

PROPOSED ISSUANCE DATE: _____

PRESS RELEASE CONCURRENCE

HEADLINE: NRC Amends Licensing, Inspection &
Annual Fees Rule

	<u>PRINTED REVIEWER NAME</u>	<u>OFFICE</u>	<u>INITIALS</u>	<u>DATE</u>
<input type="checkbox"/>	<u>Hayden</u>	<u>OPA</u>	<u>BH DM</u>	<u>4/1</u>
<input type="checkbox"/>	<u>Ann Morris</u>	<u>OCFO</u>	<u>TC for AN</u>	<u>4-2-04</u> 9034
<input type="checkbox"/>	<u>Jesse Finches</u>	<u>OCFO</u>	<u>Subst to ifinger</u>	<u>4/9/04</u>
<input type="checkbox"/>	_____	_____	_____	_____
<input type="checkbox"/>	_____	_____	_____	_____
<input type="checkbox"/>	_____	<u>EDO</u>	_____	_____
<input type="checkbox"/>	_____	<u>OPA</u>	_____	_____
<input type="checkbox"/>	_____	<u>CHRMN</u>	_____	_____

OPA Contact: Bob Jasinski or Dave McIntyre 8200 (Call for pickup)

SIGNIFY ANY SPECIAL ACTION OR ISSUANCE THAT IS REQUIRED BEFORE PRESS RELEASE GOES OUT:

RJJ

G:\annualfees4.wpd

OPA

D R A F T

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

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) 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 \$545.3 million, which represents 92 percent of its budget for FY 2004 (October 1, 2003 - September 30, 2004) less the \$32.9 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 million more than last year, which will fund increases in resources for homeland security activities, operating reactor license renewals and new reactor licensing.

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 total budget and the magnitude of the budget allocated to certain classes of licensees. Re-baselined annual fees will 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, ^{annual fees for} most categories ^{of} licensees will ~~have decreased annual fees~~, while others will ~~have increased annual fees~~.

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

<u>Class/Category of Licensees</u>	<u>FY 2004 Annual Fee</u>
Power Reactors	\$3,283,000
(Including spent fuel storage/reactor decommissioning annual fee)	
Rare Earth Mills	\$157,600
Transportation-Approvals	\$91,300
(Users and Fabricators)	
Spent Fuel Storage/Reactor Decommissioning	\$203,000
Non-Power Reactors	\$62,500

High-enriched Uranium Fuel Facility	\$4,573,000
Low-enriched Uranium Fuel Facility	\$1,533,000
Uranium Recovery (Conventional Mills)	\$14,500
Radiographers	\$11,900
Broad Scope Medical	\$25,000
Distribution of Radiopharmaceuticals	\$4,500
Certain Gauge Users	\$2,500

A copy of the final rule will be published in the *Federal Register* in the near future. The proposed rule was published February 2, with a request for public comment. The agency received 14 comments, which are summarized, along with the agency's responses, in the upcoming *Federal Register* notice.

###