



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

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PDR
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JUL 15 1993

Mr. Aaron D. Edmondson
Subcommittee on Energy and Water Development
Committee on Appropriations
United States House of Representatives
Washington, D.C. 20515

Dear Mr. Edmondson:

Enclosed is a copy of the final rule to recover 100 percent of the FY 1993 NRC budget through fees as required by the Omnibus Budget Reconciliation Act of 1990. We expect the final rule to be published in the Federal Register in the next few days. I am also enclosing a summary of the final rule.

Please call me if you have questions or need additional information concerning the final rule.

Sincerely,

A handwritten signature in cursive script, appearing to read "R. M. Scroggins", is written over the typed name.

Ronald M. Scroggins
Deputy Chief Financial
Officer/Controller

Enclosures:
As stated

Summary

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 1991.

In order to comply with the law, the Commission is amending its fee regulations in 10 CFR Parts 170 and 171. The amendments to the Commission's fee regulations will, in most cases, increase the fees currently charged to individuals and companies licensed by the NRC.

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, 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, transportation certificate holders, and materials licensees. Most of the FY 1993 annual fees have increased as compared to FY 1992. However, those NRC licensees that can qualify as a small entity under the NRC's size standards would be eligible to pay reduced annual fees. For example, those licensees with gross annual receipts of \$250,000 to \$3.5 million would pay a maximum annual fee of \$1,800. Those licensees with gross annual receipts of less than \$250,000 would pay an annual fee of \$400.

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 licensee 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 decisions 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 allocating 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.