

JAMES M. INHOFE, OKLAHOMA, CHAIRMAN

DAVID VITTER, LOUISIANA  
JOHN BARRASSO, WYOMING  
SHELLEY MOORE CAPITO, WEST VIRGINIA  
MIKE CRAPO, IDAHO  
JOHN BOOZMAN, ARKANSAS  
JEFF SESSIONS, ALABAMA  
ROGER WICKER, MISSISSIPPI  
DEB FISCHER, NEBRASKA  
MIKE ROUNDS, SOUTH DAKOTA  
DAN SULLIVAN, ALASKA

BARBARA BOXER, CALIFORNIA  
THOMAS R. CARPER, DELAWARE  
BENJAMIN L. CARDIN, MARYLAND  
BERNARD SANDERS, VERMONT  
SHELDON WHITEHOUSE, RHODE ISLAND  
JEFF MERKLEY, OREGON  
KIRSTEN GILLIBRAND, NEW YORK  
CORY A. BOOKER, NEW JERSEY  
EDWARD J. MARKEY, MASSACHUSETTS

# United States Senate

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

WASHINGTON, DC 20510-6175

RYAN JACKSON, MAJORITY STAFF DIRECTOR  
BETTINA POIRIER, DEMOCRATIC STAFF DIRECTOR

April 13, 2016

Mr. Victor M. McCree  
Executive Director for Operations  
U.S. Nuclear Regulatory Commission  
Mail Stop 0-16G4  
Washington, DC 20555-0001

Dear Mr. McCree:

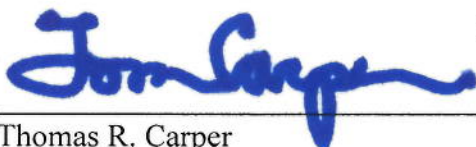
On behalf of the Senate Committee on Environment and Public Works, we invite you to testify before the Clean Air and Nuclear Safety Subcommittee on Thursday, April 21, 2016, beginning at 10:00 a.m. in Room 406 of the Dirksen Senate Office Building for a hearing entitled, "Enabling Advanced Reactors and a Legislative Hearing on S.\_\_\_\_\_, "the Nuclear Energy Innovation and Modernization Act." The purpose of this hearing is to examine advanced nuclear reactors in general and to examine the Nuclear Energy Innovation and Modernization Act.

In order to maximize the opportunity to discuss this matter with you and other witnesses, we ask that your oral testimony be limited to five minutes. Your written testimony can be comprehensive and will be included in the printed record in its entirety, together with any other materials you would like to submit.

To comply with Committee rules, please e-mail a copy of your testimony to [Amanda\\_Hall@epw.senate.gov](mailto:Amanda_Hall@epw.senate.gov) and deliver 100 hard copies (double-sided if possible) at least 48 hours in advance of the hearing. If one is available, you may include a brief biography as well. If you plan to use or refer to any charts, graphs, diagrams, photos, maps, or other exhibits in your testimony, please include an electronic and a hard copy in your advance submissions. Exhibits or other materials that are not provided to the Committee by this time cannot be used for the purpose of presenting testimony. Testimony should be delivered to the EPW Committee at 410 Dirksen Senate Office Building, Washington, DC 20510. Due to security restrictions, only couriers or employees with government identification will be permitted to bring packages into the building.

If you have any questions about this invitation or the hearing, please feel free to contact Annie Caputo on the Committee's Majority staff at (202) 224-6176, or Laura Gillam on the Committee's Minority staff at (202) 224-8832.

Sincerely,



Thomas R. Carper  
Ranking Member



Shelley Moore Capito  
Chairman

## **Nuclear Energy Innovation and Modernization Act**

### *Section-by-Section Summary*

#### **Sec. 1 – Short Title**

The title of this legislation is the “Nuclear Energy Innovation and Modernization Act.”

#### **Sec. 2 – Findings**

This section identifies congressional findings that support enactment of this legislation.

#### **Sec. 3 – Purposes**

The purpose of this Act is to modernize the Nuclear Regulatory Commission’s functions by establishing new transparency and accountability measures on the Commission’s budget and fee programs and developing the regulatory frame necessary to enable the licensing of advanced nuclear reactors.

#### **Sec. 4 – Definitions**

This section provides definitions for terms used in the legislation.

#### **Sec. 5 – Nuclear Regulatory Commission User Fees and Annual Charges Through Fiscal Year 2018**

This section removes the amounts appropriated for advanced reactor programs from the Nuclear Regulatory Commission’s fee recovery requirement. The existing fee recovery statutory provision will also be repealed at the conclusion of fiscal year 2018 (to be replaced with the fee recovery framework set forth in section 6).

#### **Sec. 6 – Nuclear Regulatory Commission User Fees and Annual Charges For Fiscal Year 2019 and Each Fiscal Year Thereafter**

This section continues efforts to bring greater transparency and accountability to the NRC by establishing a fee recovery framework for the NRC effective in fiscal year 2019. The Commission is required to budget for industry requested activities and use the funds solely for those purposes. This is to ensure adequate funding for activities such as license and permit applications since the industry depends on the NRC for timely reviews. This section also establishes reasonable limits on corporate support costs as a share of the Commission’s overall budget authority. Existing exclusions from the fee recovery framework are retained, reaffirming the principle that licensees and applicants should pay fees and charges that are attributable to them. Amounts appropriated for certain advanced reactor programs are excluded from the fee recovery mandate through 2030. Annual fees for existing reactors are capped at 2015 levels, with adjustments allowed for inflation. New performance metrics, reporting requirements and invoicing procedures are required to ensure greater accountability for the Commission’s activities.

#### **Sec. 7 – Advanced Nuclear Reactor Program**

This section enables the licensing of advanced nuclear reactors by, among other things, requiring the Commission to develop and implement risk-informed, performance-based licensing policies and guidance. The NRC is directed to develop a licensing process for advanced nuclear reactors

within existing frameworks by 2018. The Commission is also required to complete a rulemaking by 2023 for a technology-inclusive, licensing framework for optional use by advanced nuclear reactor licensees. This section authorizes appropriations of such sums as are necessary to support certain advanced reactor license activities.

**Sec. 8 – Hearings under Atomic Energy Act of 1954**

This section allows the Commission, if no hearing is requested by any affected person, to issue a construction permit, an operating license, or an amendment to such permits and licenses without holding a hearing in keeping with a previous legislative proposal from the NRC.

**Sec. 9 – DOE Licensing Cost-Share Grant Program**

This section creates an Advanced Nuclear Energy Cost Share Grant Program which would authorize the Secretary of Energy to establish a grant program to provide cost sharing grants to Applicants for the purpose of funding a portion of an Applicant's NRC fees of the applicant for pre-application and application review activities. DOE would be required to seek out technology diversity in its awards.