

December 29, 2004

The Honorable J. Dennis Hastert
Speaker of the United States
House of Representatives
Washington, D.C. 20515

Dear Mr. Speaker:

As required by Section 647(b) of Division F of the Consolidated Appropriations Act, FY 2004, P.L. 108-199, this letter constitutes the Nuclear Regulatory Commission's (NRC) Report to Congress on FY 2004 Competitive Sourcing Efforts.

In accordance with our Competitive Sourcing Plan dated December 15, 2003, the NRC conducted four Business Case Analyses (BCAs) to determine whether these specific functions should be commercial activities in FY 2004. In each instance, the BCA demonstrated that it was more cost effective for the activity to be performed by Federal employees, and a determination was made not to initiate a public-private competition for the activity. Therefore, NRC did not complete nor initiate any competitions in FY 2004. NRC plans to conduct three BCAs for competitive sourcing in FY 2005.

With regard to steps taken to identify skill imbalances, competency gaps, and organizational redundancies, NRC uses a systematic strategic workforce planning process, and a web-based system for specifying skill needs, determining skills that are available within the current workforce, and identifying emerging mission critical skill gaps.

Should you desire further information, please do not hesitate to contact me.

Sincerely,

/RA/

Nils J. Diaz

Identical letters sent to:

The Honorable J. Dennis Hastert
Speaker of the United States
House of Representatives
Washington, D.C. 20515

The Honorable Richard B. Cheney
President of the United States Senate
Washington, D.C. 20510

The Honorable George V. Voinovich, Chairman
Subcommittee on Clear Air, Climate Change,
and Nuclear Safety
Committee on Environment and Public Works
United States Senate
Washington, D.C. 20510
cc: Senator Thomas R. Carper

The Honorable James M. Inhofe, Chairman
Committee on Environment and Public Works
United States Senate
Washington, D.C. 20510
cc: Senator James M. Jeffords

The Honorable Ralph M. Hall, Chairman
Subcommittee on Energy and Air Quality
Committee on Energy and Commerce
United States House of Representatives
Washington, D.C. 20515
cc: Representative Rick Boucher

The Honorable Joe Barton, Chairman
Committee on Energy and Commerce
United States House of Representatives
Washington, D.C. 20515
cc: Representative John D. Dingell

The Honorable David L. Hobson, Chairman
Subcommittee on Energy and Water Development
Committee on Appropriations
United States House of Representatives
Washington, D.C. 20515
cc: Representative Peter J. Visclosky

The Honorable Pete V. Domenici, Chairman
Subcommittee on Energy and Water Development
Committee on Appropriations
United States Senate
Washington, D.C. 20510
cc: Senator Harry Reid

The Honorable Susan M. Collins, Chair
Committee on Governmental Affairs
United States Senate
Washington, D.C. 20510
cc: Senator Joseph I. Lieberman

The Honorable Tom Davis, Chairman
Committee on Government Reform
United States House of Representatives
Washington, D.C. 20515
cc: Representative Henry A. Waxman