

May 17, 2006

The Honorable George V. Voinovich
Chairman, Subcommittee on Clean Air, Climate Change,
and Nuclear Safety
Committee on Environment and Public Works
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

The Omnibus Budget Reconciliation Act of 1990, as amended, requires that the U.S. Nuclear Regulatory Commission (NRC) recover approximately 90 percent of its Fiscal Year (FY) 2006 budget authority, less the appropriations from the Nuclear Waste Fund and for Waste Incidental to Reprocessing activities, by assessing license and annual fees. The NRC is required to recover approximately \$624 million in FY 2006.

In order to comply with the law, the Commission is amending its fee regulations in 10 CFR Parts 170 and 171. The amendments to 10 CFR Part 170 revise the professional hourly rates and flat license application fees charged to licensees and applicants. The hourly rates used to assess Part 170 fees increase to \$217 for the Nuclear Reactor Safety Program and \$214 for the Nuclear Materials and Waste Safety Program. The rates reflect the anticipated costs NRC will incur providing licensee-specific services.

The amendments to 10 CFR Part 171 establish the amount of the FY 2006 annual fees to be assessed to NRC licensees, including reactors, fuel cycle facilities, and materials users, to recover costs not recovered through 10 CFR Part 170 fees. The FY 2006 annual fees result in increased annual fees compared to FY 2005 for almost all NRC licensees, with the exception of certain fuel facilities. The most significant factor affecting the changes to the annual fee amounts is the increase in the NRC's total fee recoverable budget of approximately \$83 million in FY 2006 compared to FY 2005. Other factors include changes in budgeted costs and estimated Part 170 collections for the different classes of licenses.

Those NRC licensees that can qualify as a small entity under NRC's size standards continue to be eligible to pay reduced annual fees.

Enclosed is a copy of the final rule which is being transmitted to the *Federal Register* for publication. The final rule will become effective 60 days after publication.

Sincerely,

/RA/

Rebecca L. Schmidt, Director
Office of Congressional Affairs

Enclosure:
Final Revision to 10 CFR Parts 170 and 171

cc: Senator Thomas R. Carper

May 17, 2006

The Honorable George V. Voinovich
Chairman, Subcommittee on Clean Air, Climate Change,
and Nuclear Safety
Committee on Environment and Public Works
United States Senate
Washington, DC 20510

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In order to comply with the law, the Commission is amending its fee regulations in 10 CFR Parts 170 and 171. The amendments to 10 CFR Part 170 revise the professional hourly rates and flat license application fees charged to licensees and applicants. The hourly rates used to assess Part 170 fees increase to \$217 for the Nuclear Reactor Safety Program and \$214 for the Nuclear Materials and Waste Safety Program. The rates reflect the anticipated costs NRC will incur providing licensee-specific services.

The amendments to 10 CFR Part 171 establish the amount of the FY 2006 annual fees to be assessed to NRC licensees, including reactors, fuel cycle facilities, and materials users, to recover costs not recovered through 10 CFR Part 170 fees. The FY 2006 annual fees result in increased annual fees compared to FY 2005 for almost all NRC licensees, with the exception of certain fuel facilities. The most significant factor affecting the changes to the annual fee amounts is the increase in the NRC's total fee recoverable budget of approximately \$83 million in FY 2006 compared to FY 2005. Other factors include changes in budgeted costs and estimated Part 170 collections for the different classes of licenses.

Those NRC licensees that can qualify as a small entity under NRC's size standards continue to be eligible to pay reduced annual fees.

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Office of Congressional Affairs

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Final Revision to 10 CFR Parts 170 and 171

cc: Senator Thomas R. Carper

Distribution:

OCA/RF R. Suri OCFO/RF OCFO/DFM RF OCFO/SF

IDENTICAL LETTERS SENT TO ATTACHED LIST *see previous concurrence **concurrent via e-mail
ADAMS - Yes/No SENSITIVE/NON-SENSITIVE PUBLIC/NON-PUBLIC Initials - TXC1 SISP Review

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May 17, 2006

The Honorable David L. Hobson
Chairman, Subcommittee on Energy and Water Development
Committee on Appropriations
United States House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

The Omnibus Budget Reconciliation Act of 1990, as amended, requires that the U.S. Nuclear Regulatory Commission (NRC) recover approximately 90 percent of its Fiscal Year (FY) 2006 budget authority, less the appropriations from the Nuclear Waste Fund and for Waste Incidental to Reprocessing activities, by assessing license and annual fees. The NRC is required to recover approximately \$624 million in FY 2006.

In order to comply with the law, the Commission is amending its fee regulations in 10 CFR Parts 170 and 171. The amendments to 10 CFR Part 170 revise the professional hourly rates and flat license application fees charged to licensees and applicants. The hourly rates used to assess Part 170 fees increase to \$217 for the Nuclear Reactor Safety Program and \$214 for the Nuclear Materials and Waste Safety Program. The rates reflect the anticipated costs NRC will incur providing licensee-specific services.

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Those NRC licensees that can qualify as a small entity under NRC's size standards continue to be eligible to pay reduced annual fees.

Enclosed is a copy of the final rule which is being transmitted to the *Federal Register* for publication. The final rule will become effective 60 days after publication.

Sincerely,

/RA/

Jesse L. Funches
Chief Financial Officer

Enclosure:
Final Revision to 10 CFR Parts 170 and 171

cc: Representative Peter J. Visclosky

May 17, 2006

The Honorable David L. Hobson
Chairman, Subcommittee on Energy and Water Development
Committee on Appropriations
United States House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

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Jesse L. Funches
Chief Financial Officer

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cc: Representative Peter J. Visclosky

Distribution:
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***see previous concurrence**
ADAMS - Yes/No SENSITIVE/NON-SENSITIVE PUBLIC/NON-PUBLIC Initials - TXC1
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DATE	04/11/06		04/17/06		04/12/06		04/ 21/06		04/ /06		05/17/06	

IDENTICAL LETTERS SENT TO:

The Honorable George V. Voinovich
Chairman, Subcommittee on Clean Air, Climate Change,
and Nuclear Safety
Committee on Environment and Public Works
United States Senate
Washington, DC 20510

cc: Senator Thomas R. Carper

The Honorable Ralph M. Hall
Chairman, Subcommittee on Energy and Air Quality
Committee on Energy and Commerce
United States House of Representatives
Washington, DC 20515

cc: Representative Rick Boucher

The Honorable Pete V. Domenici
Chairman, Subcommittee on Energy and Water Development
Committee on Appropriations
United States Senate
Washington, DC 20510

cc: Senator Harry Reid

The Honorable James M. Inhofe
Chairman, Committee on Environment and Public Works
United States Senate
Washington, DC 20510

cc: Senator James M. Jeffords

The Honorable Joe Barton
Chairman, Committee on Energy and Commerce
United States House of Representatives
Washington, DC 20515

cc: Representative John Dingell

The Honorable Jim Nussle
Chairman, Committee on the Budget
United States House of Representatives
Washington, DC 20515

cc: Representative John M. Spratt, Jr.

The Honorable Judd Gregg
Chairman, Committee on the Budget
United States Senate
Washington, DC 20510

cc: Senator Kent Conrad