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PRESS RELEASE CONCURRENCE

HEADLINE: NRC Proposes To Amend Licensing, Inspection & Annual Fee Rule

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(Source: Proposed Rule and SECY-03-0194)

NRC PROPOSES TO AMEND LICENSING, INSPECTION AND ANNUAL FEES RULE

The Nuclear Regulatory Commission is proposing to amend its regulations for the licensing, inspection and annual fees it charges applicants and licensees for fiscal year (FY) 2004.

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 $545.6 million, which represents 92 percent of its budget for FY 2004 (October 1, 2003 - September 30, 2004) less the $33.1 million appropriated from the Nuclear Waste Fund for high-level waste activities. The amount to be recovered in FY 2004 includes $51.1 million appropriated for NRC's activities related to homeland security. The total amount to be recovered is about $19.3 million more than last year.

The proposed hourly rates are $157 for reactor program activities and $156 for nuclear material program activities. In FY 2003, the reactor and materials program rates were $156 and $158, respectively.

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 total budget and the magnitude of the budget allocated to certain classes of licensees. Re-baselined annual fees would result in increased annual fees compared to FY 2003 fees for three classes of licensees (power reactors, rare earth mills and transportation) and decreased annual fees for three classes (spent fuel storage/reactor decommissioning, non-power reactors, and fuel facilities).

Finally, in two classes, material users and uranium recovery, most categories (or sub-classes) of licensees would have decreased annual fees while others would have increased annual fees.

The proposed FY 2004 annual fees include the following representative classes/categories of licensees:

Class/Category of Licensees	Proposed FY 2004 Annual Fee
Power Reactors	$3,378,000
(Including spent fuel storage/reactor decommissioning annual fee)	
Rare Earth Mills	$191,900
Transportation-Approvals	$92,100
(Users and Fabricators)	

Spent Fuel Storage/Reactor Decommissioning	$208,000
Non-Power Reactors	$62,900
High-enriched Uranium Fuel Facility	$5,392,000
Low-enriched Uranium Fuel Facility	$1,808,000
Uranium Recovery (Conventional Mills)	$15,700
Radiographers	$10,400
Broad Scope Medical	$22,100
Distribution of Radiopharmaceuticals	$3,900
Gauge Users	$1,600

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://ruleforum.llnl.gov . This site provides the ability to upload comments as files (in any format), if a user's browser supports that function.

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