



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

OFFICE OF THE
CHIEF FINANCIAL
OFFICER

March 8, 2016

MEMORANDUM TO: Chairman Burns
Commissioner Svinicki
Commissioner Ostendorff
Commissioner Baran

FROM: Maureen E. Wylie /RA/
Chief Financial Officer

SUBJECT: NOTICE OF PROPOSED RULE SIGNED BY THE CHIEF
FINANCIAL OFFICER (RIN 3150-AJ66; NRC-2015-0223)

On March 7, 2016, I approved a proposed rule that would amend the licensing, inspection, special project, and annual fees charged to the U.S. Nuclear Regulatory Commission's (NRC) applicants and licensees under Parts 170 and 171 of Title 10 of the *Code of Federal Regulations* (10 CFR). The proposed amendments to the fee regulations are necessary to implement the Omnibus Budget Reconciliation Act of 1990, as amended, which requires the NRC to recover through fees approximately 90 percent of its budget authority in Fiscal Year 2016, not including amounts appropriated for Waste Incidental to Reprocessing, Generic Homeland Security activities, and Inspector General services for the Defense Nuclear Facilities Safety Board, as well as any amounts appropriated from the Nuclear Waste Fund.

This notice informs the Commission that, in accordance with the rulemaking authority delegated to the Chief Financial Officer, I have signed this proposed rule and will forward it on March 15, 2016, to the Office of the Federal Register (OFR) for publication, unless otherwise directed by the Commission.

This proposed rule does include a significant policy change regarding the assessment of fees under 10 CFR Part 170 for NRC manpower hours spent on Touhy requests exceeding 50 hours. The Commission approved this policy recommendation in the February 17, 2016, Staff Requirements Memorandum for SECY-15-0165 (ADAMS Accession No. ML15048A485). Currently, these resources are recouped under 10 CFR Part 171. Requestors of this information still retain the ability to request information under the Freedom of Information Act and can apply for an exemption to have the fees waived as a matter of public interest. This rulemaking does not amend regulations contained in 10 CFR Part 7, "Advisory Committees"; or subpart C, "Government in the Sunshine Act Regulations," of 10 CFR Part 9, "Public Records," concerning matters of policy. I, therefore, find that this proposed rule is within the scope of my rulemaking authority, and I intend to transmit the proposed rule to the OFR consistent with the

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discussion above. Additionally, the NRC proposes to amend 10 CFR Part 9 to authorize the collection of Touhy fees through 10 CFR Part 170.

Please note that, as part of a separate effort related to the annual fee rule in general, I plan to also transmit a Request for Information to the OFR requesting input from the general public on a number of issues associated with the development of the agency's fees. Specifically, I will be requesting stakeholder input regarding the general communications and understanding of the agency fees, as part of the Chief Financial Officer's efforts under Project Aim to develop ways to improve the transparency of its fees processes. The specific questions that will be contained in the Request for Information have been included as an enclosure to this memorandum.

The proposed rule is available in the NRC's Agencywide Documents Access and Management System under Accession No. ML16048A188.

Enclosures:

1. *Federal Register* Notice
2. Comparison of Annual Fees
3. Questions to be included in
Request for Information

cc: OGC
Patti Craver, SECY

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cc: OGC
Patti Craver, SECY

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ADAMS Accession No: ML

***via e-mail**

CFO-0009

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NAME	RAllwein	BFicks	MMuessle	MEWylie	
DATE	03/08/16	03/ /16	03/ /16	03/08/16	

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ENCLOSURE 2: COMPARISON OF ANNUAL FEES (PER LICENSE) FOR FY 2016 PROPOSED FEE RULE									
		No. of Licenses		FY 2014	FY 2015 Annual Fee		FY 2016		
		FY15	FY16	Annual Fee	Annual Fee	% Change from FY13	Proposed Annual Fee	% Change FY15	
Fee Class	Fee Category (for materials licensees)								
POWER REACTORS (INCLUDING SPENT FUEL STORAGE AND REACTOR DECOMMISSIONING)									
	Power - Operating	99	100	\$4,999,000	\$4,807,000	-3.8%	\$4,712,000	-2.0%	
	Spent Fuel Storage/Reactor Decom.	122	122	\$224,000	\$223,000	-0.4%	\$211,000	-5.4%	
	Total for Operating Power Reactors			\$5,223,000	\$5,030,000	-3.7%	\$4,923,000	-2.1%	
TEST AND RESEARCH REACTORS									
		4	4	\$84,500	\$83,500	-1.2%	\$82,500	-1.2%	
FUEL FACILITIES									
	1.A.(1)(a) High Enriched Uranium	2	2	\$7,175,000	\$8,473,000	18.1%	\$7,955,000	-6.1%	
	1.A.(1)(b) Low Enriched Uranium	3	3	\$2,469,000	\$2,915,000	18.1%	\$2,737,000	-6.1%	
	1.A.(2)(a) Limited Fuel Fab	0	0	\$747,000	\$0	0.0%	\$0	0.0%	
	1.A.(2)(b) Gas Centrifuge Enrichment Demonstration	1	1	\$1,389,000	\$1,640,000	18.1%	\$1,540,000	-6.1%	
	1.A.(2)(c) Other--Hot Cell Facility	1	1	\$694,000	\$820,000	18.2%	\$770,000	-6.1%	
	1.E. Uranium Enrichment	1	1	\$3,395,000	\$4,009,000	18.1%	\$3,764,000	-6.1%	
	2.A.(1) UF6 Conversion	1	1	\$1,466,000	\$1,731,000	18.1%	\$1,625,000	-6.1%	
URANIUM RECOVERY									
	2.A.(2)(a) Conventional & Heap Leach Mills	1	1	\$33,800	\$36,100	6.8%	\$40,200	11.4%	
	2.A.(2)(b) Basic In-situ Recovery Facilities	6	5	\$42,800	\$45,800	7.0%	\$50,900	11.1%	
	2.A.(2)(c) Expanded In-situ Recovery Facilities	1	1	\$48,500	\$51,800	6.8%	\$57,600	11.2%	
	2.A.(2)(d) In-situ Recovery Resin Facilities	0	0	\$0	\$0	0.0%	\$0	0.0%	
	2.A.(2)(e) Resin Toll Milling	0	0	N/A	N/A	N/A	N/A	N/A	
	2.A.(3) Disposal of 11e(2) Materials	0	0	N/A	N/A	N/A	N/A	N/A	
	2.A.(4) 11e(2) Disposal Incidental to Open.	1	1	\$19,200	\$20,500	6.8%	\$22,800	11.2%	
	2.A.(5) Uranium Water Treatment Facility	1	1	\$5,600	\$6,000	7.1%	\$6,700	11.7%	
	18.B. DOE UMRCA Activities	1	1	\$815,000	\$666,000	-18.3%	\$555,000	-16.7%	
RARE EARTH									
	2.A.(2)(f) Rare Earth Extract & Process.	0	0	N/A	N/A	N/A	\$0	N/A	
MATERIALS USERS									
	1C. Industrial Gauges	4	4	\$3,800	\$3,200	-15.8%	\$3,100	-3.1%	
	1D. All Other SNM -less than critical quantity	42	45	\$7,400	\$8,200	10.8%	\$8,100	-1.2%	
	1F. All Other SNM - critical quantity	3	3	\$7,500	\$6,800	0.0%	\$6,800	0.0%	
	2B. Shielding	15	13	\$3,300	\$3,500	6.1%	\$3,500	0.0%	
	2C. Exempt Distribution/SM	18	21	\$12,500	\$6,800	0.0%	\$6,800	0.0%	
	2D. General Licenses/ Source Materials	1	1	\$5,100	\$6,800	0.0%	\$6,600	-2.9%	
	2E. Manufacturing Distribution/Source Materials	47	47	\$7,800	\$8,300	0.0%	\$8,300	0.0%	
	2F. Other Source Materials	57	57	\$8,600	\$7,800	0.0%	\$7,700	-1.3%	
	3A. Manufacturing - Broad	5	4	\$55,100	\$30,700	0.0%	\$30,400	-1.0%	
	3B. Manufacturing - Other	38	35	\$13,800	\$13,000	0.0%	\$12,700	-2.3%	
	3C. Radiopharmaceuticals - Manuf./Process	39	38	\$20,200	\$13,500	0.0%	\$13,500	0.0%	
	3D. Radiopharmaceuticals - No Manuf./Process	0	0	\$0	\$0	0.0%	\$0	0.0%	
	3E. Irradiators - Self-Shield	59	61	\$9,500	\$9,900	4.2%	\$9,900	0.0%	
	3F. Irradiators - < 10,000 Ci	4	5	\$13,900	\$12,300	-11.5%	\$12,100	-1.6%	
	3G. Irradiators - > 10,000 Ci	6	6	\$127,900	\$108,900	-14.9%	\$107,900	-0.9%	
	3H. Exempt Distribution - Device Review	33	30	\$10,700	\$12,400	15.9%	\$12,400	0.0%	
	3I. Exempt Distribution - No Device Review	79	72	\$20,800	\$18,300	-12.0%	\$18,300	0.0%	
	3J. Gen. License - Device Review	7	6	\$5,100	\$4,700	-7.8%	\$4,700	0.0%	
	3K. Gen. License - No Device Review	2	3	\$4,100	\$3,500	-14.6%	\$3,500	0.0%	
	3L. R&D - Broad	41	41	\$17,500	\$17,900	2.3%	\$17,600	-1.7%	
	3L(a). R&D - Broad - sites 6-20	4	4	\$0	\$24,000	0.0%	\$23,700	-1.3%	
	3L(b). R&D - Broad-sites > 20	1	1	\$0	\$29,900	0.0%	\$29,600	-1.0%	
	3M. R&D - Other	93	88	\$10,000	\$12,400	24.0%	\$12,300	-0.8%	
	3N. Service License	66	68	\$18,000	\$21,200	17.8%	\$21,100	-0.5%	
	3O. Radiography	81	80	\$29,800	\$25,800	-13.4%	\$25,900	0.4%	
	3P. All Other Byproduct Materials	1074	1056	\$6,800	\$8,000	17.6%	\$8,000	0.0%	
	3R1. Radium-226 (less than or equal to 10x limits in 31.1	20	20	\$9,600	\$8,000	-16.7%	\$7,800	-2.5%	
	3R2. Radium-226 (more than 10x limits in 31.12)	1	0	\$9,200	\$8,300	-9.8%	\$8,300	0.0%	
	3S. Accelerator Produced Radionuclides	20	20	\$33,000	\$31,100	-5.8%	\$30,700	-1.3%	
	4A. Waste Disposal	1	0	N/A	N/A	N/A	\$0	0.0%	
	4B. Waste Receipt/Packaging	13	13	\$21,100	\$22,200	5.2%	\$21,900	-1.4%	
	4C. Waste Receipt - Prepackaged	1	1	\$16,700	\$14,700	-12.0%	\$14,700	0.0%	
	5A. Well Logging	28	27	\$13,600	\$14,400	5.9%	\$14,400	0.0%	
	5B. Field Flooding Tracers Studies	0	0	N/A	N/A	N/A	\$0	0.0%	
	6A. Nuclear Laundry	0	0	\$44,400	\$40,100	-9.7%	\$0	-100.0%	
	7A. Teletherapy	11	11	\$23,800	\$24,700	3.8%	\$24,600	-0.4%	
	7B. Medical - Broad	22	21	\$35,700	\$37,500	5.0%	\$37,300	-0.5%	
	7C. Medical Other	854	832	\$9,900	\$13,300	34.3%	\$13,300	0.0%	
	8A. Civil Defense	9	9	\$9,600	\$8,000	-16.7%	\$7,800	-2.5%	
	9A. Device/Product Safety Evaluation - Broad	73	84	\$8,600	\$7,900	-8.1%	\$7,900	0.0%	
	9B. Device/Product Safety Evaluation - Other	5	5	\$14,500	\$13,200	-9.0%	\$13,000	-1.5%	
	9C. Sealed Sources Safety Evaluation - Broad	24	26	\$8,400	\$7,800	-7.1%	\$7,700	-1.3%	
	9D. Sealed Sources Safety Evaluation - Other	11	11	\$1,700	\$1,600	-5.9%	\$1,500	-6.3%	
	17. Master Material License	3	3	\$383,000	\$343,000	-10.4%	\$343,000	0.0%	
TRANSPORTATION									
	18.A. DOE Transportation Activities	1	1	\$1,084,000	\$1,623,000	49.7%	\$1,480,000	-8.8%	

Questions to be Included in Request for information

- What are some specific ways that the NRC can improve the public's understanding of its fees and how those fees relate to the agency's budget?
- What are some specific improvements that could be made to the fee-related work papers or forms that would assist in the public's understanding of those papers and forms? For example, could the clarity and content of NRC invoices be improved?
- How could the NRC improve the explanation of any changes in the annual fee rule?
- What additional information could the NRC provide along with the proposed fee rule to help explain the determination of the fees?
- Given the statutory requirement to base the NRC's fees on the annual appropriation enacted by Congress, are there ways that the NRC could improve the timeliness of communicating fee changes?
- Are there activities that should be changed from fee-billable to non-fee-billable (or vice versa) and why? For example, should the hearings for new licenses be fee-billable?
- Are there activities or fee classes that would best be addressed with flat fees rather than hourly or annual fees? For example, could reviews of topical reports be subject to a flat fee or is the level of effort associated with individual topical reports too variable?
- Are the current fee classes and categories appropriately defined? If not, how should they be revised and why?
- Is there general information that could be added to the NRC's public Web site that would assist in the understanding of its fees?