



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

February 14, 2017

Mr. Frank Rusco
Director, Natural Resources and Environment
U.S. Government Accountability Office
441 G Street, NW
Washington, DC 20226

Dear Mr. Rusco:

I am responding to your letter of January 11, 2017, which provided the U.S. Nuclear Regulatory Commission (NRC) an opportunity to review and comment on the U.S. Government Accountability Office (GAO) draft report GAO-17-294, "Nuclear Regulatory Commission: Changes Planned to Budget Structure and Justification."

The NRC staff appreciates the opportunity to review the draft, and we appreciate the GAO staff's professionalism and many constructive interactions during this GAO engagement. Overall, the NRC agrees with the draft report and its findings. Below we offer comments on two of the reports key findings, and in the enclosure to this letter, we have provided several technical comments and corrections for your consideration.

The NRC agrees with the GAO findings that some NRC budget structure changes have created confusion amongst users of NRC's budget request. The NRC plans to continue its efforts that began in fiscal year 2016 to improve the transparency of budget information for external stakeholders. The NRC recognizes the need to continue to communicate these efforts to minimize any confusion associated with this change.

The NRC also agrees with the GAO finding that the NRC's budget request did not align with its budget execution or reflect the agency's use of funds in prior years. NRC's annual formulation and execution of its budget is founded in the ability to accomplish the NRC's mission and accommodate projected workloads. Consistent with the GAO finding, the NRC plans to begin to include the prior year obligation data in subsequent budgets. As stated in the report, there is no requirement for reporting prior year use of funds in an agency's budget request.

Thank you again for the opportunity to provide comments on the GAO report. Please feel free to contact Mr. John Jolicoeur at (301) 415-1642 or John.Jolicoeur@nrc.gov if you have questions or need additional information.

Sincerely,

/RA/

Victor M. McCree
Executive Director
for Operations

Enclosure:
NRC comments on draft report
GAO-17-294

SUBJECT: LETTER TO FRANK RUSCO RESPONSE TO DRAFT REPORT GAO-17-294
 NUCLEAR REGULATORY COMMISSION: CHANGES PLANNED TO BUDGET STRUCTURE
 AND JUSTIFICATION, DATED FEBRUARY 14, 2017.

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***with edits which were incorporated**

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