



# NRC NEWS

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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 specific 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 (fees for licensing and inspection services) and 10 CFR Part 171 (annual fees).

By law, the NRC must recover \$526.3 million or 94 percent of its budget for FY 2003 (October 1, 2002 - September 30, 2003) less the \$24.7 million appropriated from the Nuclear Waste Fund for high-level waste activities. The amount to be recovered in FY 2003 includes \$29.3 million appropriated for NRC's activities related to homeland security. Homeland security costs were not included in the agency's fee base for FY 2002, and were appropriated from the Treasury's General Fund. The total amount to be recovered is about \$47 million more than last year.

The hourly rates are \$156 for reactor program activities and \$158 for nuclear material program activities. There is a \$6 increase over FY 2002 in the hourly labor rate for NRC services performed in the nuclear materials program only. A major reason for this increase is the higher salary and benefits resulting from the Government-wide pay raise. While salary and benefits also increase for the reactor program, the increase is offset by a reduction in the average overhead.

The 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 for this year have resulted in increases compared to FY 2002 fees for four classes of licensees (operating power reactors,

spent fuel storage/reactor decommissioning, fuel facilities, and rare earth facilities), and decreased annual fees for two classes (non-power reactors and uranium recovery).

Finally, in two classes, material users and transportation, some categories (or sub-classes) of licensees have increased annual fees while others have decreased annual fees. A proposed regulation on this subject was published in *The Federal Register* for public comment on April 3. The comments were considered and addressed in the final rule.

The FY 2003 annual fees include the following for representative classes/categories of licensees:

<u>Class/Category of Licensees</u>	<u>FY 2003 Annual Fee</u>
Operating Power Reactors	\$3,251,000
Spent Fuel Storage/Reactor Decommissioning	\$319,000
Non-Power Reactors	\$63,300
High-enriched Uranium Fuel Facility	\$5,836,000
Low-enriched Uranium Fuel Facility	\$1,957,000
Uranium Recovery (Conventional Mills)	\$63,700
Transportation:	
Users/Fabricators	\$76,200
Users Only	\$7,100
Material Users:	
Radiographers	\$12,200
Broad Scope Medical	\$24,700
Distribution of Radiopharmaceuticals	\$4,700
Gauge Users	\$1,900

A copy of the final rule will be published in *The Federal Register* in the near future.

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