- a. The two professional hourly rates in Section 170.20 which are used to determine the 10 CFR Part 170 fees assessed by the NRC would be revised. The proposed hourly rate for the reactor program is \$144 per hour as compared to \$141 per hour in FY 1999, and the proposed hourly rate for the materials program is \$143 per hour compared to \$140 per hour in FY 1999. The proposed \$3 increase in the hourly rates is primarily due to the Government-wide pay increase in FY 2000.
- b. The materials "flat" licensing fees in Section 170.31 would be adjusted to reflect the change in the hourly rates.

- c. The fees in Sections 170.21 and 170.31 that relate to the export and import of radioactive material would be revised to reflect the change in the hourly rates.

Copies of the proposed rule are being provided to all branch chiefs and above in the headquarters and regional offices as part of the standard distribution process for rulemaking. In addition, a copy of the proposed rule and a summary of the proposed changes has been mailed to all licensees. Please note that we do not plan to mail the FY 2000 final rule, or future final rules, to all licensees. In addition to publication in the Federal Register, the final rule will be available on the internet at <http://ruleforum.llnl.gov>.

We recommend that you provide this information to those members of your staff most likely to come in contact with licensees (e.g., project managers, sections leaders, and inspectors). However, we request that all questions concerning NRC's fees be forwarded to the License Fee and Accounts Receivable Branch (LFARB) for response. The LFARB staff can be reached by phone at 301-415-7554, or by e-mail at [fees@nrc.gov](mailto:fees@nrc.gov).

cc: Jesse L. Funches, OCFO  
Peter J. Rabideau, DCFO

Distribution:

James H. Joyner, III, DRMA, RI  
George G. Benoit, DRMA, RII  
Brenda J. Holt, DRMA, RIII  
Kathleen J. Hamill, DRMA, RIV  
R. Carlson, OCFO/DAF/LFARB  
OCFO/LFARB/DAF RF  
OCFO/LFARB RF (DAF-0-000)  
OCFO/LFARB SF (LF-1.21)

DOCUMENTO NAME: G:\2000ANNFEE.WPD

(To receive a copy of this document, indicate in the box: "C" = Copy without attachment/enclosure "E" = Copy with attachment/enclosure "N" = No copy)

OFFICE	OCFO/DAF/LFARB	<input checked="" type="checkbox"/> OCFO/DAF/LFARB	<input checked="" type="checkbox"/> OCFO/D/DAF
NAME	GJackson	DBDancos	JTurdici
DATE	3/31/00	1/00	3/31/00

OFFICIAL RECORD COPY

Addresses - Memorandum Dated March 31, 2000  
Office Directors and Regional Administrators

SUBJECT: NOTICE OF PROPOSED RULEMAKING – 100 PERCENT FEE RECOVERY – FY 2000

	<u>Mail Stop</u>	
B. John Garrick, Chairman, Advisory Committee on Nuclear Waste	T-2	E26
Dana A. Powers, Chairman, Advisory Committee on Reactor Safeguards	T-2	E26
John T. Larkins, Executive Director, Advisory Committee on Reactor Safeguards Advisory Committee on Nuclear Waste	T-2	E26
G. Paul Bollwerk, III, Chief Administrative Judge, Atomic Safety and Licensing Board Panel	T-3	F23
Karen D. Cyr, General Counsel	O-15	D21
John F. Cordes, Jr., Acting Director Office of Commission Appellate Adjudication	O-15	D21
Stuart Reiter, Acting Chief Information Officer	O-16	C1
Hubert T. Bell, Inspector General	T-5	D28
Janice Dunn Lee, Director, Office of International Programs	O-16	C1
Dennis K. Rathbun, Director, Office of Congressional Affairs	O-16	C1
William M. Beecher, Director, Office of Public Affairs	O-2	A13
Annette Vietti-Cook, Secretary of the Commission	O-16	C1
William D. Travers, Executive Director for Operations	O-16	E15
Frank J. Miraglia, Jr., Deputy Executive Director for Reactor Programs	O-16	E15
Carl J. Paperiello, Deputy Executive Director for Materials, Research and State Programs	O-16	E15
Patricia J. Norry, Deputy Executive Director for Management Services	O-16	E15
James L. Blaha, Assistant for Operations, OEDO	O-16	E15
Michael L. Springer, Director, Office of Administration	T-7	D57
Richard W. Borchardt, Director, Office of Enforcement	O-14	E1
Guy P. Caputo, Director, Office of Investigations	O-3	F1
Paul E. Bird, Director, Office of Human Resources	T-3	A2
Irene P. Little, Director, Office of Small Business and Civil Rights	T-2	F18
William F. Kane, Director, Office of Nuclear Material Safety and Safeguards	T-8	A23
Samuel J. Collins, Director, Office of Nuclear Reactor Regulation	O-5	E7
Ashok C. Thadani, Director, Office of Nuclear Regulatory Research	T-10	F12
Paul H. Lohaus, Director, Office of State Programs	O-3	C10
Frank J. Congel, Director, Incident Response Operations	T-4	D18
Hubert J. Miller, Regional Administrator, Region I	RGN-I	
Luis A. Reyes, Regional Administrator, Region II	RGN-II	
James E. Dyer, Regional Administrator, Region III	RGN-III	
Ellis W. Merschoff, Regional Administrator, Region IV	RGN-IV	