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## **OPA**

## **D R A F T**

**(Source: Notice of Proposed Rulemaking)**

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### **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 applicants and licensees for fiscal year (FY) 2003.

The agency is required to collect nearly all of its annual appropriated budget through two types of fees. One is for NRC services, such as licensing and inspection activities, that apply to a specific license. The other is an annual fee paid by all licensees, which recovers generic regulatory expenses and other costs not recovered through fees for specific services. These fees are contained in Commission regulations 10 CFR Part 170 (licensing and inspection services) and 10 CFR Part 171 (annual fees for categories of licensees).

By law, the NRC must recover \$562.3 million, or about 94 percent of its budget for FY 2003 (October 1, 2002 - September 30, 2003). This amount includes \$29.3 million appropriated for NRC's activities related to homeland security, which is included in the agency's fee base for FY 2003. Homeland security costs were not included in the agency's fee base for FY 2002, and

were appropriated from the Treasury's General Fund. However, the total recoverable amount does not include \$24.7 million appropriated from the Nuclear Waste Fund for high-level waste activities. Funding for these activities is excluded from license fee revenues by law. The total amount to be recovered is about \$47 million more than last year.

There is a \$6 increase over FY 2002 in the hourly labor rate proposed for NRC services performed in the nuclear materials program, and no increase for services performed in the nuclear reactor program. The proposed hourly rates are \$156 for the reactor program activities and \$158 for the nuclear material program activities.

The proposed annual fees have been determined under the "re-baselining" method. The Commission decided to re-baseline annual fees this year based on the changes in the magnitude of the budget to be recovered through fees. Re-baselined annual fees would result in increased annual fees compared to FY 2002 for four classes of licensees (power reactors, spent fuel storage/reactor decommissioning, fuel facilities, and rare earth facilities), decreased annual fees for two classes (non-power reactors and uranium recovery). Finally, in two classes, material users and transportation, some categories (sub-classes) of licensees would have increased annual fees while others would have decreased annual fees.

The proposed FY 2003 annual fees include the following:

<u>Categories of Licensees</u>	<u>Proposed FY 2003 Annual Fee</u>	<u>Actual FY 2002 Annual Fee</u>
Operating Power Reactors (including spent fuel storage/ reactor decommissioning annual fee)	\$3,278,000	\$2,849,000
High-enriched Uranium Fuel Facility	\$5,836,600	\$3,834,000
Low-enriched Uranium Fuel Facility	\$1,957,000	\$1,286,000
Uranium Recovery (Conventional Mills)	64,800	77,900
Radiographers	12,300	13,700
Broad Scope Medical	24,900	26,100
Distribution of Radiopharmaceuticals	4,800	4,500

Written comments on the proposed amendments to 10 CFR Parts 170 and 171 of the Commission's regulations should be received within 30 days after publication in the Federal Register, which is expected shortly. They should be addressed to the Secretary, U.S. Nuclear Regulatory Commission, Washington, D.C., 20555-0001, ATTN: Rulemakings and Adjudications staff. Comments also may be faxed to 301-415-1101, or submitted via the NRC's electronic rulemaking Web site, at <http://www.nrc.gov> . Select "rulemaking" from the tool bar and then "rulemaking forum."

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