



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

OFFICE OF THE
CHIEF FINANCIAL
OFFICER

March 7, 2023

Erin Cheese
The Office of Management and Budget
725 17th Street, NW
Washington, DC 20503

Dear Erin Cheese:

On March 3, 2023, the U.S. Nuclear Regulatory Commission (NRC) published the fiscal year (FY) 2023 proposed fee rule in the *Federal Register* (88 FR 13357), which is enclosed. The FY 2023 proposed fee rule proposes revisions to the fee requirements of Title 10 of the *Code of Federal Regulations* (10 CFR) Part 170, "Fees for Facilities, Materials, Import and Export Licenses, and Other Regulatory Services Under the Atomic Energy Act of 1954, as Amended" and, 10 CFR Part 171, "Annual Fees for Reactor Licenses and Fuel Cycle Licenses and Materials Licenses, Including Holders of Certificates of Compliance, Registrations, and Quality Assurance Program Approvals and Government Agencies Licensed by the NRC." The amendments are necessary to implement the Nuclear Energy Innovation and Modernization Act (NEIMA).

Under NEIMA, the NRC must recover, to the maximum extent practicable, approximately 100 percent of its total budget authority for the fiscal year, less the budget authority for excluded activities, through fees. Under Section 102(b)(1)(B) of NEIMA, "excluded activities" include any fee-relief activity as identified by the Commission, generic homeland security activities, waste incidental to reprocessing activities, Nuclear Waste Fund activities, advanced reactor regulatory infrastructure activities, Inspector General services for the Defense Nuclear Facilities Safety Board, research and development at universities in areas relevant to the NRC's mission, and a nuclear science and engineering grant program. In FY 2023, the fee-relief activities identified by the Commission are consistent with prior fee rules, which are listed in "Table 1—Excluded Activities," of the FY 2023 proposed fee rule.

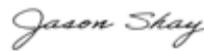
The FY 2023 proposed fee rule is based on the Consolidated Appropriations Act, 2023 (the enacted budget). The amount used for total budget authority in this proposed rule is \$927.2 million, an increase of \$39.5 million from FY 2022. As explained previously, certain portions of the NRC's total budget authority for the fiscal year are excluded from NEIMA's fee-recovery requirement under Section 102(b)(1)(B) of NEIMA. Based on the FY 2023 enacted budget, these exclusions total \$137.0 million, which is an increase of \$6.0 million from FY 2022. These excluded activities consist of \$97.1 million for fee-relief activities, \$23.8 million for advanced reactor regulatory infrastructure activities, \$13.4 million for generic homeland security activities, \$1.2 million for waste incidental to reprocessing activities, and \$1.5 million for Inspector General services for the Defense Nuclear Facilities Safety Board. By law, the NRC is required to collect all fees by September 30, 2023.

After accounting for the exclusions from the fee-recovery requirement and net billing adjustments (i.e., for FY 2023 invoices that the NRC estimates will not be paid during the fiscal year, less payments received in FY 2023 for prior-year invoices), the NRC must recover approximately \$791.4 million in fees in FY 2023. Of this amount, the NRC estimates that \$195.4 million will be recovered through 10 CFR Part 170 service fees and approximately \$596.0 million will be recovered through 10 CFR Part 171 annual fees.

The proposed amendments to 10 CFR Part 170 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 increases from \$290 in FY 2022, to \$300 in FY 2023.

Compared to FY 2022, the NRC is proposing to decrease annual fees for the U.S. Department of Energy (DOE) Uranium Mill Tailings Radiation Control Act Program, one fuel facilities fee category, and 10 materials users fee categories. The NRC is proposing to increase annual fees for operating power reactors, spent fuel storage/reactor decommissioning activities, non-power production or utilization facilities, DOE transportation activities, the non-DOE uranium recovery licensee, and 47 materials users fee categories. While the operating power reactors annual fee is increasing in FY 2023, it does not exceed the cap established by NEIMA. Generally, 10 CFR Part 171 annual fees are impacted by changes to the budget, fees for services, the number of licensees, the results of the biennial review of fees, and other factors. Additionally, the FY 2023 proposed fee rule includes one proposed policy change and three administrative changes. Please feel free to reach out to me if you have any questions regarding the proposed fee rule.

Sincerely,



Signed by Shay, Jason
on 03/07/23

Jason E. Shay, Budget Director
Division of Budget
Office of the Chief Financial Officer

Enclosure:
Federal Register Notice

cc: Christine McDonald, OMB
Kristine Arboleda, OMB

SUBJECT: FISCAL YEAR 2023 PROPOSED FEE RULE LETTER TO THE OFFICE OF MANAGEMENT AND BUDGET, DATED: MARCH 7, 2023

DISTRIBUTION:

Public
OCFO/RF

ADAMS Accession Number: ML23026A030

OFFICE	OCFO/DOB	OCFO/DOB	OCFO/DOB
NAME	JJacobs	WBlaney	CGalster
DATE	01/26/2023	01/26/2023	01/26/2023
OFFICE	OCFO/DOB	OCFO/DOB	OCFO/DOB
NAME	ARossi	RAIwein	JShay
DATE	01/26/2023	01/26/2023	03/07/2023

OFFICIAL RECORD COPY