

Mr. John Pfeiffer
Office of Management and Budget
New Executive Office Building
725 17th Street, N.W., Room 8025
Washington, DC 20503

March 23, 2001

Dear Mr. Pfeiffer:

The Omnibus Budget Reconciliation Act of 1990, as amended, requires that the Nuclear Regulatory Commission (NRC) recover approximately 98 percent of its FY 2001 budget authority, less the appropriation from the Nuclear Waste Fund, by assessing license and annual fees. The NRC is required to recover approximately \$453.3 million in FY 2001.

In order to comply with the law, the Commission is amending its fee regulations in 10 CFR Parts 170 and 171. The proposed amendments to 10 CFR Part 170 would revise the professional hourly rates and "flat" licensing fees to reflect the costs of providing NRC licensing services to applicants and licensees.

The proposed amendments to 10 CFR Part 171 would establish the amount of the FY 2001 annual fees to be assessed to operating reactors, fuel cycle licensees, transportation certificate holders, and materials licensees to recover costs not recovered through 10 CFR Part 170 fees. The FY 2001 proposed annual fees would decrease for most of the categories of licensees, including operating power reactors. The annual fee decreases are primarily due to the reduction in the NRC's fee recovery requirement from 100 percent in FY 2000 to 98 percent in FY 2001, reduced budgeted costs for some classes of licensees, and increased costs recovered through 10 CFR Part 170 fees. However, the proposed annual fees would increase for some licensees due primarily to increased budgeted costs for those classes.

Those NRC licensees that can qualify as a small entity under NRC's size standards will continue to be eligible to pay reduced annual fees.

Enclosed is a copy of the proposed rule which is being transmitted to the *Federal Register* for publication. The notice provides for a 30-day public comment period.

Sincerely,

original signed by

Jesse L. Funches
Chief Financial Officer

Enclosure: Proposed Revision to
10 CFR Parts 170 and 171

Distribution:

OCA/RF OCFO/DAF/LFARB RF
OCFO/RF OCFO/DAF RF (DAF 1-000)
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DATE	3/19/01		3/15/01		3/19/01		1/01	3/19/01	

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pmh
3/19

March 21, 2001

The Honorable Pete V. Domenici, Chairman
Committee on the Budget
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

The Omnibus Budget Reconciliation Act of 1990, as amended, requires that the Nuclear Regulatory Commission (NRC) recover approximately 98 percent of its FY 2001 budget authority, less the appropriation from the Nuclear Waste Fund, by assessing license and annual fees. The NRC is required to recover approximately \$453.3 million in FY 2001.

In order to comply with the law, the Commission is amending its fee regulations in 10 CFR Parts 170 and 171. The proposed amendments to 10 CFR Part 170 would revise the professional hourly rates and "flat" licensing fees to reflect the costs of providing NRC licensing services to applicants and licensees.

The proposed amendments to 10 CFR Part 171 would establish the amount of the FY 2001 annual fees to be assessed to operating reactors, fuel cycle licensees, transportation certificate holders, and materials licensees to recover costs not recovered through 10 CFR Part 170 fees. The FY 2001 proposed annual fees would decrease for most of the categories of licensees, including operating power reactors. The annual fee decreases are primarily due to the reduction in the NRC's fee recovery requirement from 100 percent in FY 2000 to 98 percent in FY 2001, reduced budgeted costs for some classes of licensees, and increased costs recovered through 10 CFR Part 170 fees. However, the proposed annual fees would increase for some licensees due primarily to increased budgeted costs for those classes.

Those NRC licensees that can qualify as a small entity under NRC's size standards will continue to be eligible to pay reduced annual fees.

Enclosed is a copy of the proposed rule which is being transmitted to the *Federal Register* for publication. The notice provides for a 30-day public comment period.

Sincerely,

Original signed by

Dennis K. Rathbun, Director
Office of Congressional Affairs

Enclosure: Proposed Revision to
10 CFR Parts 170 and 171

cc: Senator Kent Conrad

Distribution:
OCA/RF
OCFO/RF
OCFO/SF
OCFO/DAF/LFARB RF
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IDENTICAL LETTERS SENT TO: ATTACHED LIST

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DATE	3/19/01		3/19/01		/ /01	3/19/01		/ /01

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March 21, 2001

The Honorable Sonny Callahan, Chairman
Subcommittee on Energy and Water Development
Committee on Appropriations
United States House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

The Omnibus Budget Reconciliation Act of 1990, as amended, requires that the Nuclear Regulatory Commission (NRC) recover approximately 98 percent of its FY 2001 budget authority, less the appropriation from the Nuclear Waste Fund, by assessing license and annual fees. The NRC is required to recover approximately \$453.3 million in FY 2001.

In order to comply with the law, the Commission is amending its fee regulations in 10 CFR Parts 170 and 171. The proposed amendments to 10 CFR Part 170 would revise the professional hourly rates and "flat" licensing fees to reflect the costs of providing NRC licensing services to applicants and licensees.

The proposed amendments to 10 CFR Part 171 would establish the amount of the FY 2001 annual fees to be assessed to operating reactors, fuel cycle licensees, transportation certificate holders, and materials licensees to recover costs not recovered through 10 CFR Part 170 fees. The FY 2001 proposed annual fees would decrease for most of the categories of licensees, including operating power reactors. The annual fee decreases are primarily due to the reduction in the NRC's fee recovery requirement from 100 percent in FY 2000 to 98 percent in FY 2001, reduced budgeted costs for some classes of licensees, and increased costs recovered through 10 CFR Part 170 fees. However, the proposed annual fees would increase for some licensees due primarily to increased budgeted costs for those classes.

Those NRC licensees that can qualify as a small entity under NRC's size standards will continue to be eligible to pay reduced annual fees.

Enclosed is a copy of the proposed rule which is being transmitted to the *Federal Register* for publication. The notice provides for a 30-day public comment period.

Sincerely,

Original signed by
Jesse L. Funches
Chief Financial Officer

Enclosure: Proposed Revision to
10 CFR Parts 170 and 171

cc: Representative Peter J. Visclosky

Distribution:

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NAME	GCJackson	J	DBDandis		ACRossi		PJRabideau		JLFunches	
DATE	3/19/01		3/14/01		3/19/01		1/01		3/19/01	

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IDENTICAL LETTERS SENT TO:

The Honorable George V. Voinovich, Chairman
Subcommittee on Clean Air, Wetlands, Private
Property and Nuclear Safety
Committee on Environment and Public Works
United States Senate
Washington, DC 20510

cc: Senator Joseph I. Lieberman

The Honorable Joe Barton, Chairman
Subcommittee on Energy and Air Quality
Committee on Energy and Commerce
United States House of Representatives
Washington, DC 20515

cc: Representative Rick Boucher

The Honorable Pete V. Domenici, Chairman
Subcommittee on Energy and Water Development
Committee on Appropriations
United States Senate
Washington, DC 20510

cc: Senator Harry Reid

The Honorable Sonny Callahan, Chairman
Subcommittee on Energy and Water Development
Committee on Appropriations
United States House of Representatives
Washington, DC 20515

cc: Representative Peter J. Visclosky

The Honorable Jim Nussle, Chairman
Committee on the Budget
United States House of Representatives
Washington, DC 20515

cc: Representative John M. Spratt, Jr.

The Honorable Pete V. Domenici, Chairman
Committee on the Budget
United States Senate
Washington, DC 20510

cc: Senator Kent Conrad

Mr. John Pfeiffer