

FY 2024 Proposed Fee Rule Public Meeting

**March 7, 2024
10:00 a.m. – 12:00 p.m. ET**

Welcome and Logistics

Facilitator

PUBLIC MEETING AGENDA

Notice of Meeting on the FY 2024 Proposed Fee Rule

March 7, 2024, 10:00 A.M. to 12:00 P.M. ET

Virtual Teams Meeting link: [Click here to join the meeting](#)

Call in number: 301-576-2978; Conference ID: 902650260#

Time	Topic	Speaker
10:00 AM	Welcome	Sophie Holiday (Facilitator)
10:10 AM	Opening Remarks	Jennifer Golder
10:15 AM	FY 2024 Proposed Fee Rule Overview: <ul style="list-style-type: none">• FY 2024 Budgetary Considerations• FY 2024 Fees Overview• Budget Overview: Operating and New Reactors Business Lines• Budget Overview: Fuel Facilities Business Line• Budget Overview: Decommissioning and Low-Level Waste	Marc Neville Anthony Rossi Brian Smith Samantha Lav Jen Whitman
11:05 AM	Proposed Administrative Change – Amend Regulations by Clarifying Payment Methods	Melissa Chui
11:20 AM	Q&A Session	Sophie Holiday (Facilitator)
11:50 AM	How to Submit Public Comments	Sophie Holiday (Facilitator)
11:55 AM	CFO Closing Remarks	Jennifer Golder
12:00 PM	Meeting Adjourned	***

FY 2024 Proposed Fee Rule

Jennifer Golder
Acting Chief Financial Officer

Fee Rule Comments

- **In scope comments:**
 - Focused on methodology for calculating fees
 - Changes to fee regulations
 - Fee schedules
- **Out of scope comments:**
 - General comments on agency efficiencies
 - Changes to regulatory process
 - Public participation in budget formulation
- **Use the appropriate venue to receive timely response**

FY 2024 Budgetary Considerations

Marcellino (Marc) Neville, Director
Division of Budget
Office of the Chief Financial Officer

FY 2024 Budget Request

Major Program	FY 2023 Enacted Budget		FY 2024 Budget Request		Changes from FY 2023	
	\$M*	FTE	\$M*	FTE	\$M*	FTE
Nuclear Reactor Safety	490.7	1,753.4	530.8	1,807.0	40.1	53.5
Nuclear Materials and Waste Safety	135.5	464.2	152.9	480.9	17.5	16.7
Corporate Support	285.3	579.0	304.0	588.0	18.7	9.0
University Nuclear Leadership Program	16.0	0.0	0.0	0.0	(16.0)	0.0
Subtotal	\$927.4	2,796.6	\$987.7	2,875.9	\$60.3	79.3
Office of the Inspector General	15.8	63.0	18.6	73.0	2.9	10.0
Total	\$943.2	2,859.6	\$1,006.4	2,948.9	\$63.2	89.3
Carryover	(16.0)	0.0	(27.1)	0.0	(11.1)	0.0
Agency Total	\$927.2	2,859.6	\$979.2	2,948.9	\$52.1	89.3

Note: \$M includes FTE costs as well as contract support and travel. Numbers may not add due to rounding.



\$63.2 million, including 89.3 FTE

- \$27.1 million in carryover is applied to offset the Nuclear Reactor Safety budget

Net Budget Authority

	FY 2023 Enacted	FY 2024 Budget Request	Changes from FY 2023
	\$M*	\$M*	\$M*
Total Budget Authority	\$927.2	\$979.2	\$52.1
Offsetting Fees	790.2	823.2	33.1
Net Budget Authority	\$137.0	\$156.0	\$19.0

*\$M includes FTE costs as well as contract support and travel. Numbers may not add due to rounding.



\$19 million

FY 2024 Fee Overview

Anthony Rossi, Team Lead

License Fee Policy Team

Division of Budget

Office of the Chief Financial Officer

Statutory and Regulatory Framework

Independent Offices Appropriation Act
(IOAA), 1952

Nuclear Energy Innovation and Modernization Act
(NEIMA) of 2018:

- Regulations promulgated under 10 CFR Part 171
- Limits power reactor annual fees at the FY 2015 annual fee amount as adjusted each year thereafter for inflation
- Recover, to the maximum extent practicable, approximately 100% of budget authority:
 - **LESS** activities NEIMA designated as **excluded** from recovery
 - **LESS** any fee-relief activities identified by the Commission

Annual Appropriation

Budget and Fee Recovery for the FY 2024 Proposed Rule

[\$ in Millions]

Total Budget Authority

\$ 979.2

Less : Excluded Activities: *GHLS, WIR, DNFSB, ARRI and FEE-RELIEF*

- 156.0

Balance

\$ 823.2

Fee Recovery Rate for FY 2024

x 100.0%

Total Amount to be Recovered for FY 2024
Adjustments (Part 171 Collections)

\$ 823.2

+ 2.5

Adjusted Recovery Amount

\$ 825.7

Less: Estimated Part 170 Billings

- 205.5

Part 171 Fee Collections Required

\$ 620.2

Fee-Relief Activities:

\$ 104.2M

Statutory Activities:

51.8M

Total Budget Authority Excluded Activities (Reducing Fee Recovery)

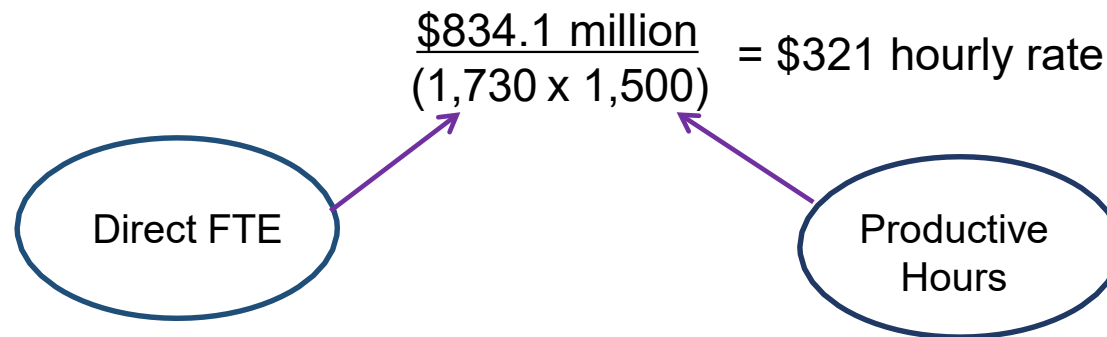
\$ 156.0M

Hourly Rate Determination

10 CFR Part 170 Professional Hourly Rate Formula

$$\frac{\text{Budgetary Resources}}{\text{Mission Direct FTE Converted to Hours}} = \text{Part 170 Hourly Rate}$$

FY 2024 Proposed Fee Rule:



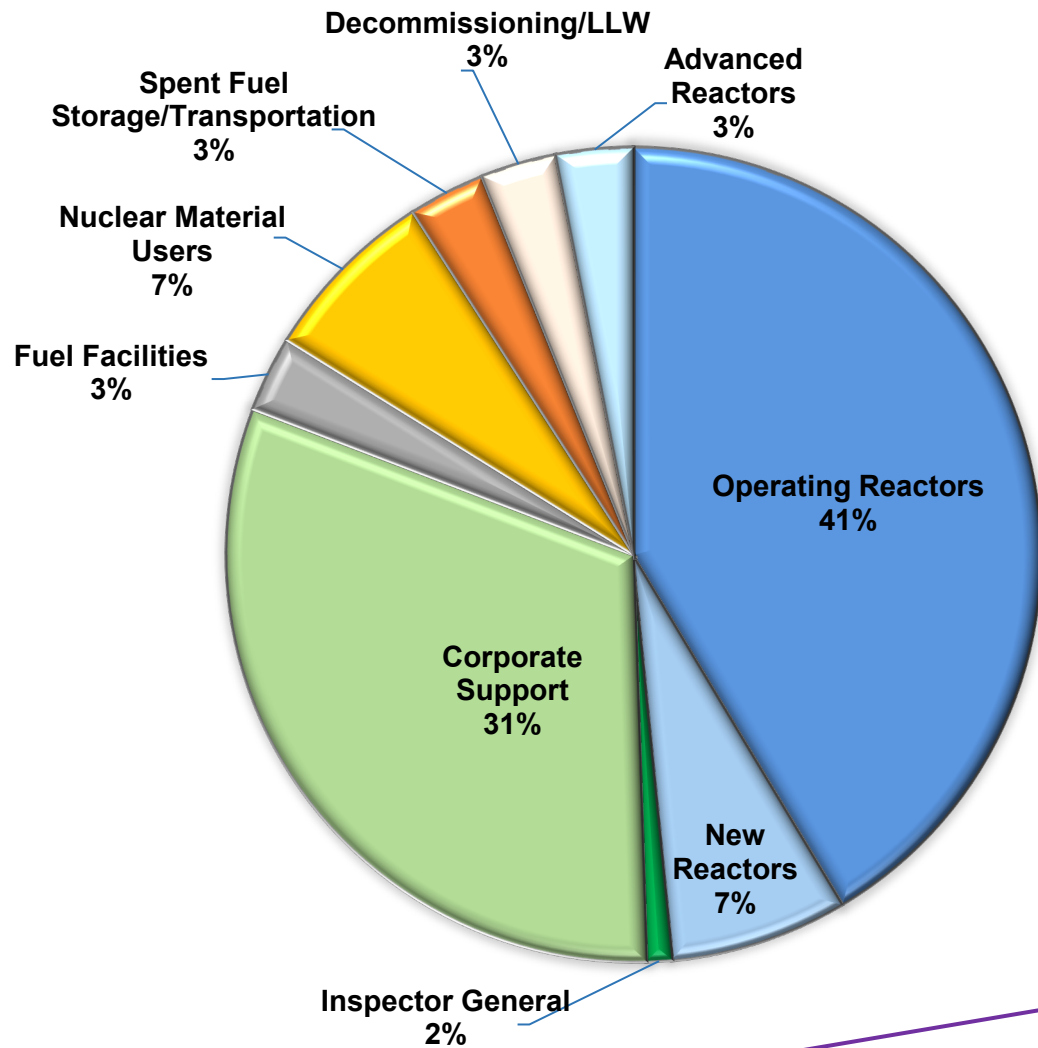
Productive Hours
Total hours = 2087
Less:
* Training hours
* Holiday hours
* Vacation hours
* Travel hours

FY 2023 Final Fee Rule:

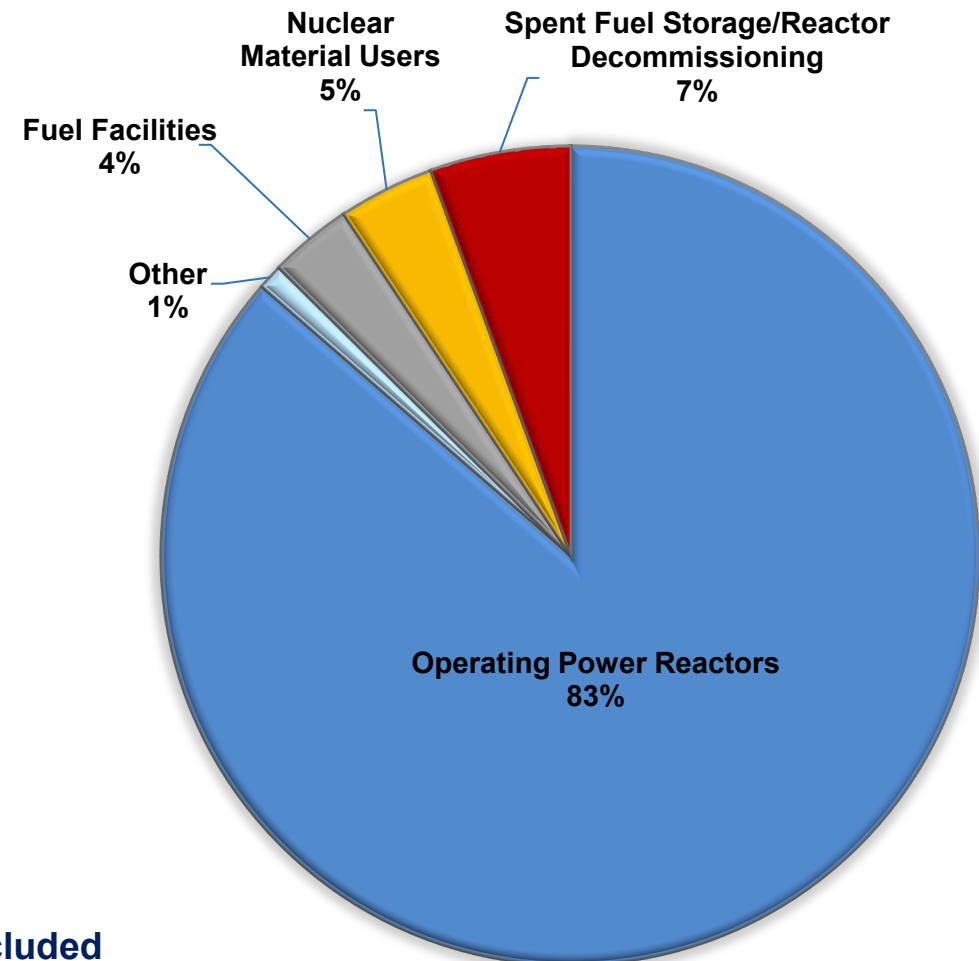
$$\frac{\$777.5 \text{ million}}{(1,672 \times 1,551)} = \$300 \text{ effective hourly rate}$$

Business Lines vs. Fee Classes

Percentage of Requested Budgeted Resources for FY 2024



BUSINESS LINE BUDGETS
TOTAL \$979.2M



FEE CLASS BUDGETS
TOTAL \$823.2M

Excluded Budget
Total \$156.0M

Fee Calculation: Operating Power Reactors Fee Class

[\$ in Millions]

Fee Class Components	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024P
Budgeted Resources	\$623.9	\$611.8	\$645.4	\$665.3	\$675.1
10 CFR Part 170 Estimated Billings	(186.7)	(161.6)	(165.8)	(158.9)	(165.3)
Adjustments: Generic Transportation, LLW Surcharge and Billing Adjustment	1.8	(8.6)	0.8	4.3	6.1
10 CFR Part 171 Annual Fee Resources	439	441.7	480.3	510.7	515.9

Licensees	95	93	93	93	94*
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Annual Fee per Operating Power Reactor	\$4,621,000	\$4,749,000	\$5,165,000	\$5,492,000	\$5,488,000
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*There is an increase in the total number of operating power reactors from 93 to 94 due to the proposed assessment of annual fees for the Vogtle Electric Generating Plant, Unit 4.

Fee Calculation:

Spent Fuel Storage/Reactor Decommissioning Fee Class

[\$ in Millions]

Fee Class Components	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024P
Budgeted Resources	\$37.9	\$42.2	\$40.4	\$42.9	\$51.0
10 CFR Part 170 Estimated Billings	(15.9)	(13.8)	(13.8)	(12.4)	(12.2)
Adjustments: Generic Transportation, LLW Surcharge, and Billing Adjustment	0.8	0.5	1.1	1.6	2.2
10 CFR Part 171 Annual Fee Resources	22.9	28.9	27.7	32.1	41.0

Spent Fuel Storage Facilities	122	122	122	123	124*
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Annual Fee per Facility	\$188,000	\$237,000	\$227,000	\$261,000	\$330,000
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*There is an increase in the total number of operating power reactors from 93 to 94 due to the proposed assessment of annual fees for the Vogtle Electric Generating Plant, Unit 4.

Fee Calculation: Fuel Facilities Fee Class

[\$ in Millions]

Fee Class Components	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024P
Budgeted Resources	\$23.2	\$23.3	\$22.4	\$26.6	\$32.4
10 CFR Part 170 Estimated Billings	(6.8)	(7.3)	(8.0)	(9.2)	(10.5)
Adjustments: Generic Transportation and Billing Adjustment	1.7	1.5	2.0	2.3	3.0
10 CFR Part 171 Annual Fee Resources	18.1	17.5	16.4	19.7	24.9

Licensees

7

8

8

8

8

Average Percentage Change

(24.1%)

(8.4%)

(6.6%)

+18.5%

+22.3%

Budget Overview: Operating and New Reactors Business Lines

Brian Smith, Director

Division of New and Renewed Licenses
Office of Nuclear Reactor Regulation

Operating and New Reactors Business Lines Activities

Licensing	Oversight
License Amendments (including risk-informed)	Inspections
License Renewals and Subsequent License Renewals	Security
Design Certifications and Standard Design Approvals	Allegations & Investigations
Combined Operating Licenses	Event Evaluation
Environmental Reviews	Construction Oversight
Topical Reports	Vendor Oversight
Digital I&C Modifications	

How are the Operating and New Reactors Business Lines Budgets Developed?

- Workload Forecasting
 - Identification of significant workload drivers
 - Analysis of historical data and trending
 - Communications with stakeholders
- Estimate Level of Effort
 - Estimate level of effort for major projects
 - Yearly recurring activities

Budget Development and 10 CFR Part 170 Fee Estimates

- NRC Budget and 10 CFR Part 170 Fee Estimates are developed on different timelines
- 10 CFR Part 170 Fee Estimates will vary from the budgeted level of effort due to fact of life changes

New Reactors Business Line – Changing Workload

- **FY 2024 Budget**
 - (+) Part 50 construction permit reviews
 - (+) SDA review
 - (-) Vogtle 3 and 4 construction oversight
- **FY 2024 10 CFR Part 170 Fee Estimates**
 - (+) SDA review
 - (+) Pre-application engagements
 - (-) Vogtle 3 and 4 construction oversight

Operating Reactors Business Line – Changing Workload

- **FY 2024 Budget:**
 - (+) License renewal reviews
 - (-) Licensing action infrastructure
- **FY 2024 Part 170 Fee Estimates:**
 - (+) License renewal reviews
 - (+) Inspection

Budget Overview: Fuel Facilities Business Lines

Samantha Lav, Chief
Fuel Facility Licensing Branch
Division of Fuel Management
Office of Nuclear Material Safety and Safeguards

Fuel Facilities Business Lines Activities

Licensing

- Development and maintenance of the fuel facilities program
- Safety, security, and environmental reviews of license applications, amendments, and renewals for fuel facilities and greater-than-critical-mass facilities

Oversight

- Development and maintenance of the fuel facilities oversight program
- Inspections of operating facilities and facilities under construction

Rulemaking

- Rulemaking activities and associated guidance development

International

- Non-proliferation activities
- Work with international counterparts

How is the Fuel Facilities Business Line Budget Developed?

1. Workload Forecast:

- Number and type of licensed facilities and corresponding routine licensing actions, including license renewals
- Letters of intent, pre-application engagements, communications with stakeholders and external awareness
- Dependent licensing actions for fuel facilities and reactors
- Availability of feed material (e.g., HALEU)
- Design maturity for new applications and major amendments
- Status of related government programs and funding opportunities such as the Department of Energy's Advanced Reactor Demonstration Program, HALEU Availability Program, and DARPA and ARPA-E projects
- Legislation and geopolitics
- Analysis of historical data for submission rates and resource expenditures by licensing action type

2. Type of Work:

- Safety, Environmental, and Security
- Type of Licensing Action
- Complexity

3. Inspection Work:

- Scope and frequency of inspections
- Number and type of operating facilities
- Number and type of facilities under construction and number of operational readiness reviews

4. Historical Resource Utilization

Fuel Facilities Business Line – Changing Workload

- **FY 2024 Budget:**

- (+) Increase in salaries and benefits

- (+) Review of licensing actions related to enrichment and manufacturing of HALEU fuel and ATF

- (+) Continued review of the TRISO-X new fuel facility license application and review of a new 10 CFR Part 70 application

- (+) Review of two GTCM license renewal applications

- (+) Programmatic oversight of Category II fuel facilities and an anticipated new fuel facility

- (+) Associated fuel facilities rulemaking activities

- (-) Completion of the Westinghouse license transfer

- (-) Completion of GNFA amendment for an increase in enrichment activities

- (-) Cost sharing redistribution for shared IT services and a decrease in funding for the maintenance of Network Operations Center services to align with actual costs

Fuel Facilities Business Line – Changing Workload (Continued)

- **FY 2024 10 CFR Part 170 Fee Estimates:**
 - (+) Review of TRISO-X new fuel facility application
 - (+) Review of HALEU and ATF-related licensing actions
 - (+) Routine licensing and oversight of fuel facilities and GTCMs
 - (+) Operational readiness reviews and inspection activities for a Category II licensee
 - (+) Review of one GTCM license renewal
- **FY 2024 10 CFR Part 171 Fee Drivers:**
 - (+) Salaries and benefit increases
 - (+) Rulemaking
 - (+) Licensing and inspection guidance development
 - (-) One advanced reactor fuel-related amendment submittal delay
 - (-) One new 10 CFR Part 70 application submittal delay
 - (-) Construction inspection delays

Budget Overview: Decommissioning and Low-Level Waste Business Lines

Jen Whitman, Deputy Director

Division of Uranium Recovery and Waste Programs
Office of Nuclear Material Safety and Safeguards

Decommissioning and Low-Level Waste Business Lines Activities

Licensing

- Decommissioning activities for the reactor decommissioning program, complex materials sites, and uranium recovery facilities
- Uranium recovery licensing activities
- Safety and environmental reviews
- Military and non-military radium

Oversight

- Inspection activities - HQ and Regions
- Waste Incidental to Reprocessing
- Low-Level Waste

Rulemaking

- Rulemaking activities and associated guidance development

Research

- Research activities to support the application of new technologies at complex sites
- Analytical tools

How is the Decommissioning and Low-Level Waste Business Line Budget Developed?

- **Workload Forecast:**
 - Number of licensed facilities, letters of intent, communications with stakeholders, and external awareness
 - Analysis of historical data
- **Type and Amount of Work (licensing):**
 - Environmental and safety reviews
 - Type of licensing action
 - Complexity
 - Power reactor in active
Decommissioning: higher level of effort
- **Type and Amount of Work (inspection):**
 - Periodicity established
 - Number of operating facilities

Decommissioning and Low-Level Waste Business Line – Changing Workload

- **FY 2024 Budget:**

- (+) Licensing termination plans, final status survey reviews, and an increase in confirmation survey work at multiple sites
- (+) Accelerated decommissioning schedules
- (+) Unique licensing actions related to alternative decommissioning schedules
- (-) The completion of license termination activities
- (-) The completion of several licensing activities related to reactors transitioning to decommissioning

Proposed Administrative Change: Amend Regulations by Clarifying Payment Methods

Melissa Chui, Financial Management Specialist

Labor Administration and Fee Billing Branch

Division of the Comptroller

Office of the Chief Financial Officer

Paperless Payment Methods Initiative

- To comply with a U.S. Department of the Treasury mandate, the NRC Fiscal Year 2024 Proposed Fee Rule states that the Paperless Payment Methods initiative is expected to transition from paper-based collections to one or more offered electronic methods by **September 30, 2024**
- For assistance with electronic payment methods, please refer to the contact information below:
 - Email: fees.resource@nrc.gov
 - Phone: 301-415-7554

Accepted Payment Methods

- Pay.gov offers licensees and stakeholders four electronic payment options:
 - Amazon account
 - Bank account (ACH)
 - Debit or credit card
 - PayPal account
- For international payments, licensees, and stakeholders can use FedWire or PayPal
- By September 30, 2024, the NRC is expected to transition from paper-based collections to electronic methods

Payment Methods Proposed Changes

Citation	Subject
10 CFR 2.205(i)	Civil Penalties
10 CFR 15.35(c)	Payments
10 CFR 37.27(c)(2)	Requirements for criminal history records checks of individuals granted unescorted access to category 1 or category 2 quantities of radioactive material
10 CFR 73.17(m)(1)	Firearms background checks for armed security personnel
10 CFR 73.57(d)(3)(i)	Requirements for criminal history records checks of individuals granted unescorted access to a nuclear power facility, a non-power reactor, or access to Safeguards Information
10 CFR 110.64(e)	Civil penalty
10 CFR 140.7(d)	Fees
10 CFR 170.12(f)	Payment of Fees
10 CFR 171.19(a)	Payment

Questions and Answers

Public Comments Submission

End of Comment Period: March 21, 2024

Federal Rulemaking Website

- <https://www.regulations.gov>;
- Docket ID NRC-2022-0046
- Address questions to Dawn Forder; telephone: 301-415-3407; e-mail: Dawn.Forder@nrc.gov

E-mail Comments

- Rulemaking.Comments@nrc.gov

Fax Comments

- Secretary, U.S. Nuclear Regulatory Commission at 301-415-1101

Public Comments Submission (Continued)



Mail Comments

- Secretary, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, ATTN: Rulemakings and Adjudications Staff



Hand Deliver

- 11555 Rockville Pike, Rockville, Maryland 20852, between 7:30 a.m. and 4:15 p.m. eastern time, Federal workdays; telephone: 301-415-1677



Further Information

- Anthony Rossi, License Fee Policy Team Lead, Office of the Chief Financial Officer; telephone: 301-415-7341, e-mail: Anthony.Rossi@nrc.gov

CFO Closing Remarks

Acronyms

ARPA-E	Advanced Research Projects Agency-Energy
ARRI	Advanced Reactor Regulatory Infrastructure
ATF	Accident Tolerant Fuel
CFR	Code of Federal Regulations
DARPA	Defense Advanced Research Projects Agency
Digital I&C	Digital Instrumentation and Control
DNFSB	Defense Nuclear Facilities Safety Board
FTE	Full-Time Equivalent
GHLS	Generic Homeland Security
GTCM	Greater than Critical Mass
HALEU	High Assay Low-Enrichment Uranium
IOAA	Independent Offices Appropriation Act, 1952
IT	Information Technology
LLW	Low-Level Waste
NEIMA	Nuclear Energy Innovation and Modernization Act
SPRD	Spent Fuel Storage/Reactor Decommissioning
SDA	Standard Design Approval
WIR	Waste Incidental to Reprocessing