

July 10, 2007

The Honorable Thomas R. Carper
Chairman, Subcommittee on Clean Air
and Nuclear Safety
Committee on Environment and Public Works
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

I am writing to seek your support to assist the U.S. Nuclear Regulatory Commission (NRC) in acquiring additional permanent office space near the agency's present headquarters facilities in Rockville, Maryland. As you may know, the past several years have seen a rebirth in the nuclear industry that promises more nuclear power plants to meet our country's energy needs. Consequently, the NRC needs to continue growing its staff over the next five years to accommodate the anticipated increased workload. However, the agency has already outgrown its current headquarters facilities and must acquire additional office space. The Senate Environment and Public Works Committee, Subcommittee on Transportation and Infrastructure has before it an office space prospectus for the NRC prepared by the General Services Administration (GSA) that, if amended, could be helpful toward this end.

The GSA prospectus includes a significant obstacle for the agency, a rental rate cap of \$32 per square foot. This proposed rate is less than what the NRC currently pays for office space. Further, this proposed rent cap does not reflect the current market value for office space in the area adjacent to NRC's headquarters. As a result, it is unlikely that the agency would be able to acquire additional permanent office space and maintain a consolidated headquarters under the current prospectus. Based on our past experience with headquarters' activities housed in multiple locations, consolidation of NRC's headquarters is considered essential to the agency's operational efficiency, regulatory effectiveness, and incident response capability. Further, dispersal of NRC headquarters' activities to multiple locations would lead to an increased cost profile over time given the recurring additional costs that the NRC would incur, such as transportation among headquarters' office locations, lost work time as staff travel among these locations, and additional security provisions for multiple buildings.

I am requesting your support for amending the rental rate cap in the prospectus to \$41 per square foot, a rate that would allow the NRC to pursue office space adjacent to its current headquarters facilities and thus remain consolidated. Since the NRC is a fee-based agency, only ten percent of this rent would be paid from the general fund.

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As the agency responsible for regulating commercial nuclear power plants in this country, the NRC is facing a substantial increase in its workload and is working diligently to be ready to meet this challenge. I see addressing the need for additional office space as vital to these efforts. Thank you for considering this request.

Sincerely,

/RA/

Dale E. Klein

cc: Senator George V. Voinovich