



NUCLEAR ENERGY INSTITUTE

Douglas J. Walters
VICE PRESIDENT
REGULATORY AFFAIRS
NUCLEAR GENERATION DIVISION

November 2, 2010

Mr. Michael E. Mayfield
Director, Advanced Reactor Program
Office of New Reactors
U.S. Nuclear Regulatory Commission
Mail Stop 6 E4
Washington, DC 20555

Subject: Paper on the Calculation of Fees for Small Modular Reactors

Project Number: 689

Dear Mr. Mayfield:

Enclosed for NRC staff review and consideration is our paper on the calculation of fees for small modular reactors. We discussed the content of this paper with the NRC at public meetings on September 22-23, 2010.

In our comments on the 2009 Fee Rule, we agreed that prior NRC analyses remain valid and support the conclusion that there is not a relationship or predictive trend between regulatory resources and the type of reactor or the thermal power rating, but that the current fee structure may not be appropriate for small reactors. In this regard, the approach outlined in the attached paper is not intended to disturb the current fee structure but rather to be forward-looking and recognize the relative size of small modular reactors must be considered if the fees charged to small modular reactor licensees are to be fair and equitable

We suggest establishing a floor that represents the minimum fee and a ceiling that is a maximum fee, with a variable rate in-between. The challenge in creating the framework for this approach is that we do not know—and will not know for quite some time—the generic activities and costs the NRC will incur in regulating small modular reactors. Therefore, the specific numbers in our paper are provided for discussion purposes. Also, under the proposed variable fee structure, a few existing operating reactors would fall below the ceiling. We need to be mindful of this as our discussions move forward.

Mr. Michael E. Mayfield

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We look forward to continuing dialogue with the NRC staff on this issue. If you have any questions, please contact Paul Genoa (phg@nei.org; 202-739-8034) or Victoria Anderson (vka@nei.org; 202-739-8101).

Sincerely,

A handwritten signature in black ink that reads "Douglas J. Walters". The signature is written in a cursive style with a large initial 'D'.

Douglas J. Walters

Attachment

c: Mr. Wesley W. Held, NRO/ARP/ARB1, NRC
Mr. Steward L. Magruder, Jr., NRO/ARP/ARB2, NRC
Mr. William D. Reckley, NRO/ARP/ARB1, NRC