

May 17, 2006

The Honorable George V. Voinovich  
Chairman, Subcommittee on Clean Air, Climate Change,  
and Nuclear Safety  
Committee on Environment and Public Works  
United States Senate  
Washington, DC 20510

Dear Mr. Chairman:

The Omnibus Budget Reconciliation Act of 1990, as amended, requires that the U.S. Nuclear Regulatory Commission (NRC) recover approximately 90 percent of its Fiscal Year (FY) 2006 budget authority, less the appropriations from the Nuclear Waste Fund and for Waste Incidental to Reprocessing activities, by assessing license and annual fees. The NRC is required to recover approximately \$624 million in FY 2006.

In order to comply with the law, the Commission is amending its fee regulations in 10 CFR Parts 170 and 171. The amendments to 10 CFR Part 170 revise the professional hourly rates and flat license application fees charged to licensees and applicants. The hourly rates used to assess Part 170 fees increase to \$217 for the Nuclear Reactor Safety Program and \$214 for the Nuclear Materials and Waste Safety Program. The rates reflect the anticipated costs NRC will incur providing licensee-specific services.

The amendments to 10 CFR Part 171 establish the amount of the FY 2006 annual fees to be assessed to NRC licensees, including reactors, fuel cycle facilities, and materials users, to recover costs not recovered through 10 CFR Part 170 fees. The FY 2006 annual fees result in increased annual fees compared to FY 2005 for almost all NRC licensees, with the exception of certain fuel facilities. The most significant factor affecting the changes to the annual fee amounts is the increase in the NRC's total fee recoverable budget of approximately \$83 million in FY 2006 compared to FY 2005. Other factors include changes in budgeted costs and estimated Part 170 collections for the different classes of licenses.

Those NRC licensees that can qualify as a small entity under NRC's size standards continue to be eligible to pay reduced annual fees.

Enclosed is a copy of the final rule which is being transmitted to the *Federal Register* for publication. The final rule will become effective 60 days after publication.

Sincerely,

/RA/

Rebecca L. Schmidt, Director  
Office of Congressional Affairs

Enclosure:  
Final Revision to 10 CFR Parts 170 and 171

cc: Senator Thomas R. Carper

May 17, 2006

The Honorable George V. Voinovich  
Chairman, Subcommittee on Clean Air, Climate Change,  
and Nuclear Safety  
Committee on Environment and Public Works  
United States Senate  
Washington, DC 20510

Dear Mr. Chairman:

The Omnibus Budget Reconciliation Act of 1990, as amended, requires that the U.S. Nuclear Regulatory Commission (NRC) recover approximately 90 percent of its Fiscal Year (FY) 2006 budget authority, less the appropriations from the Nuclear Waste Fund and for Waste Incidental to Reprocessing activities, by assessing license and annual fees. The NRC is required to recover approximately \$624 million in FY 2006.

In order to comply with the law, the Commission is amending its fee regulations in 10 CFR Parts 170 and 171. The amendments to 10 CFR Part 170 revise the professional hourly rates and flat license application fees charged to licensees and applicants. The hourly rates used to assess Part 170 fees increase to \$217 for the Nuclear Reactor Safety Program and \$214 for the Nuclear Materials and Waste Safety Program. The rates reflect the anticipated costs NRC will incur providing licensee-specific services.

The amendments to 10 CFR Part 171 establish the amount of the FY 2006 annual fees to be assessed to NRC licensees, including reactors, fuel cycle facilities, and materials users, to recover costs not recovered through 10 CFR Part 170 fees. The FY 2006 annual fees result in increased annual fees compared to FY 2005 for almost all NRC licensees, with the exception of certain fuel facilities. The most significant factor affecting the changes to the annual fee amounts is the increase in the NRC's total fee recoverable budget of approximately \$83 million in FY 2006 compared to FY 2005. Other factors include changes in budgeted costs and estimated Part 170 collections for the different classes of licenses.

Those NRC licensees that can qualify as a small entity under NRC's size standards continue to be eligible to pay reduced annual fees.

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Rebecca L. Schmidt, Director  
Office of Congressional Affairs

Enclosure:  
Final Revision to 10 CFR Parts 170 and 171

cc: Senator Thomas R. Carper

Distribution:

OCA/RF      R. Suri      OCFO/RF      OCFO/DFM RF      OCFO/SF

IDENTICAL LETTERS SENT TO ATTACHED LIST  
ADAMS - Yes/No      SENSITIVE/NON-SENSITIVE

\*see previous concurrence  
PUBLIC/NON-PUBLIC

\*\*concurrent via e-mail  
Initials - TXC1      SISP Review

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May 17, 2006

The Honorable David L. Hobson  
Chairman, Subcommittee on Energy and Water Development  
Committee on Appropriations  
United States House of Representatives  
Washington, DC 20515

Dear Mr. Chairman:

The Omnibus Budget Reconciliation Act of 1990, as amended, requires that the U.S. Nuclear Regulatory Commission (NRC) recover approximately 90 percent of its Fiscal Year (FY) 2006 budget authority, less the appropriations from the Nuclear Waste Fund and for Waste Incidental to Reprocessing activities, by assessing license and annual fees. The NRC is required to recover approximately \$624 million in FY 2006.

In order to comply with the law, the Commission is amending its fee regulations in 10 CFR Parts 170 and 171. The amendments to 10 CFR Part 170 revise the professional hourly rates and flat license application fees charged to licensees and applicants. The hourly rates used to assess Part 170 fees increase to \$217 for the Nuclear Reactor Safety Program and \$214 for the Nuclear Materials and Waste Safety Program. The rates reflect the anticipated costs NRC will incur providing licensee-specific services.

The amendments to 10 CFR Part 171 establish the amount of the FY 2006 annual fees to be assessed to NRC licensees, including reactors, fuel cycle facilities, and materials users, to recover costs not recovered through 10 CFR Part 170 fees. The FY 2006 annual fees result in increased annual fees compared to FY 2005 for almost all NRC licensees, with the exception of certain fuel facilities. The most significant factor affecting the changes to the annual fee amounts is the increase in the NRC's total fee recoverable budget of approximately \$83 million in FY 2006 compared to FY 2005. Other factors include changes in budgeted costs and estimated Part 170 collections for the different classes of licenses.

Those NRC licensees that can qualify as a small entity under NRC's size standards continue to be eligible to pay reduced annual fees.

Enclosed is a copy of the final rule which is being transmitted to the *Federal Register* for publication. The final rule will become effective 60 days after publication.

Sincerely,

/RA/

Jesse L. Funches  
Chief Financial Officer

Enclosure:  
Final Revision to 10 CFR Parts 170 and 171

cc: Representative Peter J. Visclosky

May 17, 2006

The Honorable David L. Hobson  
Chairman, Subcommittee on Energy and Water Development  
Committee on Appropriations  
United States House of Representatives  
Washington, DC 20515

Dear Mr. Chairman:

The Omnibus Budget Reconciliation Act of 1990, as amended, requires that the U.S. Nuclear Regulatory Commission (NRC) recover approximately 90 percent of its Fiscal Year (FY) 2006 budget authority, less the appropriations from the Nuclear Waste Fund and for Waste Incidental to Reprocessing activities, by assessing license and annual fees. The NRC is required to recover approximately \$624 million in FY 2006.

In order to comply with the law, the Commission is amending its fee regulations in 10 CFR Parts 170 and 171. The amendments to 10 CFR Part 170 revise the professional hourly rates and flat license application fees charged to licensees and applicants. The hourly rates used to assess Part 170 fees increase to \$217 for the Nuclear Reactor Safety Program and \$214 for the Nuclear Materials and Waste Safety Program. The rates reflect the anticipated costs NRC will incur providing licensee-specific services.

The amendments to 10 CFR Part 171 establish the amount of the FY 2006 annual fees to be assessed to NRC licensees, including reactors, fuel cycle facilities, and materials users, to recover costs not recovered through 10 CFR Part 170 fees. The FY 2006 annual fees result in increased annual fees compared to FY 2005 for almost all NRC licensees, with the exception of certain fuel facilities. The most significant factor affecting the changes to the annual fee amounts is the increase in the NRC's total fee recoverable budget of approximately \$83 million in FY 2006 compared to FY 2005. Other factors include changes in budgeted costs and estimated Part 170 collections for the different classes of licenses.

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Jesse L. Funches  
Chief Financial Officer

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Distribution:  
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**\*see previous concurrence**

**ADAMS - Yes/No**

**SENSITIVE/NON-SENSITIVE**

**PUBLIC/NON-PUBLIC**

**Initials - TXC1**

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DATE	04/11/06		04/17/06		04/12/06		04/ 21/06		04/ /06		05/17/06	

IDENTICAL LETTERS SENT TO:

The Honorable George V. Voinovich  
Chairman, Subcommittee on Clean Air, Climate Change,  
and Nuclear Safety  
Committee on Environment and Public Works  
United States Senate  
Washington, DC 20510

cc: Senator Thomas R. Carper

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The Honorable Ralph M. Hall  
Chairman, Subcommittee on Energy and Air Quality  
Committee on Energy and Commerce  
United States House of Representatives  
Washington, DC 20515

cc: Representative Rick Boucher

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The Honorable Pete V. Domenici  
Chairman, Subcommittee on Energy and Water Development  
Committee on Appropriations  
United States Senate  
Washington, DC 20510

cc: Senator Harry Reid

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The Honorable James M. Inhofe  
Chairman, Committee on Environment and Public Works  
United States Senate  
Washington, DC 20510

cc: Senator James M. Jeffords

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The Honorable Joe Barton  
Chairman, Committee on Energy and Commerce  
United States House of Representatives  
Washington, DC 20515

cc: Representative John Dingell

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The Honorable Jim Nussle  
Chairman, Committee on the Budget  
United States House of Representatives  
Washington, DC 20515

cc: Representative John M. Spratt, Jr.

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The Honorable Judd Gregg  
Chairman, Committee on the Budget  
United States Senate  
Washington, DC 20510

cc: Senator Kent Conrad