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To: TWD2.TWP9.GCJ, WNP1.JLF
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Subject: Press Release

Jackson
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HF83-1
PDR

Attached is the press release on the new fee rule, with your revisions.

<WP Attachment Enclosed>

D R A F T

NRC PROPOSES TO AMEND LICENSING, INSPECTION AND ANNUAL FEES

The Nuclear Regulatory Commission is proposing to amend its licensing, inspection and annual fees.

The proposed amendments implement the requirements of the Omnibus Budget Reconciliation Act of 1990 which mandates that the NRC recover approximately 100 percent of its budget authority -- less appropriations from the Nuclear Waste Fund -- in fiscal years 1990 through 1998 by assessing fees.

The Commission's budget authority for fiscal year 1998 is \$472.8 million, of which \$15 million has been appropriated from the Nuclear Waste Fund. In addition, \$3 million has been appropriated for NRC's activities related to commercial vitrification of waste stored at the Department of Energy's Hanford, Washington, site and the pilot program for the external regulation of the Department of Energy. Funding for these activities is excluded from license fee revenues by law. This leaves a budget of approximately \$454.8 million which NRC must collect in fees. The total amount to be recovered is approximately \$6.4 million less than that recovered the previous fiscal year.

The number of licensees paying annual fees has decreased. The Zion nuclear power station, in Illinois, ceased operating this year, while the Faddam Neck (Connecticut), Maine Yankee, (Maine), and Big Rock Point (Michigan), plants all ceased operating last year.

As a result of the decrease in both the budget and the number of licensees, the proposed fiscal year 1998 annual fees are about the same as those for fiscal year 1997. Fees

for fiscal year 1998 increase by about 0.1 percent.

The 1998 annual fees are:

- \$2,980,000 for power reactor licensees, from \$2,978,000 in fiscal year 1997;
- \$57,300 for nonpower (research and test) reactor licensees, from approximately the same amount in fiscal year 1997;
- \$2,607,000 for high-enriched uranium fuel facility licensees, from \$2,606,000 in fiscal year 1997;
- \$1,280,000 for low-enriched fuel fabrication facility licensees which manufacture fuel for nuclear power plants, from \$1,279,000 in fiscal year 1997;

The amounts from fiscal year 1997 remain largely unchanged for radiographers and broad scope medical licensees, who are charged \$14,100 and \$23,500, respectively.

Other changes to the fee rule are proposed, including a 10 percent increase in hourly inspection and licensing rates, adjustments in rates for license reviews, full cost recovery for resident inspectors, and charges for overtime.

The NRC is also planning to examine the current annual fee exemption policy for licensees undergoing decommissioning or holding possession-only licenses. Currently, licensees decommissioning their facilities who store their spent fuel in a spent fuel pool are not assessed an annual fee. But licensees who store spent fuel in an independent spent fuel storage installation, must pay such a fee. Any changes to this policy would be included in the fee rule for the next fiscal year.

Written comments on the proposed amendments to Parts 170 and 171 of the

Commission's regulations should be received by _____ (thirty days after publication in the Federal Register). They should be addressed to the Secretary, U.S. Nuclear Regulatory Commission, Washington, D.C., 20555-0001, ATTN: Rulemakings and Adjudications staff. Comments may also be submitted via the NRC's electronic rulemaking website at <http://www.nrc.gov>. Select "rulemaking" from the tool bar and then "new rulemaking website."

The NRC will continue to mail the proposed rule to all licensees, but will no longer mail them the final rule. The final rule will be available in the Federal Register, and published on the internet at <http://ruleforum.llnl.gov>

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