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PRESS RELEASE ROUTING

HEADLINE: NRC Amends Licensing, Inspection
and Annual Fee Rules

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(Source: Notice of Rulemaking)

NRC AMENDS LICENSING, INSPECTION AND ANNUAL FEES RULE

The Nuclear Regulatory Commission is amending its regulations for the licensing, inspection and annual fees it charges to applicants and licensees for fiscal year 2002.

The agency is statutorily required to collect about 96 percent (two percent less than last year) of its operating budget through two types of fees. One type is for NRC services such as licensing and inspection activities. The other is an annual fee paid by all licensees, which recovers generic regulatory expenses and other costs not recovered through fees for services. These fees are set out in Commission regulations 10 CFR Part 170 (licensing and inspection services) and 10 CFR Part 171 (annual fees), respectively.

The NRC must recover \$479.5 million for fiscal year 2002 (October 1, 2001 - September 30, 2002). This does not include \$23.7 million appropriated from the Nuclear Waste Fund for high-level waste activities, or \$36 million appropriated from the General Fund for NRC

homeland security activities. Funding for these activities is excluded from license fee revenues by law. The total amount to be recovered is about \$26.2 million more than last year.

There is a \$6 increase over FY 2001 in the hourly labor rate for NRC services performed in the reactor program, and an \$8 increase for NRC services performed in the nuclear material program. The hourly rates are \$156 for the reactor program activities and \$152 for the nuclear materials program activities.

The annual fees for FY 2002 have been determined under the "re-baseline" method, which establishes new baseline fees. Based on the change in the magnitude of the budget to be recovered through fees, the Commission has determined that it is appropriate to "re-baseline" the annual fees. Re-baselining fees results in increased annual fees for most classes of licenses, except for non-power reactors, spent fuel storage/reactor decommissioning, and uranium recovery classes.

The final annual fees also reflect the Commission's decision to assess the budgeted costs for this fiscal year for the content^s hearing related to the mixed oxide fuel fabrication license application to all^{Classes} licensees based on their respective percentages of the NRC's budget. In the proposed rule, these costs were to be recovered from the fuel facility class of licensees only. The final FY 2002 annual fees reflect this change.

The final FY 2002 annual fees for some licensees are as follows:

<u>Categories of Licensees</u>	<u>FY 2001 Annual Fee</u>	<u>FY 2002 Annual Fee</u>
Operating Power Reactors (including spent fuel storage/reactor decommissioning annual fee)	\$2,753,000	\$2,849,000
High-enriched Uranium Fuel Facility	\$3,545,000	\$3,834,000
Low-enriched Uranium Fuel Facility	\$1,146,000	\$1,286,000
Uranium Recovery (Conventional Mills)	94,300	77,900
Radiographers	12,500	13,700
Broad Scope Medical	24,200	26,100
Distribution of Radiopharmaceuticals	3,900	4,500

Other changes include revising the fee waiver criteria to clarify the fee exemption provisions for topical reports and certain other documents submitted to the NRC for review and approval. In addition, the Part 171 annual fee exemption for reactors is being revised to clarify that the exemption applies only to reactors licensed to operate.

The NRC is also revising Part 171 to authorize the assessment of annual fees to holders of combined licenses issued under Part 52 to clarify that the annual fees will be assessed for each license, and not for each unit, as well as to establish when assessment of these annual fees will begin.

The final rule will be published with additional details in an upcoming edition of *The Federal Register*.
