

UNITED STATES NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

AE49-2 POR 018

JUL 1 5 1993

Executive Office of the President Office of Management and Budget New Executive Office Building 725 17th Street, NW Washington, D.C. 20503

ATTN: Stephen M. Goldberg

Dear Mr. Goldberg:

Public Law 101-508, the Omnibus Budget Reconciliation Act of 1990, requires that the NRC recover 100 percent of its budget authority, less the appropriation from the Nuclear Waste Fund, for fiscal years 1991 through 1995 by assessing license and annual fees. For FY 1993, the NRC must collect approximately \$518.9 million through these fees as compared to \$492.5 million for FY 1992.

On April 23, 1993, the NRC published a proposed rule in the <u>Federal Register</u> relating to 100 percent fee recovery for FY 1993 for public comment. The comment period expired on May 24, 1993. The NRC reviewed over 500 comments received through June 25, 1993, and in order to comply with the Public Law, the NRC is amending its fee regulations in 10 CFR Parts 170 and 171.

The final amendments to 10 CFR Part 170, which assess license and inspection fees for specific identifiable services will: (1) increase the cost per professional staff-hour for all full cost fees; and (2) revise all flat fees for radioisotope programs consistent with the Chief Financial Officers Act to reflect the increased costs per professional staff hour and the current estimate of the average hours required to process licensing actions or to conduct inspections.

The final amendments to 10 CFR Part 171, which assess annual fees for costs not recovered through 10 CFR Part 170, will establish the amount of the FY 1993 annual fees to be assessed to operating reactors; fuel cycle licensees, including fuel fabrication facilities, uranium recovery facilities, and transportation certificate holders, and materials licensees. Most of the FY 1993 annual fees are increased as compared to FY 1992. The FY 1993 annual fees are summarized as follows:

Class of licensee	Range of Annual Fees
Operating power reactors	\$3.2M to \$3.3M
Fuel Facilities	\$0.7M to \$3.1M
Uranium Recovery Facilities	\$21,220 to \$58,220
Transportation Certificate/ Approval Holders	\$1,120 to \$67,520
Materials Users	\$810 to \$28,020
Other Licensees	\$61,200 to \$380,120

Those NRC licensees that qualify as a small entity under the NRC's size standards are eligible to pay reduced annual fees. For example, those licensees with gross annual receipts of \$250,000 to \$3.5 million pay a maximum annual fee of \$1,800 per licensed category. Those licensees with gross annual receipts of less than \$250,000 pay an annual fee of \$400 per licensed category.

Based on the March 16, 1993, U.S. Court of Appeals of the District of Columbia remand decision relating to portions of the FY 1991 and FY 1992 annual fee schedules, the Commission has decided: (1) not to use the ability to passthrough costs as a factor for any licensees when setting annual fees for a class of licensees; (2) to revoke the exemption from annual fees for nonprofit educational institutions; and (3) to change the method for calculating the low-level waste (LLW) surcharge to NRC licensees who generate LLW. The Commission believes these actions are consistent with the court's decision. The changes are being applied retroactively to FY 1991 and FY 1992. Therefore, in the near future, the NRC will separately publish final FY 1991 and FY 1992 fee schedules revising the surcharges assessed to certain licensees. These revisions result from the elimination of the nonprofit educational institution exemption and from changing the method of allocation NRC LLW budgeted generic costs. Requests for refunds resulting from these changes are not to be filed with the NRC prior to publication of these schedules. The total amount of the refunds for FY 1991 and FY 1992 is estimated to be \$7 million.

Enclosed is a copy of the final rule which is being transmitted to the Office of the Federal Register for publication. The final rule becomes effective 30 days from the date of publication.

Sincerely,

Ronald M. Scroggins Deputy Chief Financial Officer/Controller

Enclosure: Final Revision

to 10 CFR Parts 170 and 171