



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

January 19, 2018

Ms. Christine McDonald
The Office of Management and Budget
725 17th Street, NW
Washington, DC 20503

Dear Ms. McDonald:

The Omnibus Budget Reconciliation Act of 1990, as amended, requires that the U.S. Nuclear Regulatory Commission (NRC) recover through fees approximately 90 percent of its Fiscal Year (FY) 2018 budget authority, not including any amounts appropriated for Waste Incidental to Reprocessing, the Nuclear Waste Fund, generic homeland security activities, and Inspector General Services for the Defense Nuclear Facilities Safety Board.

The FY 2018 proposed fee rule is based on the FY 2018 Congressional Budget Justification (CBJ): FY 2018 (NUREG-1100, Volume 33, ADAMS Accession No. ML17137A246), as adjusted, because full-year appropriations have not yet been enacted for FY 2018. The total budget requested for the NRC in FY 2018 is \$952.0 million. The amount used for total budget authority in the proposed fee rule (\$967.0 million) includes an adjustment for an additional \$15.0 million for the NRC's Integrated University Program, which was not included in the budget request, but has historically been included by Congress in the final appropriations bill. By law, the NRC is required to collect all fees by September 30, 2018.

In order to comply with the law, the Commission is proposing to amend its fee regulations under 10 CFR Parts 170 and 171. The NRC is required to recover approximately \$827.5 million for FY 2018. After accounting for billing and collection adjustments, the total amount to be billed as fees is approximately \$826.7 million. The amendments to 10 CFR Part 170 would revise the professional hourly rate and flat license application fees charged to licensees and applicants. The hourly rate used to assess 10 CFR Part 170 fees would increase to \$270, previously \$263 for FY 2017.

The amendments to 10 CFR Part 171 would establish the amount of the FY 2018 annual fees to be assessed to NRC licensees to recover costs not recovered through 10 CFR Part 170 fees. Compared to FY 2017, the FY 2018 rebaselined annual fees will decrease for research and test reactors, some materials users, uranium recovery licensees, and Department of Energy's (DOE) transportation activities and increase for operating reactors, spent fuel storage/reactor decommissioning, fuel facilities, and some materials users. Additionally, the NRC proposes a policy change to small materials users fee categories for location of use that will more accurately reflect the cost of services provided by the NRC.

Enclosed is a copy of the proposed rule which is being transmitted to the *Federal Register* for publication. The notice provides for a 30-day public comment period.

Sincerely,

/RA/

Stephanie M. Coffin, Director
Division of Planning and Budget
Office of the Chief Financial Officer

Enclosure:
Federal Register, Notice

cc: Donovan O. Robinson, OMB

SUBJECT: FISCAL YEAR 2018 PROPOSED FEE RULE LETTER TO THE OFFICE OF
MANAGEMENT AND BUDGET, Dated January 19, 2018

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