

Proposed Rules

Federal Register

Vol. 82, No. 18

Monday, January 30, 2017

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

NUCLEAR REGULATORY COMMISSION

10 CFR Parts 170 and 171

[NRC-2016-0081]

RIN 3150-AJ73

Revision of Fee Schedules; Fee Recovery for Fiscal Year 2017

AGENCY: Nuclear Regulatory Commission.

ACTION: Proposed rule.

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC) is proposing to amend the licensing, inspection, special project, and annual fees charged to its applicants and licensees. These proposed amendments are necessary to implement the Omnibus Budget Reconciliation Act of 1990 as amended (OBRA-90), which requires the NRC to recover approximately 90 percent of its annual budget through fees. The NRC is issuing the fiscal year (FY) 2017 proposed fee rule based on the NRC's Congressional Budget Justification (CBJ): FY 2017 (NUREG 1100, Volume 32), as adjusted to reflect re-baselining reductions approved by the Commission per the staff requirements memorandum for SECY-16-0009, "Recommendations Resulting from the Integrated Prioritization and Re-baselining of Agency Activities," dated April 13, 2016, in the amount of \$952.1 million, a decrease of \$50.0 million from FY 2016.

DATES: Submit comments by March 1, 2017. Comments received after this date will be considered if it is practical to do so, but the Commission is able to ensure consideration only for comments received on or before this date. Because OBRA-90 requires the NRC to collect the FY 2017 fees by September 30, 2017, the NRC will not grant any request for an extension of the comment period.

ADDRESSES: You may submit comments by any of the following methods (unless this document describes a different method for submitting comments on a specific subject):

- *Federal Rulemaking Web site:* Go to <http://www.regulations.gov> and search for Docket ID NRC-2016-0081. Address questions about NRC dockets to Carol Gallagher; telephone: 301-415-3463; email: Carol.Gallagher@nrc.gov. For technical questions contact the individual listed in the **FOR FURTHER INFORMATION CONTACT** section of this document.

- *Email comments to:* Rulemaking.Comments@nrc.gov. If you do not receive an automatic email reply confirming receipt, then contact us at 301-415-1677.

- *Fax comments to:* Secretary, U.S. Nuclear Regulatory Commission at 301-415-1101.

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

- *Hand deliver comments to:* 11555 Rockville Pike, Rockville, Maryland 20852, between 7:30 a.m. and 4:15 p.m. (Eastern Time) Federal workdays; telephone: 301-415-1677.

For additional direction on obtaining information and submitting comments, see "Obtaining Information and Submitting Comments" in the **SUPPLEMENTARY INFORMATION** section of this document.

FOR FURTHER INFORMATION CONTACT: Michele Kaplan, Office of the Chief Financial Officer, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, telephone: 301-415-5256, email: Michele.Kaplan@nrc.gov.

SUPPLEMENTARY INFORMATION:

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I. Obtaining Information and Submitting Comments

A. Obtaining Information

Please refer to Docket ID NRC-2016-0081 when contacting the NRC about the availability of information for this action. You may obtain publicly-

available information related to this action by any of the following methods:

- *Federal Rulemaking Web site:* Go to <http://www.regulations.gov> and search for Docket ID NRC-2016-0081.

- *NRC's Agencywide Documents Access and Management System (ADAMS):* You may obtain publicly-available documents online in the ADAMS Public Documents collection at <http://www.nrc.gov/reading-rm/adams.html>. To begin the search, select "ADAMS Public Documents" and then select "Begin Web-based ADAMS Search." For problems with ADAMS, please contact the NRC's Public Document Room (PDR) reference staff at 1-800-397-4209, 301-415-4737, or by email to pdr.resource@nrc.gov. The ADAMS accession number for each document referenced (if it is available in ADAMS) is provided the first time that it is mentioned in this document. For the convenience of the reader, the ADAMS accession numbers are provided in a table in the "Availability of Documents" section of this document.

- *NRC's PDR:* You may examine and purchase copies of public documents at the NRC's PDR, Room O1-F21, One White Flint North, 11555 Rockville Pike, Rockville, Maryland 20852.

B. Submitting Comments

Please include Docket ID NRC-2016-0081 in the subject line of your comment submission in order to ensure that the NRC is able to make your comment submission publicly available in this docket.

The NRC cautions you not to include identifying or contact information that you do not want to be publicly disclosed in your comment submission. The NRC posts all comment submissions at <http://www.regulations.gov> as well as entering the comment submissions into ADAMS.

The NRC does not routinely edit comment submissions to remove identifying or contact information.

If you are requesting or aggregating comments from other persons for submission to the NRC, then you should inform those persons not to include identifying or contact information that they do not want to be publicly disclosed in their comment submission. Your request should state that the NRC does not routinely edit comment submissions to remove such information before making the comment

submissions available to the public or entering the comment submissions into ADAMS.

II. Background; Statutory Authority

The NRC’s fee regulations are governed primarily by two laws: (1) The Independent Offices Appropriations Act of 1952 (IOAA) (31 U.S.C. 9701), and (2) OBRA–90. The OBRA–90 requires the NRC to recover approximately 90 percent of its budget authority through fees; this fee-recovery requirement may exclude amounts appropriated for Waste Incidental to Reprocessing, generic homeland security activities, and Inspector General (IG) services for the Defense Nuclear Facilities Safety Board, as well as any amounts appropriated from the Nuclear Waste Fund. The OBRA–90 first requires the NRC to use its IOAA authority to collect user fees for NRC work that provides specific benefits to identifiable applicants and licensees (such as licensing work, inspections, special projects). The regulations at part 170 of title 10 of the Code of Federal Regulations (10 CFR) authorize these fees. But, because the NRC’s fee recovery under the IOAA (10 CFR part 170) does not equal 90 percent of the NRC’s budget authority, the NRC also assesses generic “annual fees” under 10 CFR part 171 to recover the remaining fees necessary to achieve OBRA–90’s 90 percent fee recovery. These annual fees recover generic

regulatory costs that are not otherwise collected through 10 CFR part 170.

III. Discussion

FY 2017 Fee Collection—Overview

The NRC is issuing the FY 2017 proposed fee rule based on the NRC’s CBJ: FY 2017 (NUREG 1100, Volume 32, ADAMS Accession No. ML16036A086), as adjusted to reflect re-baselining reductions approved by the Commission per the staff requirements memorandum for SECY–16–0009, “Recommendations Resulting from the Integrated Prioritization and Re-baselining of Agency Activities,” dated April 13, 2016 (ADAMS Accession No. ML16104A158), in the amount of \$952.1 million, a decrease of \$50.0 million from FY 2016. As explained previously, certain portions of the NRC’s total budget are excluded from the NRC’s fee-recovery amount—specifically, these exclusions include: \$1.4 million for waste-incidental-to-reprocessing activities, \$1.0 million for IG services for the Defense Nuclear Facilities Safety Board, and \$18.0 million and for generic homeland security activities. Also, for the first time, the NRC’s FY 2017 CBJ adjusted for re-baselining reductions includes \$5 million for advanced reactor infrastructure which was required to be excluded from the fee base. Additionally, approximately 10 percent of the NRC’s budget is funded through

a congressional appropriation. After accounting for the OBRA–90 exclusions, this 10-percent appropriation, and net billing adjustments—*i.e.*, the sum of unpaid current year invoices (estimated) minus payments for prior year invoices and the prior year billing credit issued to the U.S. Department of Energy (DOE) for the transportation fee class—the NRC must bill approximately \$833.4 million in FY 2017 to licensees. Of this amount, the NRC estimates that \$324.6 million will be recovered through 10 CFR part 170 user fees; that leaves approximately \$508.8 million to be recovered through 10 CFR part 171 annual fees. Table I summarizes the fee-recovery amounts for the FY 2017 proposed fee rule using the re-baselined budget, and taking into account excluded activities, the 10-percent appropriation, and net billing adjustments (individual values may not sum to totals due to rounding).

The FY 2017 proposed fee rule is based on the FY 2017 CBJ, adjusted to reflect re-baselining reductions. In accordance with OBRA–90, the final fee rule will be based on the NRC’s actual appropriation rather than the CBJ, and so the NRC will update the final fee schedule as appropriate. If the NRC receives a year-long continuing resolution, then the final fee schedule may look similar to the FY 2016 final fee rule.

TABLE I—BUDGET AND FEE RECOVERY AMOUNTS
[Dollars in millions]

| | FY 2016 final rule | FY 2017 proposed rule | Percentage change |
|---|--------------------|-----------------------|-------------------|
| Total Budget Authority | \$1,002.1 | \$952.1 | – 5.0 |
| Less Excluded Fee Items | – 21.1 | – 25.4 | 20.3 |
| Balance | \$981.0 | \$926.7 | – 5.5 |
| Fee Recovery Percent | 90 | 90 | 0.0 |
| Total Amount to be Recovered | \$882.9 | \$834.0 | – 5.5 |
| 10 CFR part 171 Billing Adjustments | 0.0 | 0.0 | 0.0 |
| Unpaid Current Year Invoices (estimated) | 6.3 | 3.5 | – 44.4 |
| Less Prior Year Billing Credit for Transportation Fee Class | – 0.2 | 0.0 | 100.0 |
| Less Payments Received in Current Year for Previous Year Invoices (estimated) | – 5.6 | – 4.1 | 26.7 |
| Subtotal | 0.5 | – 0.6 | – 220.0 |
| Amount to be Recovered through 10 CFR parts 170 and 171 Fees | \$883.4 | \$833.4 | – 5.7 |
| Less Estimated 10 CFR part 170 Fees | – 332.7 | – 324.6 | – 2.4 |
| Less Prior Year Unbilled 10 CFR part 170 Fees | 0.0 | 0.0 | 0.0 |
| 10 CFR Part 171 Fee Collections Required | \$550.7 | \$508.8 | – 7.6 |

FY 2017 Fee Collection—Hourly Rate

The NRC uses an hourly rate to assess fees for specific services provided by the NRC under 10 CFR part 170. The hourly rate also helps determine flat fees (which are used for the review of certain types of license applications). This rate

would be applicable to all activities for which fees are assessed under §§ 170.21 and 170.31.

The NRC’s hourly rate is derived by adding the budgeted resources for: (1)

Mission-direct¹ program salaries and

¹ Mission-direct resources are allocated to perform core work activities committed to fulfilling the agency’s mission of protecting the public health and safety, promoting the common defense and security, and protecting the environment. The majority of the resources assigned under the direct

benefits; (2) mission-indirect² program support; and (3) agency support,³ which includes corporate support and the IG, and then dividing this sum by total

mission-direct FTE converted to hours. The mission-direct FTE converted to hours is the product of the mission-direct FTE multiplied by the estimated

annual mission-direct FTE productive hours. The following shows the hourly rate calculation:

$$\frac{\text{Budgeted Resources}^4}{\text{Mission-Direct FTE Converted to Hours}} = \text{Hourly Rate } \frac{\$801.3 \text{ million}}{2,004 \times 1,500} = \$267$$

For FY 2017, the NRC is proposing to increase the hourly rate from \$265 to \$267. The 0.8 percent increase in the FY 2017 hourly rate is due primarily to the decline in the number of mission-direct FTE compared to FY 2016, partially offset by decreases in the budgetary

resources. The FY 2017 estimated annual direct hours per staff is 1,500 hours, up from 1,440 hours in FY 2016. The productive hours assumption reflects the average number of hours that a mission-direct employee spends on mission-direct work in a given year.

This excludes hours charged to annual leave, sick leave, holidays, training and general administration tasks. Table II shows the hourly rate calculation methodology. The FY 2016 amounts are provided for comparison purposes.

TABLE II—HOURLY RATE CALCULATION
[Dollars in millions]

| | FY 2016 final rule | FY 2017 proposed rule | Percentage change |
|--|--------------------|-----------------------|-------------------|
| Mission-Direct Program Salaries & Benefits | \$369.6 | \$340.5 | - 7.9 |
| Mission-Indirect Program Support | \$140.6 | \$136.7 | - 2.8 |
| Agency Support (Corporate Support and the IG) | \$314.0 | \$324.2 | 3.2 |
| Subtotal | \$824.2 | \$801.4 | - 2.8 |
| Less Offsetting Receipts ⁵ | -\$0.1 | -\$0.1 | - 31.2 |
| Total Budgeted Resources Included in Hourly Rate | \$824.1 | \$801.3 | - 2.8 |
| Mission-Direct FTE (Whole numbers) | 2,157 | 2,004 | - 7.1 |
| Mission-Direct FTE productive hours | 1,440 | 1,500 | 4.2 |
| Mission-Direct FTE Converted to Hours (Mission-Direct FTE multiplied by Mission-Direct FTE productive hours worked annually) (In Millions) | 3.1 | 3.0 | - 3.2 |
| Professional Hourly Rate (Total Budget Included in Hourly Rate Divided by FTE Converted to Hours) (Whole Numbers) | \$265 | \$267 | 0.8 |

FY 2017 Fee Collection—Flat Application Fee Changes

The NRC proposes to amend the flat application fees that it charges to applicants for import and export licenses, applicants for materials licenses and other regulatory services, and holders of materials in its schedule of fees in §§ 170.21 and 170.31, to reflect the revised hourly rate of \$267. The NRC calculates these flat fees by multiplying the average professional staff hours needed to process the licensing actions by the proposed

professional hourly rate for FY 2017. The NRC analyzes the actual hours spent performing licensing actions and then estimates the average professional staff hours that are needed to process licensing actions as part of its biennial review of fees, which is required by Section 902 of the Chief Financial Officers Act of 1990 (31 U.S.C. 902(8)). The NRC performed this review in FY 2017 and will perform this review again in FY 2019. The higher hourly rate of \$267 is the primary reason for the increase in application fees. Please see

work papers (ADAMS Accession No. ML16358A648) for more detail.

The NRC rounds these flat fees in such a way that ensures both convenience for its stakeholders and that any rounding effects are minimal. Accordingly, fees under \$1,000 are rounded to the nearest \$10, fees between \$1,000 and \$100,000 are rounded to the nearest \$100, and fees greater than \$100,000 are rounded to the nearest \$1,000.

The proposed licensing flat fees are applicable for import and export

business lines (Operating Reactors, New Reactors, Fuel Facilities, Nuclear Materials Users, Decommissioning and Low-Level Waste, and Spent Fuel Storage and Transportation) are core work activities considered mission-direct.

²Mission-indirect resources are those that support the core mission-direct activities. They include, for example, supervisory and nonsupervisory support and mission travel and training. Supervisory and nonsupervisory support and mission travel and training resources assigned under direct business lines within the budget structure are considered mission-indirect due to their supporting role of the core mission activities.

³Agency support resources are located in executive, administrative, and other support offices

such as the Office of the Commission, the Office of the Secretary, the Office of the Executive Director for Operations, the Offices of Congressional and Public Affairs, the Office of the Inspector General, the Office of Administration, the Office of the Chief Financial Officer, the Office of the Chief Information Officer, the Office of the Chief Human Capital Officer and the Office of Small Business and Civil Rights. These budgeted costs administer the corporate or shared efforts that more broadly support the activities of the agency. These activities also include information technology services, human capital services, financial management and administrative support.

⁴Does not include contract dollars billed to licensees separately.

⁵ The fees collected by the NRC for Freedom of Information Act (FOIA) services and indemnity (financial protection required of licensees for public liability claims at 10 CFR part 140) are subtracted from the budgeted resources amount when calculating the 10 CFR part 170 hourly rates, per the guidance in Office of Management and Budget (OMB) Circular A-25, User Charges. The budgeted resources for FOIA activities are allocated under the product for Information Services within the Corporate Support business line. The indemnity activities are allocated under the Licensing Actions and the Research & Test Reactors products within the Operating Reactors business line.

licensing actions (see fee categories K.1. through K.5. of § 170.21), as well as certain materials licensing actions (see fee categories 1.C. through 1.D., 2.B. through 2.F., 3.A. through 3.S., 4.B. through 5.A., 6.A. through 9.D., 10.B., 15.A. through 15.L., 15.R., and 16 of § 170.31). Applications filed on or after the effective date of the FY 2017 final fee rule will be subject to the revised fees in the final rule.

FY 2017 Fee Collection—Fee-Relief and Low-Level Waste (LLW) Surcharge

As previously noted, Congress provides 10 percent of the NRC’s budget authority through an appropriation. The NRC applies this 10-percent congressional appropriation to offset certain budgeted activities—see Table III for a full listing. These activities are referred to as “fee-relief” activities. Any difference between the 10-percent appropriation and the budgeted amount of these fee-relief activities results in a

fee adjustment (either an increase or decrease) to all licensees’ annual fees, based on their percentage share of the NRC’s budget.

In FY 2017, the NRC’s budgeted fee-relief activities fall below the 10-percent appropriation threshold—therefore, the NRC proposes to assess a fee-relief adjustment (*i.e.*, credit) to decrease all licensees’ annual fees based on their percentage share of the budget. Table III summarizes the fee-relief activities for FY 2017. The FY 2016 amounts are provided for comparison purposes.

TABLE III—FEE-RELIEF ACTIVITIES
[Dollars in millions]

| Fee-relief activities | FY 2016 budgeted costs | FY 2017 budgeted costs | Percentage change |
|---|------------------------|------------------------|-------------------|
| 1. Activities not attributable to an existing NRC licensee or class of licensee: | | | |
| a. International activities ⁶ | \$12.6 | \$13.9 | 10.4 |
| b. Agreement State oversight | 12.6 | 13.0 | 3.3 |
| c. Scholarships and Fellowships | 18.2 | ⁷ 3.0 | –83.5 |
| d. Medical Isotope Production Infrastructure | 1.0 | 4.1 | 310.0 |
| 2. Activities not assessed under 10 CFR part 170 licensing and inspection fees or 10 CFR part 171 annual fees based on existing law or Commission policy: | | | |
| a. Fee exemption for nonprofit educational institutions | 10.1 | 9.8 | –2.3 |
| b. Costs not recovered from small entities under 10 CFR 71.16(c) | 8.5 | 7.4 | –12.8 |
| c. Regulatory support to Agreement States | 16.5 | 18.4 | 11.2 |
| d. Generic decommissioning/reclamation (not related to the power reactor and spent fuel storage fee classes) | 15.2 | 14.4 | –5.6 |
| e. <i>In Situ</i> leach rulemaking and unregistered general licensees | 1.6 | 1.4 | –12.5 |
| f. Potential Department of Defense remediation program MOU activities | 1.7 | 1.2 | –33.2 |
| Total fee-relief activities | 98.0 | 86.6 | –11.7 |
| Less 10 percent of the NRC’s total FY budget (less non-fee items) | –98.1 | 92.7 | –5.5 |
| Fee-Relief Adjustment to be Allocated to All Licensees’ Annual Fees | –0.1 | –6.1 | –8611.0 |

Table IV shows how the NRC allocates the \$6.1 million fee-relief adjustment (credit) to each license fee class.

In addition to the fee-relief adjustment, the NRC also assesses a generic LLW surcharge of \$3.3 million. Disposal of LLW occurs at commercially operated LLW disposal facilities that are licensed by either the NRC or an Agreement State. There are three existing LLW disposal facilities in the

United States that accept various types of low-level waste. All are in Agreement States and, therefore, regulated by the State authority. The NRC allocates this surcharge to its licensees based on data available in the DOE Manifest Information Management System. This database contains information on total LLW volumes and NRC usage information from four generator classes: Academic, industry, medical, and utility. The ratio of utility waste

volumes to total LLW volumes over a period of time is used to estimate the portion of this surcharge that should be allocated to the power reactors, fuel facilities, and materials fee classes. The materials portion is adjusted to account for the fact that a large percentage of materials licensees are licensed by the Agreement States rather than the NRC.

Table IV shows the surcharge, and its allocation across the various fee classes.

TABLE IV—ALLOCATION OF FEE-RELIEF ADJUSTMENT AND LLW SURCHARGE, FY 2017
[Dollars in millions]

| | LLW surcharge | | Fee-relief adjustment | | Total \$ |
|--|---------------|------|-----------------------|------|----------|
| | Percent | (\$) | Percent | \$ | |
| Operating Power Reactors | 24.0 | 0.8 | 85.8 | –5.2 | –4.4 |
| Spent Fuel Storage/Reactor Decommissioning | 0.0 | 0.0 | 3.8 | –0.2 | –0.2 |
| Research and Test Reactors | 0.0 | 0.0 | 0.3 | 0.0 | 0.0 |
| Fuel Facilities | 62.0 | 2.0 | 4.3 | –0.3 | 1.8 |
| Materials Users | 14.0 | 0.5 | 3.4 | –0.2 | 0.3 |
| Transportation | 0.0 | 0.0 | 0.6 | 0.0 | 0.0 |

⁶This amount includes international assistance activities, conventions and treaties, and specific cooperation activities.

⁷This amount does not include budgetary resources for Grants to Universities which is not

included in the re-baselined budget request for FY 2017.

TABLE IV—ALLOCATION OF FEE-RELIEF ADJUSTMENT AND LLW SURCHARGE, FY 2017—Continued
[Dollars in millions]

| | LLW surcharge | | Fee-relief adjustment | | Total \$ |
|-----------------------------|---------------|------|-----------------------|------|----------|
| | Percent | (\$) | Percent | \$ | |
| Rare Earth Facilities | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Uranium Recovery | 0.0 | 0.0 | 1.8 | -0.1 | -0.1 |
| Total | 100.0 | 3.3 | 100.0 | -6.1 | 2.8 |

FY 2017 Fee Collection—Revised Annual Fees

In accordance with SECY-05-0164, “Annual Fee Calculation Method,” dated September 15, 2005, (ADAMS Accession No. ML052580332), the NRC re-baselines its annual fees every year. Re-baselining entails analyzing the budget in detail and then allocating the budgeted costs to various classes or

subclasses of licensees. It also includes updating the number of NRC licensees in its fee calculation methodology.

The NRC proposes to revise its annual fees in §§ 171.15 and 171.16 to recover approximately 90 percent of the NRC’s FY 2017 budget authority (less non-fee amounts and the estimated amount to be recovered through 10 CFR part 170 fees). The total estimated 10 CFR part 170 collections for this proposed rule

are \$324.6 million, a decrease of \$8.1 million from the FY 2016 final rule. The NRC, therefore, must recover \$508.8 million through annual fees from its licensees, which is a decrease of \$41.9 million from the FY 2016 final rule.

Table V shows the re-baselined fees for FY 2017 for a representative list of categories of licensees. The FY 2016 amounts are provided for comparison purposes.

TABLE V—RE-BASELINED ANNUAL FEES

| Class/category of licenses | FY 2016 final annual fee | FY 2017 proposed annual fee | Percentage change |
|--|--------------------------|-----------------------------|-------------------|
| Operating Power Reactors | \$4,659,000 | \$4,318,000 | -7.3 |
| + Spent Fuel Storage/Reactor Decommissioning | 197,000 | 194,000 | -1.5 |
| Total, Combined Fee | 4,856,000 | 4,512,000 | -7.1 |
| Spent Fuel Storage/Reactor Decommissioning | 197,000 | 194,000 | -1.5 |
| Research and Test Reactors/Non-power Reactors | 81,500 | 83,500 | 2.5 |
| High Enriched Uranium Fuel Facility | 7,867,000 | 6,599,000 | -16.1 |
| Low Enriched Uranium Fuel Facility | 2,736,000 | 2,391,000 | -12.6 |
| UF ₆ Conversion and Deconversion Facility | 1,625,000 | 1,363,000 | -16.1 |
| Conventional Mills | 38,900 | 42,300 | 8.7 |
| Typical Materials Users: | | | |
| Radiographers (Category 3O) | 26,000 | 27,100 | 4.2 |
| Well Loggers (Category 5A) | 14,500 | 16,100 | 11.0 |
| Gauge Users (Category 3P) | 7,900 | 9,200 | 16.5 |
| Broad Scope Medical (Category 7B) | 37,400 | 33,900 | -9.4 |

The work papers that support this proposed rule show in detail how the NRC allocated the budgeted resources for each class of licenses and how the fees are calculated.

Paragraphs a. through h. of this section describe budgetary resources

allocated to each class of licensees and the calculations of the re-baselined fees. For more information about detailed fee calculations for each class, please consult the accompanying work papers.

a. Fuel Facilities

The NRC proposes to collect \$26.8 million in annual fees from the fuel facility class.

TABLE VI—ANNUAL FEE SUMMARY CALCULATIONS FOR FUEL FACILITIES
[Dollars in millions]

| Summary fee calculations | FY 2016 final | FY 2017 proposed | Percentage change |
|--|---------------|------------------|-------------------|
| Total budgeted resources | \$40.5 | \$34.5 | -14.8 |
| Less estimated 10 CFR part 170 receipts | 11.7 | 11.1 | -5.1 |
| Net 10 CFR part 171 resources | 28.8 | 23.5 | -18.4 |
| Allocated generic transportation | 1.1 | 1.6 | 45.5 |
| Fee-relief adjustment/LLW surcharge | 1.7 | 1.7 | 5.9 |
| Billing adjustments | 0.0 | 0.0 | 0.0 |
| Total remaining required annual fee recovery | 31.6 | 26.8 | -15.2 |

In FY 2017, the fuel facilities budgetary resources decreased due to continued construction delays at multiple sites; specifically, significant construction delays are noted for the Shaw Mixed Oxide Fuel Fabrication Facility. Budgetary resources also decreased due to a reduced workload resulting from increased efficiencies within the Fuel Cycle inspection program created by streamlining inspections and guidance development. These decreases cause annual fees to

decrease but are offset by a slight decrease in estimated 10 CFR part 170 billings due to changes in the prior year billings. In addition, annual fees for the fuel facilities fee class will be adjusted in the FY 2017 final fee rule with the expected departure of USEC Lead Cascade Gas Centrifuge Enrichment Demonstration facility from the fee class. The NRC allocates annual fees to individual fuel facility licensees based on the effort/fee determination matrix

developed in the FY 1999 final fee rule (64 FR 31447; June 10, 1999). To briefly recap, that matrix groups licensees into various categories. The NRC's fuel facility project managers determine the effort levels associated with regulating each category. This is done by assigning separate effort factors for the safety and safeguards activities associated with each category (for more information about this matrix, see the work papers). These effort levels are reflected in Table VII.

TABLE VII—EFFORT FACTORS FOR FUEL FACILITIES, FY 2017

| Facility type (fee category) | Number of facilities | Effort factors (percent of total) | |
|---|----------------------|-----------------------------------|------------|
| | | Safety | Safeguards |
| High-Enriched Uranium Fuel (1.A.(1)(a)) | 2 | 88 (44.0) | 96 (55.2) |
| Low-Enriched Uranium Fuel (1.A.(1)(b)) | 3 | 70 (35.0) | 30 (17.3) |
| Limited Operations (1.A.(2)(a)) | 0 | 0 (0.0) | 0 (0.0) |
| Gas Centrifuge Enrichment Demonstration (1.A.(2)(b)) | 1 | 3 (1.5) | 15 (8.6) |
| Hot Cell (1.A.(2)(c)) | 1 | 6 (3.0) | 3 (1.7) |
| Uranium Enrichment (1.E.) | 1 | 21 (10.5) | 23 (13.2) |
| UF ₆ Conversion and Deconversion (2.A.(1)) | 1 | 12 (6.0) | 7 (4.0) |

For FY 2017, the total budgeted resources for safety activities are \$13.4 million. To calculate the annual fee, the NRC allocates this amount to each fee category based on its percent of the total regulatory effort for safety activities. Similarly, the NRC allocates the budgeted resources for safeguards

activities, \$11.7 million to each fee category based on its percent of the total regulatory effort for safeguards activities. Finally, the fuel facility fee class' portion of the fee-relief adjustment/LLW surcharge—\$1.8 million—is allocated to each fee category based on its percent of the total

regulatory effort for both safety and safeguards activities. The annual fee per licensee is then calculated by dividing the total allocated budgeted resources for the fee category by the number of licensees in that fee category. The fee for each facility is summarized in Table VIII.

TABLE VIII—ANNUAL FEES FOR FUEL FACILITIES

| Facility type (fee category) | FY 2016 Final annual fee | FY 2017 proposed annual fee | Percentage change |
|---|--------------------------|-----------------------------|-------------------|
| High-Enriched Uranium Fuel (1.A.(1)(a)) | \$7,867,000 | \$6,599,000 | - 16.1 |
| Low-Enriched Uranium Fuel (1.A.(1)(b)) | 2,736,000 | 2,391,000 | - 12.6 |
| Limited Operations (1.A.(2)(a)) | 0.0 | 0.0 | 0.0 |
| Gas Centrifuge Enrichment Demonstration (1.A.(2)(b)) | 1,539,000 | 1,291,000 | - 16.1 |
| Hot Cell (and others) (1.A.(2)(c)) | 770,000 | 646,000 | - 16.1 |
| Uranium Enrichment (1.E.) | 3,762,000 | 3,156,000 | - 16.1 |
| UF ₆ Conversion and Deconversion (2.A.(1)) | 1,625,000 | 1,363,000 | - 16.1 |

b. Uranium Recovery Facilities

The NRC proposes to collect approximately \$1.0 million in annual

fees from the uranium recovery facilities fee class, an increase of about ten percent from FY 2016.

TABLE IX—ANNUAL FEE SUMMARY CALCULATIONS FOR URANIUM RECOVERY FACILITIES

[Dollars in millions]

| Summary fee calculations | FY 2016 final | FY 2017 proposed | Percentage change |
|---|---------------|------------------|-------------------|
| Total budgeted resources | \$12.32 | \$14.77 | 19.9 |
| Less estimated 10 CFR part 170 receipts | 11.41 | 13.62 | 19.3 |
| Net 10 CFR part 171 resources | 0.91 | 1.15 | 26.4 |
| Allocated generic transportation | N/A | N/A | N/A |
| Fee-relief adjustment | 0.00 | - 0.11 | - 100.0 |
| Billing adjustments | 0.00 | - 0.01 | - 100.0 |

TABLE IX—ANNUAL FEE SUMMARY CALCULATIONS FOR URANIUM RECOVERY FACILITIES—Continued
[Dollars in millions]

| Summary fee calculations | FY 2016 final | FY 2017 proposed | Percentage change |
|--|---------------|------------------|-------------------|
| Total required annual fee recovery | 0.91 | 1.03 | 11.1 |

Overall, in comparison to FY 2016, the FY 2017 budgetary resources for uranium recovery licensees increased due to additional work expected for new environmental reviews and licensing actions. Further, the estimated 10 CFR part 170 billings increased from the previous year due to the Ludeman expansion, the Willow Creek groundwater restoration review, and the Marsland environmental assessment.

The NRC computes the 10 CFR part 171 annual fee for the uranium recovery fee class by dividing the total annual fee

recovery amount between DOE and the other licensees in this fee class. The annual fee increased for the overall fee class due to an increase in the budgeted resources to support contested hearing activities and increased workload for congressional hearings and inquiries. The NRC regulates DOE's Title I and Title II activities under the Uranium Mill Tailings Radiation Control Act (UMTRCA).⁸ The proposed annual fee assessed to DOE includes the costs specifically budgeted for the NRC's

UMTRCA Title I and II activities, as well as 10 percent of the remaining budgeted cost for this fee class. The DOE's UMTRCA annual fee increased because of a slight rise in budgeted resources combined with a decrease in estimates 10 CFR part 170 billings for DOE's UMTRCA site at Gunnison. The NRC assesses the remaining 90 percent of its budgeted costs to the rest of the licensees in this fee class, as described in the work papers. This is reflected in Table X as follows:

TABLE X—COSTS RECOVERED THROUGH ANNUAL FEES; URANIUM RECOVERY FEE CLASS

| Summary of costs: | FY 2016 final annual fee | FY 2017 proposed annual fee | Percentage change |
|--|--------------------------|-----------------------------|-------------------|
| DOE Annual Fee Amount (UMTRCA Title I and Title II) General Licenses: | | | |
| UMTRCA Title I and Title II budgeted costs less 10 CFR part 170 receipts | \$503,708 | \$581,964 | 15.5 |
| 10 percent of generic/other uranium recovery budgeted costs | 41,157 | 55,497 | 34.8 |
| 10 percent of uranium recovery fee-relief adjustment | -94 | -10,828 | -11,419.1 |
| Total Annual Fee Amount for DOE (rounded) | 545,000 | 627,000 | 15.0 |
| Annual Fee Amount for Other Uranium Recovery Licenses: | | | |
| 90 percent of generic/other uranium recovery budgeted costs less the amounts specifically budgeted for Title I and Title II activities | 370,415 | 499,477 | 34.8 |
| 90 percent of uranium recovery fee-relief adjustment | -\$844 | -\$97,448 | -11,646.0 |
| Total Annual Fee Amount for Other Uranium Recovery Licenses | 369,571 | 402,030 | 8.8 |

Further, for the non-DOE licensees, the NRC continues to use a matrix to determine the effort levels associated with conducting the generic regulatory actions for the different (non-DOE) licensees in this fee class; this is similar to the NRC's approach for fuel facilities, described previously.

The matrix methodology for uranium recovery licensees first identifies the

licensee categories included within this fee class (excluding DOE). These categories are: conventional uranium mills and heap leach facilities; uranium *In Situ* Recovery (ISR) and resin ISR facilities; mill tailings disposal facilities; and uranium water treatment facilities. The matrix identifies the types of operating activities that support and benefit these licensees, along with each

activity's relative weight (for more information, see the work papers). Table XI displays the benefit factors per licensee and per fee category, for each of the non-DOE fee categories included in the uranium recovery fee class as follows:

TABLE XI—BENEFIT FACTORS FOR URANIUM RECOVERY LICENSES

| Fee category | Number of licensees | Benefit factor Per licensee | Total value | Benefit factor percent total |
|--|---------------------|-----------------------------|-------------|------------------------------|
| Conventional and Heap Leach mills (2.A.(2)(a)) | 1 | 150 | 150 | 11.0 |
| Basic <i>In Situ</i> Recovery facilities (2.A.(2)(b)) | 5 | 190 | 950 | 67.0 |
| Expanded <i>In Situ</i> Recovery facilities (2.A.(2)(c)) | 1 | 215 | 215 | 15.0 |
| 11e.(2) disposal incidental to existing tailings sites (2.A.(4)) | 1 | 85 | 85 | 6.0 |
| Uranium water treatment (2.A.(5)) | 1 | 25 | 25 | 2.0 |
| Total | 9 | 665 | 1,425 | 100.0 |

⁸The Congress established the two programs, Title I and Title II, under UMTRCA to protect the public and the environment from uranium milling. The UMTRCA Title I program is for remedial action

at abandoned mill tailings sites where tailings resulted largely from production of uranium for the weapons program. The NRC also regulates DOE's UMTRCA Title II program, which is directed

toward uranium mill sites licensed by the NRC or Agreement States in or after 1978.

Applying these factors to the approximate \$402,030 in budgeted costs to be recovered from non-DOE uranium recovery licensees results in the total

annual fees for each fee category. The annual fee per licensee is calculated by dividing the total allocated budgeted resources for the fee category by the

number of licensees in that fee category, as summarized in Table XII.

TABLE XII—ANNUAL FEES FOR URANIUM RECOVERY LICENSEES (other than DOE)

| Facility type (fee category) | FY 2016 final annual fee | FY 2017 proposed annual fee | Percentage change |
|--|--------------------------|-----------------------------|-------------------|
| Conventional and Heap Leach mills (2.A.(2)(a)) | \$38,900 | \$42,300 | 8.7 |
| Basic <i>In Situ</i> Recovery facilities (2.A.(2)(b)) | 49,300 | 53,600 | 8.7 |
| Expanded <i>In Situ</i> Recovery facilities (2.A.(2)(c)) | 55,800 | 60,700 | 8.9 |
| 11e.(2) disposal incidental to existing tailings sites (2.A.(4)) | 22,000 | 24,000 | 9.1 |
| Uranium water treatment (2.A.(5)) | 6,500 | 7,100 | 9.2 |

c. Operating Power Reactors

The NRC proposes to collect \$427.5 million in annual fees from the power

reactor fee class in FY 2017, as shown in Table XIII. The FY 2016 values and

percentage change are shown for comparison.

TABLE XIII—ANNUAL FEE SUMMARY CALCULATIONS FOR OPERATING POWER REACTORS [Dollars in millions]

| Summary fee calculations | FY 2016 final | FY 2017 proposed | Percentage change |
|---|---------------|------------------|-------------------|
| Total budgeted resources | \$750.4 | \$713.2 | -5.0 |
| Less estimated 10 CFR part 170 receipts | 287.8 | 281.1 | -2.3 |
| Net 10 CFR part 171 resources | 462.6 | 432.1 | -6.6 |
| Allocated generic transportation | 1.8 | 0.3 | -81.6 |
| Fee-relief adjustment/LLW surcharge | 1.0 | -4.4 | -540.1 |
| Billing adjustment | 0.6 | -0.5 | -185.8 |
| Total required annual fee recovery | 465.9 | 427.5 | -8.3 |
| Total Operating Reactors | 100 | 99 | -1.0 |

In comparison to FY 2016, the operating power reactors budgetary resources decreased in FY 2017 primarily due to fewer resources needed to reduce the licensing actions backlog and a reduction for generic work such as the Fukushima-related rulemaking, “Station Blackout Mitigation Strategies,” and the Generic Safety Issue-191. Compared with FY 2016, 10 CFR part 170 estimated billings primarily decreased due to less contract support for reducing the licensing actions backlog, and the transition of Fort Calhoun to decommissioning in November 2016. The FY 2017 10 CFR part 171 operating power reactor annual fee decreased primarily due to a reduction for generic work such as the

Fukushima-related rulemaking, “Station Blackout Mitigation Strategies,” and the Generic Safety Issue-191.

The budgeted costs are divided equally among the 99 currently operating power reactors, resulting in a proposed annual fee of \$4,318,000 per reactor. Additionally, each licensed power reactor is assessed the FY 2017 spent fuel storage/reactor decommissioning annual fee of \$194,000 (see the discussion that follows). The combined FY 2017 annual fee for power reactors is, therefore, \$4,512,000.

Further, on May 24, 2016, (81 FR 32617), the NRC published a final rule that amended its licensing, inspection, and annual fee regulations to establish a variable annual fee structure for light-

water small modular reactors (SMRs). Under the variable annual fee structure, effective June 23, 2016, an SMR’s annual fee would be calculated as a function of its licensed thermal power rating. Currently, there are no operating SMRs; therefore, the NRC does not propose an annual fee in FY 2017 for this type of licensee.

d. Spent Fuel Storage/Reactors in Decommissioning

The NRC proposes to collect \$23.7 million in annual fees from 10 CFR part 50 power reactors and 10 CFR part 72 licensees who do not hold a 10 CFR part 50 license to collect the budgeted costs for spent fuel storage/reactor decommissioning.

TABLE XIV—ANNUAL FEE SUMMARY CALCULATIONS FOR THE SPENT FUEL STORAGE/REACTOR IN DECOMMISSIONING FEE CLASS

[Dollars in millions]

| Summary fee calculations | FY 2016 final | FY 2017 proposed | Percentage change |
|--------------------------|---------------|------------------|-------------------|
| Total budgeted resources | \$30.47 | \$30.78 | 1.0 |

TABLE XIV—ANNUAL FEE SUMMARY CALCULATIONS FOR THE SPENT FUEL STORAGE/REACTOR IN DECOMMISSIONING FEE CLASS—Continued
[Dollars in millions]

| Summary fee calculations | FY 2016 final | FY 2017 proposed | Percentage change |
|---|---------------|------------------|-------------------|
| Less estimated 10 CFR part 170 receipts | 7.46 | 7.69 | 3.0 |
| Net 10 CFR part 171 resources | 23.01 | 23.09 | 0.0 |
| Allocated generic transportation costs | 0.97 | 0.86 | - 11.3 |
| Fee-relief adjustment | 0.00 | - 0.23 | - 100.0 |
| Billing adjustments | 0.02 | - \$0.02 | - 200.0 |
| Total required annual fee recovery | 24.00 | 23.70 | - 1.3 |

In comparison to FY 2016, the annual fee decreased due to an increase in 10 CFR part 170 estimated billings attributed to the expected application for Holtec/Eddy Lea Energy, reductions in generic transportation, and an increase in fee-relief credit. This

decrease is partially offset by the slight increase in budgetary resources in the Waste Research area. The required annual fee recovery amount is divided equally among 122 licensees, resulting in an FY 2017 annual fee of \$194,000 per licensee.

e. Research and Test Reactors/Non-Power Reactors

The NRC proposes to collect \$0.334 million in annual fees from the research and test reactor licensee class.

TABLE XV—ANNUAL FEE SUMMARY CALCULATIONS FOR RESEARCH AND TEST REACTORS/NON-POWER REACTORS
[Dollars in millions]

| Summary fee calculations | FY 2016 final | FY 2017 proposed | Percentage change |
|---|---------------|------------------|-------------------|
| Total budgeted resources | \$3.799 | \$2.268 | - 40.3 |
| Less estimated 10 CFR part 170 receipts | 3.510 | 1.950 | - 44.4 |
| Net 10 CFR part 171 resources | 0.289 | 0.318 | 10.0 |
| Allocated generic transportation | 0.034 | 0.034 | 0.0 |
| Fee-relief adjustment | 0.000 | - 0.017 | - 100.0 |
| Billing adjustments | 0.003 | - 0.001 | - 133.3 |
| Total required annual fee recovery | 0.326 | 0.334 | 2.5 |

In FY 2017, the research and test/non-power reactors budgetary resources decreased. This fee class includes resources for medical isotope productions facilities and research and test reactors. In FY 2017 there was a decrease in the workload for medical isotope production. Accordingly, the estimated 10 CFR part 170 billings decreased for the SHINE molybdenum-99 application. For research and test reactors, in comparison to FY 2016, the

10 CFR part 171 annual fee increased primarily due to a rise in contract support for the “Non-Power Production and Utilization Facility” rulemaking. The required annual fee-recovery amount is divided equally among the four research and test reactors subject to annual fees and results in an FY 2017 annual fee of \$83,500 for each licensee.

f. Rare Earth

The application for a rare-earth facility has been placed on hold until

late FY 2017. Therefore, the NRC has not allocated any budgetary resources to this fee class and does not propose an annual fee in FY 2017 for this fee class.

g. Materials Users

The NRC proposes to collect \$35.5 million in annual fees from materials users licensed under 10 CFR parts 30, 40, and 70.

TABLE XVI—ANNUAL FEE SUMMARY CALCULATIONS FOR MATERIALS USERS
[Dollars in millions]

| Summary fee calculations | FY 2016 final | FY 2017 proposed | Percentage change |
|--|---------------|------------------|-------------------|
| Total budgeted resources for licensees not regulated by Agreement States | \$33.2 | \$34.5 | 3.9 |
| Less estimated 10 CFR part 170 receipts | 1.1 | 0.9 | - 18.2 |
| Net 10 CFR part 171 resources | 32.1 | 33.6 | 4.7 |
| Allocated generic transportation | 2.4 | 1.6 | - 29.2 |
| Fee-relief adjustment/LLW surcharge | 0.5 | 0.3 | - 60.0 |
| Billing adjustments | 0.0 | 0.0 | 0.0 |
| Total required annual fee recovery | 35.0 | 35.5 | 1.4 |

To equitably and fairly allocate the \$35.5 million in FY 2017 budgeted costs among approximately 2,700 diverse materials users licensees, the NRC continues to calculate the annual fees for each fee category within this class based on the 10 CFR part 170 application fees and estimated inspection costs for each fee category. Because the application fees and inspection costs are indicative of the complexity of the license, this approach provides a proxy for allocating the generic and other regulatory costs to the diverse categories of licenses based on the NRC’s cost to regulate each category. This fee-calculation method also considers the inspection frequency (priority), which is indicative of the safety risk and resulting regulatory costs associated with the categories of licenses.

The annual fee for these categories of materials users’ licenses is developed as follows: Annual fee = Constant ×

[Application Fee + (Average Inspection Cost/Inspection Priority)] + Inspection Multiplier × (Average Inspection Cost/Inspection Priority) + Unique Category Costs.

For FY 2017, the constant multiplier necessary to recover approximately \$26.5 million in general costs (including allocated generic transportation costs) is 1.48 (see work papers for more detail). The average inspection cost is the average inspection hours for each fee category multiplied by the hourly rate of \$267. The inspection priority is the interval between routine inspections, expressed in years. The inspection multiplier is the multiple necessary to recover approximately \$8.5 million in inspection costs, and is 1.65 for FY 2017. The unique category costs are any special costs that the NRC has budgeted for a specific category of licenses. For FY 2017, approximately \$278,000 in budgeted costs for the implementation of revised 10 CFR part 35, “Medical Use

of Byproduct Material” (unique costs), has been allocated to holders of NRC human-use licenses.

The annual fee to be assessed to each licensee also includes a share of the fee-relief assessment of approximately -\$209,000 allocated to the materials users fee class (see Table IV, “Allocation of Fee-Relief Adjustment and LLW Surcharge, FY 2017,” in Section III, “Discussion,” of this document), and for certain categories of these licensees, a share of the approximately \$465,000 LLW surcharge costs allocated to the fee class. The annual fee for each fee category is shown in § 171.16(d).

h. Transportation

The NRC proposes to collect \$5.9 million in annual fees to recover generic transportation budgeted resources. The FY 2016 values are shown for comparison.

TABLE XVII—ANNUAL FEE SUMMARY CALCULATIONS FOR TRANSPORTATION
[Dollars in millions]

| Summary fee calculations | FY 2016 final | FY 2017 proposed | Percentage change |
|---|---------------|------------------|-------------------|
| Total Budgeted Resources | \$11.3 | \$9.1 | - 19.5 |
| Less Estimated 10 CFR part 170 Receipts | 3.5 | 3.2 | - 8.6 |
| Net 10 CFR part 171 Resources | 7.8 | 5.9 | - 24.4 |
| Fee-relief adjustment/LLW surcharge | 0.0 | 0.0 | 0.0 |
| Billing adjustments | 0.0 | 0.0 | 0.0 |
| Total required annual fee recovery | 7.8 | 5.9 | - 24.4 |

In comparison to FY 2016, the total budgetary resources for generic transportation activities decreased due to a reduction in rulemaking activities involving revisions to transportation safety requirements and compatibility with International Atomic Energy Agency Transportation Standards, hence reducing all fee class generic transportation annual fees. The 10 CFR part 170 estimated billings are expected to decrease slightly due in part to a reduction in activities for Areva Federal Services. In addition, NAC International work is expected to be completed by FY 2017, quarter 2. The decrease in 10 CFR part 170 estimated billings is expected to be offset by incoming applications for Holtec International.

Consistent with the policy established in the NRC’s FY 2006 final fee rule (71 FR 30721; May 30, 2006), the NRC recovers generic transportation costs unrelated to DOE as part of existing annual fees for license fee classes. The NRC continues to assess a separate annual fee under § 171.16, fee category 18.A. for DOE transportation activities. The amount of the allocated generic resources is calculated by multiplying the percentage of total Certificates of Compliance (CoCs) used by each fee class (and DOE) by the total generic transportation resources to be recovered. The DOE annual fee increase is mainly due to the elimination of a prior year credit totaling approximately \$220,000 from FY 2016, as well as a rise in CoCs by 4, or 22 percent.

This resource distribution to the licensee fee classes and DOE is shown in Table XVIII. Specifically, for the research and test reactors fee class, the NRC allocates the distribution to only the licensees that are subject to annual fees. Four CoCs benefit the entire research and test reactor class, but only 4 out of 31 research and test reactors are subject to annual fees. The number of CoCs used to determine the proportion of generic transportation resources allocated to research and test reactors annual fees is adjusted to 0.6 so that the licensees subject to annual fees are charged a fair and equitable portion of the total. For more information see the work papers.

TABLE XVIII—DISTRIBUTION OF GENERIC TRANSPORTATION RESOURCES, FY 2017

[Dollars in millions]

| License fee class/DOE | Number of CoCs benefiting fee class or DOE | Percentage of total CoCs | Allocated generic transportation resources |
|--|--|--------------------------|--|
| DOE | 22.00 | 24.6 | \$1.461 |
| Operating Power Reactors | 5.00 | 5.6 | 0.332 |
| Spent Fuel Storage/Reactor Decommissioning | 13.00 | 14.5 | 0.863 |
| Research and Test Reactors | 0.52 | 0.6 | 0.034 |
| Fuel Facilities | 24.00 | 26.8 | 1.594 |
| Materials Users | 25.00 | 27.9 | 1.660 |
| Total | 89.52 | 100.0 | 5.944 |

The NRC assesses an annual fee to DOE based on the 10 CFR part 71 CoCs it holds. The NRC, therefore, does not allocate these DOE-related resources to other licensees' annual fees because these resources specifically support DOE.

FY 2017—Administrative Changes

The NRC proposes three administrative changes:

1. Increase Direct Hours per Full-Time Equivalent in the Hourly Rate Calculation

The hourly rate in 10 CFR part 170 is calculated by dividing the cost per direct FTE by the number of direct hours per direct FTE in a year. "Direct hours" are hours charged to mission-direct activities in the Nuclear Reactor Safety Program and Nuclear Materials and Waste Safety Program. The FY 2016 final fee rule used 1,440 hours per direct FTE in the hourly rate calculations. During the FY 2017 budget formulation process, the NRC staff reviewed and analyzed time and labor data from FY 2016 to determine whether it should revise the direct hours per FTE. In FY 2016, the total direct hours charged by direct employees increased due to increased accuracy in coding time to direct work in the time and labor system, as well as decreased time coded for training. The increase in direct hours was apparent in all mission business lines. To reflect this increase in productivity as demonstrated by the time and labor data, the NRC staff determined that the number of direct hours per FTE should increase to 1,500 hours for FY 2017.

2. Change Small Entity Fees

In accordance with NRC policy, the NRC staff conducted a biennial review in 2015 of small entity fees to determine whether the NRC should change those fees. The NRC staff used the fee methodology, developed in FY 2009, which applies a fixed percentage of 39

percent to the prior 2-year weighted average of materials users' fees when performing its biennial review. The NRC staff determined the new small entity fees for FY 2015 should be \$3,400 for upper-tier small entities and \$700 for lower-tier small entities. Because of a technical oversight, the change was not included in the FY 2015 final fee rule. It was, however, included in the FY 2016 final fee rule. As a result of the NRC staff's FY 2017 biennial review using the same methodology, the upper tier small entity fee would increase from \$3,400 to \$4,500 and the lower-tier fee would increase from \$700 to \$900. This would constitute a 43-percent and 50-percent increase, respectively. The NRC staff determined that implementing this increase would have a disproportionate impact upon the NRC's small licensees compared to other licensees, and so the NRC staff lowered the increase to 21 percent for the upper-tier and lower-tier fees. The NRC staff chose 21 percent based on the average percentage increase for the prior two biennial reviews of small entity fees. As a result of applying the 21-percent increase to the FY 2015 small entity fees, the NRC staff is now proposing to amend the upper-tier small entity fee to \$4,100 and amend the lower-tier small entity fee to \$850 for FY 2017. The NRC staff believes these fees are reasonable and provide relief to small entities while at the same time recovering from those licensees some of the NRC's costs for activities that benefit them.

3. Fees Transformation

In a January 30, 2015, paper to the Commission, SECY-15-0015, "Project Aim 2020 Report and Recommendations" (ADAMS Accession No. ML15012A594), the NRC staff recommended that the Office of the Chief Financial Officer (OCFO) undertake an effort to: (1) simplify how the NRC calculates its fees, (2) improve transparency, and (3) improve the timeliness of the NRC's communications

about fee changes. These recommendations were similar to stakeholder comments the staff received during outreach on the NRC's fees and fee development process. In addition, an interoffice steering committee of NRC staffers evaluated the current fee process to identify solutions for concerns raised by NRC stakeholders. Based on comments received from the public and input from steering committee members, the staff developed over 40 process and policy improvements to be implemented over the next 4 years that addressed concerns with the current fee process. On August 15, 2016, the Chief Financial Officer (CFO) submitted a Notation Vote, SECY-16-0097 (ADAMS Accession No. ML16194A365) to the Commission. This memorandum identified 14 process improvements in six categories that the staff would implement in FY 2017 and requested Commission approval to further analyze four improvements as policy issues. The Commission disapproved the policy issues with the exception of a voluntary pilot initiative to explore whether a flat fee structure could be established for routine licensing matters in the area of uranium recovery policy issues. The Commission also directed staff to accelerate the process improvements for future consideration including transition to an electronic billing system.

IV. Regulatory Flexibility Certification

As required by the Regulatory Flexibility Act of 1980, as amended (RFA),⁹ the NRC has prepared a Regulatory Flexibility Analysis (RFA) relating to this proposed rule. The RFA is available as indicated in Section XIII, Availability of Documents, of this document.

⁹ 5 U.S.C. 603. The RFA, 5 U.S.C. 601-612, has been amended by the Small Business Regulatory Enforcement Fairness Act of 1996 (SBREFA), Public Law 104-121, Title II, 110 Stat. 847 (1996).

V. Regulatory Analysis

Under OBRA–90, the NRC is required to recover approximately 90 percent of its budget authority in FY 2017. The NRC established fee methodology guidelines for 10 CFR part 170 in 1978, and established additional fee methodology guidelines for 10 CFR part 171 in 1986. In subsequent rulemakings, the NRC has adjusted its fees without changing the underlying principles of its fee policy to ensure that the NRC continues to comply with the statutory requirements for cost recovery in OBRA–90 and the AEA.

In this rulemaking, the NRC continues this long-standing approach. Therefore, the NRC did not identify any alternatives to the current fee structure guidelines and did not prepare a regulatory analysis for this rulemaking.

VI. Backfitting and Issue Finality

The NRC has determined that the backfit rule, 10 CFR 50.109, does not apply to this proposed rule and that a backfit analysis is not required. A backfit analysis is not required because these amendments do not require the modification of, or addition to, systems, structures, components, or the design of a facility, or the design approval or manufacturing license for a facility, or the procedures or organization required to design, construct, or operate a facility.

VII. Plain Writing

The Plain Writing Act of 2010 (Pub. L. 111–274) requires Federal agencies to write documents in a clear, concise, and well-organized manner. The NRC has written this document to be consistent with the Plain Writing Act as well as the Presidential Memorandum, “Plain Language in Government Writing,” published June 10, 1998 (63 FR 31883). The NRC requests comment on this

proposed rule with respect to the clarity and effectiveness of the language used.

VIII. National Environmental Policy Act

The NRC has determined that this rule will amend NRC’s administrative requirements in 10 CFR part 170 and 10 CFR part 171. Therefore, this action is categorically excluded from needing environmental review as described in 10 CFR 51.22(c)(1). Consequently, neither an environmental impact statement nor an environmental assessment has been prepared for this proposed rule.

IX. Paperwork Reduction Act

This proposed rule does not contain new or amended information collection requirements that are subject to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*).

Public Protection Notification

The NRC may not conduct or sponsor, and a person is not required to respond to, a request for information or an information collection requirement unless the requesting document displays a currently valid OMB control number.

X. Voluntary Consensus Standards

The National Technology Transfer and Advancement Act of 1995, Public Law 104–113, requires that Federal agencies use technical standards that are developed or adopted by voluntary consensus standards bodies unless the use of such a standard is inconsistent with applicable law or otherwise impractical. In this proposed rule, the NRC proposes to amend the licensing, inspection, and annual fees charged to its licensees and applicants, as necessary, to recover approximately 90 percent of its budget authority in FY 2017, as required by OBRA–90, as amended. This action does not constitute the establishment of a

standard that contains generally applicable requirements.

XI. Availability of Guidance

The Small Business Regulatory Enforcement Fairness Act requires all Federal agencies to prepare a written compliance guide for each rule for which the agency is required by 5 U.S.C. 604 to prepare a regulatory flexibility analysis. The NRC, in compliance with the law, prepared the “Small Entity Compliance Guide” for the FY 2017 proposed fee rule. The compliance guide was developed when the NRC completed the small entity biennial review for FY 2017. This document is available as indicated in Section XIII, Availability of Documents, of this document.

XII. Public Meeting

The NRC will conduct a public meeting on this proposed rule for the purpose of describing the proposed rule and answering questions from the public on the proposed rule. The NRC will publish a notice of the location, time, and agenda of the meeting on the NRC’s public meeting Web site within at least 10 calendar days before the meeting. In addition, the agenda for the meeting will be posted on www.regulations.gov under Docket ID NRC–2016–0081. For instructions to receive alerts when changes or additions occur in a docket folder, see Section XIII, Availability of Documents, of this document. Stakeholders should monitor the NRC’s public meeting Web site for information about the public meeting at: <http://www.nrc.gov/public-involve/public-meetings/index.cfm>.

XIII. Availability of Documents

The documents identified in the following table are available to interested persons through one or more of the following methods, as indicated.

| Document | ADAMS Accession No./web link |
|--|---|
| SECY–16–0009, “Recommendations Resulting from the Integrated Prioritization and Re-baselining of Agency Activities,” dated February 9, 2016. | ML16104A158. |
| SECY–16–0097, “Fee Setting Improvements and Fiscal Year 2017 Proposed Fee Rule,” dated August 15, 2016. | ML16194A365. |
| SRM–SECY–16–0097: Fee Setting Improvements and Fiscal Year 2017 Proposed Fee Rule. | ML16293A902. |
| FY 2017 Proposed Rule Work Papers | ML16358A648. |
| FY 2017 Regulatory Flexibility Analysis | ML16340A151 |
| FY 2017 U.S. Nuclear Regulatory Commission Small Entity Compliance Guide. | ML16340A149. |
| NUREG–1100, Volume 32, “Congressional Budget Justification: Fiscal Year 2017” (February 2016). | https://www.nrc.gov/docs/ML1603/ML16036A086.pdf . |
| NRC Form 526, Certification of Small Entity Status for the Purposes of Annual Fees Imposed under 10 CFR Part 171. | http://www.nrc.gov/reading-rm/doc-collections/forms/nrc526.pdf . |
| SECY–05–0164, “Annual Fee Calculation Method,” dated September 15, 2005. | ML052580332. |
| OMB’s Circular A–25, “User Charges” | https://www.whitehouse.gov/omb/circulars_default . |

Throughout the development of this rule, the NRC may post documents related to this rule, including public comments, on the Federal rulemaking Web site at <http://www.regulations.gov> under Docket ID NRC-2016-0081. The Federal rulemaking Web site allows you to receive alerts when changes or additions occur in a docket folder. To subscribe: (1) Navigate to the docket folder NRC-2016-0081; (2) click the "Sign up for Email Alerts" link; and (3) enter your email address and select how frequently you would like to receive emails (daily, weekly, or monthly).

List of Subjects

10 CFR Part 170

Byproduct material, Import and export licenses, Intergovernmental relations, Non-payment penalties, Nuclear energy, Nuclear materials, Nuclear power plants and reactors, Source material, Special nuclear material.

10 CFR Part 171

Annual charges, Byproduct material, Holders of certificates, registrations, approvals, Intergovernmental relations, Nonpayment penalties, Nuclear materials, Nuclear power plants and reactors, Source material, Special nuclear material.

For the reasons set out in the preamble and under the authority of the Atomic Energy Act of 1954, as amended; the Energy Reorganization Act of 1974, as amended; and 5 U.S.C. 552 and 553, the NRC is proposing to adopt the following amendments to 10 CFR parts 170 and 171.

PART 170—FEES FOR FACILITIES, MATERIALS, IMPORT AND EXPORT LICENSES, AND OTHER REGULATORY SERVICES UNDER THE ATOMIC ENERGY ACT OF 1954, AS AMENDED

■ 1. The authority citation for part 170 continues to read as follows:

Authority: Atomic Energy Act of 1954, secs. 11, 161(w) (42 U.S.C. 2014, 2201(w)); Energy Reorganization Act of 1974, sec. 201 (42 U.S.C. 5841); 42 U.S.C. 2214; 31 U.S.C. 901, 902, 9701; 44 U.S.C. 3504 note.

■ 2. Revise § 170.20 to read as follows:

§ 170.20 Average cost per professional staff-hour.

Fees for permits, licenses, amendments, renewals, special projects, 10 CFR part 55 re-qualification and replacement examinations and tests, other required reviews, approvals, and inspections under §§ 170.21 and 170.31 will be calculated using the professional staff-hour rate of \$267 per hour.

■ 3. In § 170.21, in the table, revise fee category K. to read as follows:

§ 170.21 Schedule of fees for production or utilization facilities, review of standard referenced design approvals, special projects, inspections, and import and export licenses.

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SCHEDULE OF FACILITY FEES

[See footnotes at end of table]

| Facility categories and type of fees | Fees ^{1 2} |
|---|---------------------|
| * * * * * | |
| K. Import and export licenses: | |
| Licenses for the import and export only of production or utilization facilities or the export only of components for production or utilization facilities issued under 10 CFR part 110. | |
| 1. Application for import or export of production or utilization facilities ⁴ (including reactors and other facilities) and exports of components requiring Commission and Executive Branch review, for example, actions under 10 CFR 110.40(b). | |
| Application—new license, or amendment; or license exemption request | \$18,700 |
| 2. Application for export of reactor and other components requiring Executive Branch review, for example, those actions under 10 CFR 110.41(a). | |
| Application—new license, or amendment; or license exemption request | 9,300 |
| 3. Application for export of components requiring the assistance of the Executive Branch to obtain foreign government assurances. | |
| Application—new license, or amendment; or license exemption request | 4,500 |
| 4. Application for export of facility components and equipment not requiring Commission or Executive Branch review, or obtaining foreign government assurances. | |
| Application—new license, or amendment; or license exemption request | 4,500 |
| 5. Minor amendment of any active export or import license, for example, to extend the expiration date, change domestic information, or make other revisions which do not involve any substantive changes to license terms or conditions or to the type of facility or component authorized for export and, therefore, do not require in-depth analysis or review or consultation with the Executive Branch, U.S. host state, or foreign government authorities. | |
| Minor amendment to license | 2,700 |

¹ Fees will not be charged for orders related to civil penalties or other civil sanctions issued by the Commission under § 2.202 of this chapter or for amendments resulting specifically from the requirements of these orders. For orders unrelated to civil penalties or other civil sanctions, fees will be charged for any resulting licensee-specific activities not otherwise exempted from fees under this chapter. Fees will be charged for approvals issued under a specific exemption provision of the Commission's regulations under Title 10 of the *Code of Federal Regulations* (e.g., 10 CFR 50.12, 10 CFR 73.5) and any other sections in effect now or in the future, regardless of whether the approval is in the form of a license amendment, letter of approval, safety evaluation report, or other form.

² Full cost fees will be determined based on the professional staff time and appropriate contractual support services expended. For applications currently on file and for which fees are determined based on the full cost expended for the review, the professional staff hours expended for the review of the application up to the effective date of the final rule will be determined at the professional rates in effect when the service was provided.

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⁴ Imports only of major components for end-use at NRC-licensed reactors are authorized under NRC general import license in 10 CFR 110.27.

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■ 4. In § 170.31, revise the table to read as follows:

§ 170.31 Schedule of fees for materials licenses and other regulatory services, including inspections, and import and export licenses.

* * * * *

SCHEDULE OF MATERIALS FEES

[See footnotes at end of table]

| Category of materials licenses and type of fees ¹ | Fee ^{2,3} |
|--|--------------------|
| 1. Special nuclear material: | |
| A. (1) Licenses for possession and use of U-235 or plutonium for fuel fabrication activities. | |
| (a) Strategic Special Nuclear Material (High Enriched Uranium) [Program Code(s): 21130] | Full Cost. |
| (b) Low Enriched Uranium in Dispersible Form Used for Fabrication of Power Reactor Fuel [Program Code(s): 21210] ... | Full Cost. |
| (2) All other special nuclear materials licenses not included in Category 1.A.(1) which are licensed for fuel cycle activities. | |
| (a) Facilities with limited operations [Program Code(s): 21310, 21320] | Full Cost. |
| (b) Gas centrifuge enrichment demonstration facilities | Full Cost. |
| (c) Others, including hot cell facilities | Full Cost. |
| B. Licenses for receipt and storage of spent fuel and reactor-related Greater than Class C (GTCC) waste at an independent spent fuel storage installation (ISFSI) [Program Code(s): 23200]. | Full Cost. |
| C. Licenses for possession and use of special nuclear material of less than a critical mass as defined in § 70.4 in sealed sources contained in devices used in industrial measuring systems, including x-ray fluorescence analyzers. ⁴ | |
| Application [Program Code(s): 22140] | \$1,200. |
| D. All other special nuclear material licenses, except licenses authorizing special nuclear material in sealed or unsealed form in combination that would constitute a critical mass, as defined in § 70.4 of this chapter, for which the licensee shall pay the same fees as those under Category 1.A. ⁴ | |
| Application [Program Code(s): 22110, 22111, 22120, 22131, 22136, 22150, 22151, 22161, 22170, 23100, 23300, 23310]. | \$2,500. |
| E. Licenses or certificates for construction and operation of a uranium enrichment facility [Program Code(s): 21200] | Full Cost. |
| F. Licenses for possession and use of special nuclear material greater than critical mass, as defined in § 70.4 of this chapter, for development and testing of commercial products, and other non-fuel-cycle activities. ⁴ [Program Code(s): 22155]. | Full Cost. |
| 2. Source material: | |
| A. (1) Licenses for possession and use of source material for refining uranium mill concentrates to uranium hexafluoride or for deconverting uranium hexafluoride in the production of uranium oxides for disposal. [Program Code(s): 11400]. | Full Cost. |
| (2) Licenses for possession and use of source material in recovery operations such as milling, <i>in-situ</i> recovery, heap-leaching, ore buying stations, ion-exchange facilities, and in processing of ores containing source material for extraction of metals other than uranium or thorium, including licenses authorizing the possession of byproduct waste material (tailings) from source material recovery operations, as well as licenses authorizing the possession and maintenance of a facility in a standby mode. | |
| (a) Conventional and Heap Leach facilities [Program Code(s): 11100] | Full Cost. |
| (b) Basic <i>In Situ</i> Recovery facilities [Program Code(s): 11500] | Full Cost. |
| (c) Expanded <i>In Situ</i> Recovery facilities [Program Code(s): 11510] | Full Cost. |
| (d) <i>In Situ</i> Recovery Resin facilities [Program Code(s): 11550] | Full Cost. |
| (e) Resin Toll Milling facilities [Program Code(s): 11555] | Full Cost. |
| (f) Other facilities [Program Code(s): 11700] | Full Cost. |
| (3) Licenses that authorize the receipt of byproduct material, as defined in Section 11e.(2) of the Atomic Energy Act, from other persons for possession and disposal, except those licenses subject to the fees in Category 2.A.(2) or Category 2.A.(4) [Program Code(s): 11600, 12000]. | Full Cost. |
| (4) Licenses that authorize the receipt of byproduct material, as defined in Section 11e.(2) of the Atomic Energy Act, from other persons for possession and disposal incidental to the disposal of the uranium waste tailings generated by the licensee's milling operations, except those licenses subject to the fees in Category 2.A.(2) [Program Code(s): 12010]. | Full Cost. |
| (5) Licenses that authorize the possession and use of source material related to removal of contaminants (source material) from drinking water [Program Code(s): 11820]. | Full Cost. |
| B. Licenses which authorize the possession, use, and/or installation of source material for shielding. ^{6,7,8} | |
| Application [Program Code(s): 11210] | \$1,170. |
| C. Licenses to distribute items containing source material to persons exempt from the licensing requirements of part 40 of this chapter. | |
| Application [Program Code(s): 11240] | \$2,200. |
| D. Licenses to distribute source material to persons generally licensed under part 40 of this chapter. | |
| Application [Program Code(s): 11230, 11231] | \$2,600. |
| E. Licenses for possession and use of source material for processing or manufacturing of products or materials containing source material for commercial distribution. | |
| Application [Program Code(s): 11710] | \$2,500. |
| F. All other source material licenses. | |
| Application [Program Code(s): 11200, 11220, 11221, 11300, 11800, 11810] | \$2,500. |
| 3. Byproduct material: | |
| A. Licenses of broad scope for the possession and use of byproduct material issued under parts 30 and 33 of this chapter for processing or manufacturing of items containing byproduct material for commercial distribution. | |
| Application [Program Code(s): 03211, 03212, 03213] | \$12,500. |
| B. Other licenses for possession and use of byproduct material issued under part 30 of this chapter for processing or manufacturing of items containing byproduct material for commercial distribution. | |
| Application [Program Code(s): 03214, 03215, 22135, 22162] | \$3,400. |

SCHEDULE OF MATERIALS FEES—Continued

[See footnotes at end of table]

| Category of materials licenses and type of fees ¹ | Fee ^{2,3} |
|---|--------------------|
| C. Licenses issued under §§ 32.72 and/or 32.74 of this chapter that authorize the processing or manufacturing and distribution or redistribution of radiopharmaceuticals, generators, reagent kits, and/or sources and devices containing byproduct material. This category does not apply to licenses issued to nonprofit educational institutions whose processing or manufacturing is exempt under § 170.11(a)(4). | |
| Application [Program Code(s): 02500, 02511, 02513] | \$5,000. |
| D. [Reserved] | N/A. |
| E. Licenses for possession and use of byproduct material in sealed sources for irradiation of materials in which the source is not removed from its shield (self-shielded units). | |
| Application [Program Code(s): 03510, 03520] | \$3,100. |
| F. Licenses for possession and use of less than 10,000 curies of byproduct material in sealed sources for irradiation of materials in which the source is exposed for irradiation purposes. This category also includes underwater irradiators for irradiation of materials where the source is not exposed for irradiation purposes. | |
| Application [Program Code(s): 03511] | \$6,200. |
| G. Licenses for possession and use of 10,000 curies or more of byproduct material in sealed sources for irradiation of materials in which the source is exposed for irradiation purposes. This category also includes underwater irradiators for irradiation of materials where the source is not exposed for irradiation purposes. | |
| Application [Program Code(s): 03521] | \$59,500. |
| H. Licenses issued under Subpart A of part 32 of this chapter to distribute items containing byproduct material that require device review to persons exempt from the licensing requirements of part 30 of this chapter. The category does not include specific licenses authorizing redistribution of items that have been authorized for distribution to persons exempt from the licensing requirements of part 30 of this chapter. | |
| Application [Program Code(s): 03254, 03255, 03257] | \$6,400. |
| I. Licenses issued under Subpart A of part 32 of this chapter to distribute items containing byproduct material or quantities of byproduct material that do not require device evaluation to persons exempt from the licensing requirements of part 30 of this chapter. This category does not include specific licenses authorizing redistribution of items that have been authorized for distribution to persons exempt from the licensing requirements of part 30 of this chapter. | |
| Application [Program Code(s): 03250, 03251, 03252, 03253, 03256] | \$9,500. |
| J. Licenses issued under Subpart B of part 32 of this chapter to distribute items containing byproduct material that require sealed source and/or device review to persons generally licensed under part 31 of this chapter. This category does not include specific licenses authorizing redistribution of items that have been authorized for distribution to persons generally licensed under part 31 of this chapter. | |
| Application [Program Code(s): 03240, 03241, 03243] | \$1,900. |
| K. Licenses issued under Subpart B of part 32 of this chapter to distribute items containing byproduct material or quantities of byproduct material that do not require sealed source and/or device review to persons generally licensed under part 31 of this chapter. This category does not include specific licenses authorizing redistribution of items that have been authorized for distribution to persons generally licensed under part 31 of this chapter. | |
| Application [Program Code(s): 03242, 03244] | \$1,100. |
| L. Licenses of broad scope for possession and use of byproduct material issued under parts 30 and 33 of this chapter for research and development that do not authorize commercial distribution. Number of locations of use: 1–5. | |
| (1) Licenses of broad scope for possession and use of byproduct material issued under parts 30 and 33 of this chapter for research and development that do not authorize commercial distribution. Number of locations of use: 6–19. | |
| (2) Licenses of broad scope for possession and use of byproduct material issued under parts 30 and 33 of this chapter for research and development that do not authorize commercial distribution. Number of locations of use: 20 or more. | |
| Application [Program Code(s): 01100, 01110, 01120, 03610, 03611, 03612, 03613, 04610, 04611, 04612, 04613, 04614, 04615, 04616, 04617, 04618, 04619, 04620, 04621, 04622, 04623] | \$5,300. |
| M. Other licenses for possession and use of byproduct material issued under part 30 of this chapter for research and development that do not authorize commercial distribution. | |
| Application [Program Code(s): 03620] | \$6,800. |
| N. Licenses that authorize services for other licensees, except: | |
| (1) Licenses that authorize only calibration and/or leak testing services are subject to the fees specified in fee Category 3.P.; and | |
| (2) Licenses that authorize waste disposal services are subject to the fees specified in fee Categories 4.A., 4.B., and 4.C. | |
| Application [Program Code(s): 03219, 03225, 03226] | \$7,000. |
| O. Licenses for possession and use of byproduct material issued under part 34 of this chapter for industrial radiography operations. | |
| Application [Program Code(s): 03310, 03320] | \$3,000. |
| P. All other specific byproduct material licenses, except those in Categories 4.A. through 9.D. ⁹ | |
| Application [Program Code(s): 02400, 02410, 03120, 03121, 03122, 03123, 03124, 03130, 03140, 03220, 03221, 03222, 03800, 03810, 22130] | \$3,300. |
| Q. Registration of a device(s) generally licensed under part 31 of this chapter. | |
| Registration | \$500. |
| R. Possession of items or products containing radium-226 identified in 10 CFR 31.12 which exceed the number of items or limits specified in that section. ⁵ | |
| 1. Possession of quantities exceeding the number of items or limits in 10 CFR 31.12(a)(4), or (5) but less than or equal to 10 times the number of items or limits specified. | |
| Application [Program Code(s): 02700] | \$2,500. |
| 2. Possession of quantities exceeding 10 times the number of items or limits specified in 10 CFR 31.12(a)(4), or (5). | |
| Application [Program Code(s): 02710] | \$2,400. |
| S. Licenses for production of accelerator-produced radionuclides. | |
| Application [Program Code(s): 03210] | \$13,600. |

SCHEDULE OF MATERIALS FEES—Continued

[See footnotes at end of table]

| Category of materials licenses and type of fees ¹ | Fee ^{2,3} |
|---|--------------------|
| 4. Waste disposal and processing: | |
| A. Licenses specifically authorizing the receipt of waste byproduct material, source material, or special nuclear material from other persons for the purpose of contingency storage or commercial land disposal by the licensee; or licenses authorizing contingency storage of low-level radioactive waste at the site of nuclear power reactors; or licenses for receipt of waste from other persons for incineration or other treatment, packaging of resulting waste and residues, and transfer of packages to another person authorized to receive or dispose of waste material. Application [Program Code(s): 03231, 03233, 03235, 03236, 06100, 06101] | Full Cost. |
| B. Licenses specifically authorizing the receipt of waste byproduct material, source material, or special nuclear material from other persons for the purpose of packaging or repackaging the material. The licensee will dispose of the material by transfer to another person authorized to receive or dispose of the material. Application [Program Code(s): 03234] | \$6,600. |
| C. Licenses specifically authorizing the receipt of prepackaged waste byproduct material, source material, or special nuclear material from other persons. The licensee will dispose of the material by transfer to another person authorized to receive or dispose of the material. Application [Program Code(s): 03232] | \$4,800. |
| 5. Well logging: | |
| A. Licenses for possession and use of byproduct material, source material, and/or special nuclear material for well logging, well surveys, and tracer studies other than field flooding tracer studies. Application [Program Code(s): 03110, 03111, 03112] | \$4,400. |
| B. Licenses for possession and use of byproduct material for field flooding tracer studies. Licensing [Program Code(s): 03113] | Full Cost. |
| 6. Nuclear laundries: | |
| A. Licenses for commercial collection and laundry of items contaminated with byproduct material, source material, or special nuclear material. Application [Program Code(s): 03218] | \$21,300. |
| 7. Medical licenses: | |
| A. Licenses issued under parts 30, 35, 40, and 70 of this chapter for human use of byproduct material, source material, or special nuclear material in sealed sources contained in gamma stereotactic radiosurgery units, teletherapy devices, or similar beam therapy devices. Application [Program Code(s): 02300, 02310] | \$10,700. |
| B. Licenses of broad scope issued to medical institutions or two or more physicians under parts 30, 33, 35, 40, and 70 of this chapter authorizing research and development, including human use of byproduct material, except licenses for byproduct material, source material, or special nuclear material in sealed sources contained in teletherapy devices. This category also includes the possession and use of source material for shielding when authorized on the same license ¹⁰ Application [Program Code(s): 02110] | \$8,300. |
| C. Other licenses issued under parts 30, 35, 40, and 70 of this chapter for human use of byproduct material, source material, and/or special nuclear material, except licenses for byproduct material, source material, or special nuclear material in sealed sources contained in teletherapy devices. Application [Program Code(s): 02120, 02121, 02200, 02201, 02210, 02220, 02230, 02231, 02240, 22160] | \$5,300. |
| 8. Civil defense: | |
| A. Licenses for possession and use of byproduct material, source material, or special nuclear material for civil defense activities. Application [Program Code(s): 03710] | \$2,500. |
| 9. Device, product, or sealed source safety evaluation: | |
| A. Safety evaluation of devices or products containing byproduct material, source material, or special nuclear material, except reactor fuel devices, for commercial distribution. Application—each device | \$5,200. |
| B. Safety evaluation of devices or products containing byproduct material, source material, or special nuclear material manufactured in accordance with the unique specifications of, and for use by, a single applicant, except reactor fuel devices. Application—each device | \$8,600. |
| C. Safety evaluation of sealed sources containing byproduct material, source material, or special nuclear material, except reactor fuel, for commercial distribution. Application—each source | \$5,100. |
| D. Safety evaluation of sealed sources containing byproduct material, source material, or special nuclear material, manufactured in accordance with the unique specifications of, and for use by, a single applicant, except reactor fuel. Application—each source | \$1,010. |
| 10. Transportation of radioactive material: | |
| A. Evaluation of casks, packages, and shipping containers: | |
| 1. Spent Fuel, High-Level Waste, and plutonium air packages | Full Cost. |
| 2. Other Casks | Full Cost. |
| B. Quality assurance program approvals issued under part 71 of this chapter. | |
| 1. Users and Fabricators: | |
| Application | \$4,000. |
| Inspections | Full Cost. |
| 2. Users: | |
| Application | \$4,000. |
| Inspections | Full Cost. |
| C. Evaluation of security plans, route approvals, route surveys, and transportation security devices (including immobilization devices). | Full Cost. |
| 11. Review of standardized spent fuel facilities | Full Cost. |
| 12. Special projects: | |

SCHEDULE OF MATERIALS FEES—Continued

[See footnotes at end of table]

| Category of materials licenses and type of fees ¹ | Fee ^{2,3} |
|---|--------------------|
| Including approvals, pre-application/licensing activities, and inspections. | |
| Application [Program Code: 25110] | Full Cost. |
| 13. A. Spent fuel storage cask Certificate of Compliance | Full Cost. |
| B. Inspections related to storage of spent fuel under § 72.210 of this chapter | Full Cost. |
| 14. A. Byproduct, source, or special nuclear material licenses and other approvals authorizing decommissioning, decontamination, reclamation, or site restoration activities under parts 30, 40, 70, 72, and 76 of this chapter, including MMLs. Application [Program Code(s): 3900, 11900, 21135, 21215, 21325, 22200]. | Full Cost. |
| B. Site-specific decommissioning activities associated with unlicensed sites, including MMLs, regardless of whether or not the sites have been previously licensed. | Full Cost. |
| 15. Import and Export licenses: | |
| Licenses issued under part 110 of this chapter for the import and export only of special nuclear material, source material, tritium and other byproduct material, and the export only of heavy water, or nuclear grade graphite (fee categories 15.A. through 15.E.). | |
| A. Application for export or import of nuclear materials, including radioactive waste requiring Commission and Executive Branch review, for example, those actions under 10 CFR 110.40(b). | |
| Application—new license, or amendment; or license exemption request | \$18,700. |
| B. Application for export or import of nuclear material, including radioactive waste, requiring Executive Branch review, but not Commission review. This category includes applications for the export and import of radioactive waste and requires NRC to consult with domestic host state authorities (i.e., Low-Level Radioactive Waste Compact Commission, the U.S. Environmental Protection Agency, etc.). | |
| Application—new license, or amendment; or license exemption request | \$9,300. |
| C. Application for export of nuclear material, for example, routine reloads of low enriched uranium reactor fuel and/or natural uranium source material requiring the assistance of the Executive Branch to obtain foreign government assurances. | |
| Application—new license, or amendment; or license exemption request | \$4,500. |
| D. Application for export or import of nuclear material not requiring Commission or Executive Branch review, or obtaining foreign government assurances. | |
| Application—new license, or amendment; or license exemption request | \$4,500. |
| E. Minor amendment of any active export or import license, for example, to extend the expiration date, change domestic information, or make other revisions which do not involve any substantive changes to license terms and conditions or to the type/quantity/chemical composition of the material authorized for export and, therefore, do not require in-depth analysis, review, or consultations with other Executive Branch, U.S. host state, or foreign government authorities. | |
| Minor amendment | \$2,700. |
| Licenses issued under part 110 of this chapter for the import and export only of Category 1 and Category 2 quantities of radioactive material listed in Appendix P to part 110 of this chapter (fee categories 15.F. through 15.R.). | |
| <i>Category 1 (Appendix P, 10 CFR Part 110) Exports:</i> | |
| F. Application for export of Appendix P Category 1 materials requiring Commission review (e.g., exceptional circumstance review under 10 CFR 110.42(e)(4)) and to obtain government-to-government consent for this process. For additional consent see 15.I.). | |
| Application—new license, or amendment; or license exemption request | \$14,700. |
| G. Application for export of Appendix P Category 1 materials requiring Executive Branch review and to obtain government-to-government consent for this process. For additional consents see 15.I. Application—new license, or amendment; or license exemption request. | \$8,000. |
| H. Application for export of Appendix P Category 1 materials and to obtain one government-to-government consent for this process. For additional consents see 15.I. | |
| Application—new license, or amendment; or license exemption request | \$4,000. |
| I. Requests for each additional government-to-government consent in support of an export license application or active export license. | |
| Application—new license, or amendment; or license exemption request | \$270. |
| <i>Category 2 (Appendix P, 10 CFR Part 110) Exports:</i> | |
| J. Application for export of Appendix P Category 2 materials requiring Commission review (e.g. exceptional circumstance review under 10 CFR 110.42(e)(4)). | |
| Application—new license, or amendment; or license exemption request | \$14,700. |
| K. Applications for export of Appendix P Category 2 materials requiring Executive Branch review. | |
| Application—new license, or amendment; or license exemption request | \$8,000. |
| L. Application for the export of Category 2 materials. | |
| Application—new license, or amendment; or license exemption request | \$3,200. |
| M. [Reserved] | N/A. |
| N. [Reserved] | N/A. |
| O. [Reserved] | N/A. |
| P. [Reserved] | N/A. |
| Q. [Reserved] | N/A. |
| <i>Minor Amendments (Category 1 and 2, Appendix P, 10 CFR Part 110, Export):</i> | |
| R. Minor amendment of any active export license, for example, to extend the expiration date, change domestic information, or make other revisions which do not involve any substantive changes to license terms and conditions or to the type/quantity/chemical composition of the material authorized for export and, therefore, do not require in-depth analysis, review, or consultations with other Executive Branch, U.S. host state, or foreign authorities. | |
| Minor amendment | \$1,300. |
| 16. Reciprocity: | |
| Agreement State licensees who conduct activities under the reciprocity provisions of 10 CFR 150.20. | |
| Application | \$1,800. |
| 17. Master materials licenses of broad scope issued to Government agencies | |

SCHEDULE OF MATERIALS FEES—Continued

[See footnotes at end of table]

| Category of materials licenses and type of fees ¹ | Fee ^{2,3} |
|--|--------------------|
| Application [Program Code(s): 03614] | Full Cost. |
| 18. Department of Energy: | |
| A. Certificates of Compliance. Evaluation of casks, packages, and shipping containers (including spent fuel, high-level waste, and other casks, and plutonium air packages). | Full Cost. |
| B. Uranium Mill Tailings Radiation Control Act (UMTRCA) activities | Full Cost. |

¹ *Types of fees*—Separate charges, as shown in the schedule, will be assessed for pre-application consultations and reviews; applications for new licenses, approvals, or license terminations; possession-only licenses; issuances of new licenses and approvals; certain amendments and renewals to existing licenses and approvals; safety evaluations of sealed sources and devices; generally licensed device registrations; and certain inspections. The following guidelines apply to these charges:

(a) *Application and registration fees.* Applications for new materials licenses and export and import licenses; applications to reinstate expired, terminated, or inactive licenses, except those subject to fees assessed at full costs; applications filed by Agreement State licensees to register under the general license provisions of 10 CFR 150.20; and applications for amendments to materials licenses that would place the license in a higher fee category or add a new fee category must be accompanied by the prescribed application fee for each category.

(1) Applications for licenses covering more than one fee category of special nuclear material or source material must be accompanied by the prescribed application fee for the highest fee category.

(2) Applications for new licenses that cover both byproduct material and special nuclear material in sealed sources for use in gauging devices will pay the appropriate application fee for fee category 1.C. only.

(b) *Licensing fees.* Fees for reviews of applications for new licenses, renewals, and amendments to existing licenses, pre-application consultations and other documents submitted to the NRC for review, and project manager time for fee categories subject to full cost fees are due upon notification by the Commission in accordance with § 170.12(b).

(c) *Amendment fees.* Applications for amendments to export and import licenses must be accompanied by the prescribed amendment fee for each license affected. An application for an amendment to an export or import license or approval classified in more than one fee category must be accompanied by the prescribed amendment fee for the category affected by the amendment, unless the amendment is applicable to two or more fee categories, in which case the amendment fee for the highest fee category would apply.

(d) *Inspection fees.* Inspections resulting from investigations conducted by the Office of Investigations and nonroutine inspections that result from third-party allegations are not subject to fees. Inspection fees are due upon notification by the Commission in accordance with § 170.12(c).

(e) *Generally licensed device registrations under 10 CFR 31.5.* Submittals of registration information must be accompanied by the prescribed fee.

² Fees will not be charged for orders related to civil penalties or other civil sanctions issued by the Commission under 10 CFR 2.202 or for amendments resulting specifically from the requirements of these orders. For orders unrelated to civil penalties or other civil sanctions, fees will be charged for any resulting licensee-specific activities not otherwise exempted from fees under this chapter. Fees will be charged for approvals issued under a specific exemption provision of the Commission's regulations under title 10 of the *Code of Federal Regulations* (e.g., 10 CFR 30.11, 40.14, 70.14, 73.5, and any other sections in effect now or in the future), regardless of whether the approval is in the form of a license amendment, letter of approval, safety evaluation report, or other form. In addition to the fee shown, an applicant may be assessed an additional fee for sealed source and device evaluations as shown in fee categories 9.A. through 9.D.

³ Full cost fees will be determined based on the professional staff time multiplied by the appropriate professional hourly rate established in § 170.20 in effect when the service is provided, and the appropriate contractual support services expended.

⁴ Licensees paying fees under categories 1.A., 1.B., and 1.E. are not subject to fees under categories 1.C., 1.D. and 1.F. for sealed sources authorized in the same license, except for an application that deals only with the sealed sources authorized by the license.

⁵ Persons who possess radium sources that are used for operational purposes in another fee category are not also subject to the fees in this category. (This exception does not apply if the radium sources are possessed for storage only.)

⁶ Licensees subject to fees under fee categories 1.A., 1.B., 1.E., or 2.A. must pay the largest applicable fee and are not subject to additional fees listed in this table.

⁷ Licensees paying fees under 3.C. are not subject to fees under 2.B. for possession and shielding authorized on the same license.

⁸ Licensees paying fees under 7.C. are not subject to fees under 2.B. for possession and shielding authorized on the same license.

⁹ Licensees paying fees under 3.N. are not subject to paying fees under 3.P. for calibration or leak testing services authorized on the same license.

¹⁰ Licensees paying fees under 7.B. are not subject to paying fees under 7.C. for broad scope license licenses issued under parts 30, 35, 40, and 70 of this chapter for human use of byproduct material, source material, and/or special nuclear material, except licenses for byproduct material, source material, or special nuclear material in sealed sources contained in teletherapy devices authorized on the same license.

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

■ 5. The authority citation for part 171 continues to read as follows:

Authority: Atomic Energy Act of 1954, secs. 11, 161(w), 223, 234 (42 U.S.C. 2014, 2201(w), 2273, 2282); Energy Reorganization Act of 1974, sec. 201 (42 U.S.C. 5841); 42 U.S.C. 2214; 44 U.S.C. 3504 note.

■ 6. In § 171.15, revise paragraph (b)(1), the introductory text of paragraph (b)(2), paragraph (c)(1), the introductory text of

paragraphs (c)(2) and (d)(1), and paragraphs (d)(2), (d)(3), and (f) to read as follows:

§ 171.15 Annual fees: Reactor licenses and independent spent fuel storage licenses.

* * * * *

(b)(1) The FY 2017 annual fee for each operating power reactor which must be collected by September 30, 2017, is \$4,318,000.

(2) The FY 2017 annual fees are comprised of a base annual fee for power reactors licensed to operate, a base spent fuel storage/reactor decommissioning annual fee, and associated additional charges (fee-relief adjustment). The activities comprising the spent storage/reactor decommissioning base annual fee are

shown in paragraphs (c)(2)(i) and (ii) of this section. The activities comprising the FY 2017 fee-relief adjustment are shown in paragraph (d)(1) of this section. The activities comprising the FY 2017 base annual fee for operating power reactors are as follows:

* * * * *

(c)(1) The FY 2017 annual fee for each power reactor holding a 10 CFR part 50 license that is in a decommissioning or possession-only status and has spent fuel onsite, and for each independent spent fuel storage 10 CFR part 72 licensee who does not hold a 10 CFR part 50 license, is \$194,000.

(2) The FY 2017 annual fee is comprised of a base spent fuel storage/reactor decommissioning annual fee (which is also included in the operating

power reactor annual fee shown in paragraph (b) of this section and a fee-relief adjustment. The activities comprising the FY 2017 fee-relief adjustment are shown in paragraph (d)(1) of this section. The activities comprising the FY 2017 spent fuel storage/reactor decommissioning re-baselined annual fee are:

* * * * *

(d)(1) The fee-relief adjustment allocated to annual fees includes a surcharge for the activities listed in paragraph (d)(1)(i) of this section, plus the amount remaining after total budgeted resources for the activities included in paragraphs (d)(1)(ii) and (d)(1)(iii) of this section are reduced by the appropriations the NRC receives for these types of activities. If the NRC's appropriations for these types of activities are greater than the budgeted resources for the activities included in paragraphs (d)(1)(ii) and (d)(1)(iii) of this section for a given fiscal year, annual fees will be reduced. The activities comprising the FY 2017 fee-relief adjustment are as follows:

* * * * *

(2) The total FY 2017 fee-relief adjustment allocated to the operating power reactor class of licenses is a –\$4,401,300 fee-relief surplus, not including the amount allocated to the spent fuel storage/reactor

decommissioning class. The FY 2017 operating power reactor fee-relief adjustment to be assessed to each operating power reactor is approximately a –44,458 fee-relief surplus. This amount is calculated by dividing the total operating power reactor fee-relief surplus adjustment, –\$4,401,300, by the number of operating power reactors (99).

(3) The FY 2017 fee-relief adjustment allocated to the spent fuel storage/reactor decommissioning class of licenses is a –\$230,700 fee-relief assessment. The FY 2017 spent fuel storage/reactor decommissioning fee-relief adjustment to be assessed to each operating power reactor, each power reactor in decommissioning or possession-only status that has spent fuel onsite, and to each independent spent fuel storage 10 CFR part 72 licensee who does not hold a 10 CFR part 50 license, is a –\$1,891 fee-relief assessment. This amount is calculated by dividing the total fee-relief adjustment costs allocated to this class by the total number of power reactor licenses, except those that permanently ceased operations and have no fuel onsite, and 10 CFR part 72 licensees who do not hold a 10 CFR part 50 license.

* * * * *

(f) The FY 2017 annual fees for licensees authorized to operate a

research or test (non-power) reactor licensed under 10 CFR part 50, unless the reactor is exempted from fees under § 171.11(a), are as follows:

| | |
|------------------------|----------|
| Research reactor | \$83,500 |
| Test reactor | \$83,500 |

■ 7. In § 171.16, revise paragraphs (c) and (d) and the introductory text of paragraph (e) to read as follows:

§ 171.16 Annual fees: Materials licensees, holders of certificates of compliance, holders of sealed source and device registrations, holders of quality assurance program approvals, and government agencies licensed by the NRC.

* * * * *

(c) A licensee who is required to pay an annual fee under this section, in addition to 10 CFR part 72 licenses, may qualify as a small entity. If a licensee qualifies as a small entity and provides the Commission with the proper certification along with its annual fee payment, the licensee may pay reduced annual fees as shown in the following table. Failure to file a small entity certification in a timely manner could result in the receipt of a delinquent invoice requesting the outstanding balance due and/or denial of any refund that might otherwise be due. The small entity fees are as follows:

| | Maximum annual fee per licensed category |
|--|--|
| Small Businesses Not Engaged in Manufacturing (Average gross receipts over last 3 completed fiscal years): | |
| \$485,000 to \$7 million | \$4,100 |
| Less than \$485,000 | 850 |
| Small Not-For-Profit Organizations (Annual Gross Receipts): | |
| \$485,000 to \$7 million | 4,100 |
| Less than \$485,000 | 850 |
| Manufacturing Entities that Have An Average of 500 Employees or Fewer: | |
| 35 to 500 employees | 4,100 |
| Fewer than 35 employees | 850 |
| Small Governmental Jurisdictions (Including publicly supported educational institutions) (Population): | |
| 20,000 to 49,999 | 4,100 |
| Fewer than 20,000 | 850 |
| Educational Institutions that are not State or Publicly Supported, and have 500 Employees or Fewer: | |
| 35 to 500 employees | 4,100 |
| Fewer than 35 employees | 850 |

(d) The FY 2017 annual fees are comprised of a base annual fee and an allocation for fee-relief adjustment. The activities comprising the FY 2017 fee-

relief adjustment are shown for convenience in paragraph (e) of this section. The FY 2017 annual fees for materials licensees and holders of

certificates, registrations, or approvals subject to fees under this section are shown in the following table:

SCHEDULE OF MATERIALS ANNUAL FEES AND FEES FOR GOVERNMENT AGENCIES LICENSED BY NRC

[See footnotes at end of table]

| Category of materials licenses | Annual fees ^{1 2 3} |
|--------------------------------|------------------------------|
| 1. Special nuclear material: | |

SCHEDULE OF MATERIALS ANNUAL FEES AND FEES FOR GOVERNMENT AGENCIES LICENSED BY NRC—Continued

[See footnotes at end of table]

| Category of materials licenses | Annual fees ^{1 2 3} |
|---|------------------------------|
| A. (1) Licenses for possession and use of U-235 or plutonium for fuel fabrication activities | |
| (a) Strategic Special Nuclear Material (High Enriched Uranium) [Program Code(s): 21130] | \$6,599,000 |
| (b) Low Enriched Uranium in Dispersible Form Used for Fabrication of Power Reactor Fuel [Program Code(s): 21210] | 2,391,000 |
| (2) All other special nuclear materials licenses not included in Category 1.A.(1) which are licensed for fuel cycle activities | |
| (a) Facilities with limited operations [Program Code(s): 21310, 21320] | 0 |
| (b) Gas centrifuge enrichment demonstration facilities | 1,291,000 |
| (c) Others, including hot cell facilities | 646,000 |
| B. Licenses for receipt and storage of spent fuel and reactor-related Greater than Class C (GTCC) waste at an independent spent fuel storage installation (ISFSI) [Program Code(s): 23200] | ¹¹ N/A |
| C. Licenses for possession and use of special nuclear material of less than a critical mass, as defined in § 70.4 of this chapter, in sealed sources contained in devices used in industrial measuring systems, including x-ray fluorescence analyzers. ¹⁵ [Program Code(s): 22140] | 3,100 |
| D. All other special nuclear material licenses, except licenses authorizing special nuclear material in sealed or unsealed form in combination that would constitute a critical mass, as defined in § 70.4 of this chapter, for which the licensee shall pay the same fees as those under Category 1.A. ¹⁵ [Program Code(s): 22110, 22111, 22120, 22131, 22136, 22150, 22151, 22161, 22170, 23100, 23300, 23310] | 8,800 |
| E. Licenses or certificates for the operation of a uranium enrichment facility [Program Code(s): 21200] | 3,156,000 |
| F. Licenses for possession and use of special nuclear material greater than critical mass, as defined in 70.4 of this chapter, for development and testing of commercial products, and other non-fuel-cycle activities. ¹⁵ [Program Code: 22155] | 6,500 |
| 2. Source material: | |
| A. (1) Licenses for possession and use of source material for refining uranium mill concentrates to uranium hexafluoride or for deconverting uranium hexafluoride in the production of uranium oxides for disposal. [Program Code: 11400] | 1,363,000 |
| (2) Licenses for possession and use of source material in recovery operations such as milling, in-situ recovery, heap-leaching, ore buying stations, ion-exchange facilities and in-processing of ores containing source material for extraction of metals other than uranium or thorium, including licenses authorizing the possession of byproduct waste material (tailings) from source material recovery operations, as well as licenses authorizing the possession and maintenance of a facility in a standby mode | |
| (a) Conventional and Heap Leach facilities [Program Code(s): 11100] | 42,300 |
| (b) Basic <i>In Situ</i> Recovery facilities [Program Code(s): 11500] | 53,600 |
| (c) Expanded <i>In Situ</i> Recovery facilities [Program Code(s): 11510] | 60,700 |
| (d) <i>In Situ</i> Recovery Resin facilities [Program Code(s): 11550] | 0 |
| (e) Resin Toll Milling facilities [Program Code(s): 11555] | ⁵ N/A |
| (3) Licenses that authorize the receipt of byproduct material, as defined in Section 11e.(2) of the Atomic Energy Act, from other persons for possession and disposal, except those licenses subject to the fees in Category 2.A.(2) or Category 2.A.(4) [Program Code(s): 11600, 12000] | ⁵ N/A |
| (4) Licenses that authorize the receipt of byproduct material, as defined in Section 11e.(2) of the Atomic Energy Act, from other persons for possession and disposal incidental to the disposal of the uranium waste tailings generated by the licensee's milling operations, except those licenses subject to the fees in Category 2.A.(2) [Program Code(s): 12010] | 24,000 |
| (5) Licenses that authorize the possession of source material related to removal of contaminants (source material) from drinking water [Program Code(s): 11820] | 7,100 |
| B. Licenses that authorize possession, use, and/or installation of source material for shielding. ^{16 17 18} [Program Code: 11210] | 3,400 |
| C. Licenses to distribute items containing source material to persons exempt from the licensing requirements of part 40 of this chapter. [Program Code: 11240] | 5,600 |
| D. Licenses to distribute source material to persons generally licensed under part 40 of this chapter [Program Code(s): 11230 and 11231] | 6,400 |
| E. Licenses for possession and use of source material for processing or manufacturing of products or materials containing source material for commercial distribution. [Program Code: 11710] | 8,000 |
| F. All other source material licenses [Program Code(s): 11200, 11220, 11221, 11300, 11800, 11810] | 9,500 |
| 3. Byproduct material: | |
| A. Licenses of broad scope for possession and use of byproduct material issued under parts 30 and 33 of this chapter for processing or manufacturing of items containing byproduct material for commercial distribution [Program Code(s): 03211, 03212, 03213] | 30,800 |
| B. Other licenses for possession and use of byproduct material issued under part 30 of this chapter for processing or manufacturing of items containing byproduct material for commercial distribution [Program Code(s): 03214, 03215, 22135, 22162] | 11,700 |
| C. Licenses issued under §§ 32.72 and/or 32.74 of this chapter authorizing the processing or manufacturing and distribution or redistribution of radiopharmaceuticals, generators, reagent kits, and/or sources and devices containing byproduct material. This category also includes the possession and use of source material for shielding authorized under part 40 of this chapter when included on the same license. This category does not apply to licenses issued to nonprofit educational institutions whose processing or manufacturing is exempt under § 171.11(a)(1). [Program Code(s): 02500, 02511, 02513] | 13,100 |
| D. [Reserved] | ⁵ N/A |
| E. Licenses for possession and use of byproduct material in sealed sources for irradiation of materials in which the source is not removed from its shield (self-shielded units) [Program Code(s): 03510, 03520] | 10,900 |
| F. Licenses for possession and use of less than 10,000 curies of byproduct material in sealed sources for irradiation of materials in which the source is exposed for irradiation purposes. This category also includes underwater irradiators for irradiation of materials in which the source is not exposed for irradiation purposes [Program Code(s): 03511] | 11,700 |

SCHEDULE OF MATERIALS ANNUAL FEES AND FEES FOR GOVERNMENT AGENCIES LICENSED BY NRC—Continued

[See footnotes at end of table]

| Category of materials licenses | Annual fees ^{1 2 3} |
|---|------------------------------|
| G. Licenses for possession and use of 10,000 curies or more of byproduct material in sealed sources for irradiation of materials in which the source is exposed for irradiation purposes. This category also includes underwater irradiators for irradiation of materials in which the source is not exposed for irradiation purposes [Program Code(s): 03521] | 95,800 |
| H. Licenses issued under subpart A of part 32 of this chapter to distribute items containing byproduct material that require device review to persons exempt from the licensing requirements of part 30 of this chapter, except specific licenses authorizing redistribution of items that have been authorized for distribution to persons exempt from the licensing requirements of part 30 of this chapter [Program Code(s): 03254, 03255] | 11,800 |
| I. Licenses issued under subpart A of part 32 of this chapter to distribute items containing byproduct material or quantities of byproduct material that do not require device evaluation to persons exempt from the licensing requirements of part 30 of this chapter, except for specific licenses authorizing redistribution of items that have been authorized for distribution to persons exempt from the licensing requirements of part 30 of this chapter [Program Code(s): 03250, 03251, 03252, 03253, 03256] | 16,300 |
| J. Licenses issued under subpart B of part 32 of this chapter to distribute items containing byproduct material that require sealed source and/or device review to persons generally licensed under part 31 of this chapter, except specific licenses authorizing redistribution of items that have been authorized for distribution to persons generally licensed under part 31 of this chapter [Program Code(s): 03240, 03241, 03243] | 4,500 |
| K. Licenses issued under subpart B of part 32 of this chapter to distribute items containing byproduct material or quantities of byproduct material that do not require sealed source and/or device review to persons generally licensed under part 31 of this chapter, except specific licenses authorizing redistribution of items that have been authorized for distribution to persons generally licensed under part 31 of this chapter [Program Code(s): 03242, 03244] | 3,400 |
| L. Licenses of broad scope for possession and use of byproduct material issued under parts 30 and 33 of this chapter for research and development that do not authorize commercial distribution. Number of locations of use: 1–5. [Program Code(s): 01100, 01110, 01120, 03610, 03611, 03612, 03613] | 16,500 |
| (1) Licenses of broad scope for possession and use of product material issued under parts 30 and 33 of this chapter for research and development that do not authorize commercial distribution. Number of locations of use: 6–19. [Program Code(s): 04610, 04612, 04614, 04616, 04618, 04620, 04622] | 26,200 |
| (2) Licenses of broad scope for possession and use of byproduct material issued under parts 30 and 33 of this chapter for research and development that do not authorize commercial distribution. Number of locations of use: 20 or more. [Program Code(s): 04611, 04613, 04615, 04617, 04619, 04621, 04623] | 33,100 |
| M. Other licenses for possession and use of byproduct material issued under part 30 of this chapter for research and development that do not authorize commercial distribution [Program Code(s): 03620] | 14,900 |
| N. Licenses that authorize services for other licensees, except: (1) Licenses that authorize only calibration and/or leak testing services are subject to the fees specified in fee Category 3.P.; and (2) Licenses that authorize waste disposal services are subject to the fees specified in fee categories 4.A., 4.B., and 4.C. [Program Code(s): 03219, 03225, 03226] | 22,200 |
| O. Licenses for possession and use of byproduct material issued under part 34 of this chapter for industrial radiography operations. This category also includes the possession and use of source material for shielding authorized under part 40 of this chapter when authorized on the same license [Program Code(s): 03310, 03320] | 27,100 |
| P. All other specific byproduct material licenses, except those in Categories 4.A. through 9.D. ¹⁹ [Program Code(s): 02400, 02410, 03120, 03121, 03122, 03123, 03124, 03140, 03130, 03220, 03221, 03222, 03800, 03810, 22130] | 9,200 |
| Q. Registration of devices generally licensed under part 31 of this chapter | ¹³ N/A |
| R. Possession of items or products containing radium-226 identified in 10 CFR 31.12 which exceed the number of items or limits specified in that section: ¹⁴ | |
| 1. Possession of quantities exceeding the number of items or limits in 10 CFR 31.12(a)(4), or (5) but less than or equal to 10 times the number of items or limits specified [Program Code(s): 02700] | 7,700 |
| 2. Possession of quantities exceeding 10 times the number of items or limits specified in 10 CFR 31.12(a)(4) or (5) [Program Code(s): 02710] | 8,000 |
| S. Licenses for production of accelerator-produced radionuclides [Program Code(s): 03210] | 32,200 |
| 4. Waste disposal and processing: | |
| A. Licenses specifically authorizing the receipt of waste byproduct material, source material, or special nuclear material from other persons for the purpose of contingency storage or commercial land disposal by the licensee; or licenses authorizing contingency storage of low-level radioactive waste at the site of nuclear power reactors; or licenses for receipt of waste from other persons for incineration or other treatment, packaging of resulting waste and residues, and transfer of packages to another person authorized to receive or dispose of waste material [Program Code(s): 03231, 03233, 03235, 03236, 06100, 06101] | ⁵ N/A |
| B. Licenses specifically authorizing the receipt of waste byproduct material, source material, or special nuclear material from other persons for the purpose of packaging or repackaging the material. The licensee will dispose of the material by transfer to another person authorized to receive or dispose of the material [Program Code(s): 03234] | 21,000 |
| C. Licenses specifically authorizing the receipt of prepackaged waste byproduct material, source material, or special nuclear material from other persons. The licensee will dispose of the material by transfer to another person authorized to receive or dispose of the material [Program Code(s): 03232] | 14,200 |
| 5. Well logging: | |
| A. Licenses for possession and use of byproduct material, source material, and/or special nuclear material for well logging, well surveys, and tracer studies other than field flooding tracer studies [Program Code(s): 03110, 03111, 03112] | 16,100 |
| B. Licenses for possession and use of byproduct material for field flooding tracer studies. [Program Code(s): 03113] | ⁵ N/A |
| 6. Nuclear laundries: | |
| A. Licenses for commercial collection and laundry of items contaminated with byproduct material, source material, or special nuclear material [Program Code(s): 03218] | 38,500 |
| 7. Medical licenses: | |

SCHEDULE OF MATERIALS ANNUAL FEES AND FEES FOR GOVERNMENT AGENCIES LICENSED BY NRC—Continued

[See footnotes at end of table]

| Category of materials licenses | Annual fees ^{1 2 3} |
|--|------------------------------|
| A. Licenses issued under parts 30, 35, 40, and 70 of this chapter for human use of byproduct material, source material, or special nuclear material in sealed sources contained in gamma stereotactic radiosurgery units, teletherapy devices, or similar beam therapy devices. This category also includes the possession and use of source material for shielding when authorized on the same license. [Program Code(s): 02300, 02310] | 23,900 |
| B. Licenses of broad scope issued to medical institutions or two or more physicians under parts 30, 33, 35, 40, and 70 of this chapter authorizing research and development, including human use of byproduct material, except licenses for byproduct material, source material, or special nuclear material in sealed sources contained in teletherapy devices. This category also includes the possession and use of source material for shielding when authorized on the same license. ⁹ [Program Code(s): 02110] | 33,900 |
| C. Other licenses issued under parts 30, 35, 40, and 70 of this chapter for human use of byproduct material, source material, and/or special nuclear material, except licenses for byproduct material, source material, or special nuclear material in sealed sources contained in teletherapy devices. This category also includes the possession and use of source material for shielding when authorized on the same license. ^{9 20} [Program Code(s): 02120, 02121, 02200, 02201, 02210, 02220, 02230, 02231, 02240, 22160] | 14,800 |
| 8. Civil defense: | |
| A. Licenses for possession and use of byproduct material, source material, or special nuclear material for civil defense activities [Program Code(s): 03710] | 7,700 |
| 9. Device, product, or sealed source safety evaluation: | |
| A. Registrations issued for the safety evaluation of devices or products containing byproduct material, source material, or special nuclear material, except reactor fuel devices, for commercial distribution | 7,600 |
| B. Registrations issued for the safety evaluation of devices or products containing byproduct material, source material, or special nuclear material manufactured in accordance with the unique specifications of, and for use by, a single applicant, except reactor fuel devices | 12,600 |
| C. Registrations issued for the safety evaluation of sealed sources containing byproduct material, source material, or special nuclear material, except reactor fuel, for commercial distribution | 7,500 |
| D. Registrations issued for the safety evaluation of sealed sources containing byproduct material, source material, or special nuclear material, manufactured in accordance with the unique specifications of, and for use by, a single applicant, except reactor fuel | 1,500 |
| 10. Transportation of radioactive material: | |
| A. Certificates of Compliance or other package approvals issued for design of casks, packages, and shipping containers. | |
| 1. Spent Fuel, High-Level Waste, and plutonium air packages | ⁶ N/A |
| 2. Other Casks | ⁶ N/A |
| B. Quality assurance program approvals issued under part 71 of this chapter | |
| 1. Users and Fabricators | ⁶ N/A |
| 2. Users | ⁶ N/A |
| C. Evaluation of security plans, route approvals, route surveys, and transportation security devices (including immobilization devices) | ⁶ N/A |
| 11. Standardized spent fuel facilities | ⁶ N/A |
| 12. Special Projects [Program Code(s): 25110] | ⁶ N/A |
| 13. A. Spent fuel storage cask Certificate of Compliance | ⁶ N/A |
| B. General licenses for storage of spent fuel under 10 CFR 72.210 | ¹² N/A |
| 14. Decommissioning/Reclamation: | |
| A. Byproduct, source, or special nuclear material licenses and other approvals authorizing decommissioning, decontamination, reclamation, or site restoration activities under parts 30, 40, 70, 72, and 76 of this chapter, including master materials licenses (MMLs) [Program Code(s): 3900, 11900, 21135, 21215, 21325, 22200] | ⁷ N/A |
| B. Site-specific decommissioning activities associated with unlicensed sites, including MMLs, whether or not the sites have been previously licensed | ⁷ N/A |
| 15. Import and Export licenses | ⁸ N/A |
| 16. Reciprocity | ⁸ N/A |
| 17. Master materials licenses of broad scope issued to Government agencies [Program Code(s): 03614] | 342,000 |
| 18. Department of Energy. | |
| A. Certificates of Compliance | ¹⁰ 1,423,000 |
| B. Uranium Mill Tailings Radiation Control Act (UMTRCA) activities | 627,000 |

¹ Annual fees will be assessed based on whether a licensee held a valid license with the NRC authorizing possession and use of radioactive material during the current FY. The annual fee is waived for those materials licenses and holders of certificates, registrations, and approvals who either filed for termination of their licenses or approvals or filed for possession only/storage licenses before October 1, 2015, and permanently ceased licensed activities entirely before this date. Annual fees for licensees who filed for termination of a license, downgrade of a license, or for a possession-only license during the FY and for new licenses issued during the FY will be prorated in accordance with the provisions of § 171.17. If a person holds more than one license, certificate, registration, or approval, the annual fee(s) will be assessed for each license, certificate, registration, or approval held by that person. For licenses that authorize more than one activity on a single license (e.g., human use and irradiator activities), annual fees will be assessed for each category applicable to the license.

² Payment of the prescribed annual fee does not automatically renew the license, certificate, registration, or approval for which the fee is paid. Renewal applications must be filed in accordance with the requirements of parts 30, 40, 70, 71, 72, or 76 of this chapter.

³ Each FY, fees for these materials licenses will be calculated and assessed in accordance with § 171.13 and will be published in the **Federal Register** for notice and comment.

⁴ Other facilities include licenses for extraction of metals, heavy metals, and rare earths.

⁵ There are no existing NRC licenses in these fee categories. If NRC issues a license for these categories, the Commission will consider establishing an annual fee for this type of license.

⁶ Standardized spent fuel facilities, 10 CFR parts 71 and 72 Certificates of Compliance and related Quality Assurance program approvals, and special reviews, such as topical reports, are not assessed an annual fee because the generic costs of regulating these activities are primarily attributable to users of the designs, certificates, and topical reports.

⁷ Licensees in this category are not assessed an annual fee because they are charged an annual fee in other categories while they are licensed to operate.

⁸ No annual fee is charged because it is not practical to administer due to the relatively short life or temporary nature of the license.

⁹ Separate annual fees will not be assessed for pacemaker licenses issued to medical institutions that also hold nuclear medicine licenses under fee categories 7.B. or 7.C.

¹⁰ This includes Certificates of Compliance issued to the U.S. Department of Energy that are not funded from the Nuclear Waste Fund.

¹¹ See § 171.15(c).

¹² See § 171.15(c).

¹³ No annual fee is charged for this category because the cost of the general license registration program applicable to licenses in this category will be recovered through 10 CFR part 170 fees.

¹⁴ Persons who possess radium sources that are used for operational purposes in another fee category are not also subject to the fees in this category. (This exception does not apply if the radium sources are possessed for storage only.)

¹⁵ Licensees paying annual fees under category 1.A., 1.B., and 1.E. are not subject to the annual fees for categories 1.C., 1.D., and 1.F. for sealed sources authorized in the license.

¹⁶ Licensees subject to fees under categories 1.A., 1.B., 1.E., or 2.A. must pay the largest applicable fee and are not subject to additional fees listed in this table.

¹⁷ Licensees paying fees under 3.C. are not subject to fees under 2.B. for possession and shielding authorized on the same license.

¹⁸ Licensees paying fees under 7.C. are not subject to fees under 2.B. for possession and shielding authorized on the same license.

¹⁹ Licensees paying fees under 3.N. are not subject to paying fees under 3.P. for calibration or leak testing services authorized on the same license.

²⁰ Licensees paying fees under 7.B. are not subject to paying fees under 7.C. for broad scope license licenses issued under parts 30, 35, 40, and 70 of this chapter for human use of byproduct material, source material, and/or special nuclear material, except licenses for byproduct material, source material, or special nuclear material in sealed sources contained in teletherapy devices authorized on the same license.

(e) The fee-relief adjustment allocated to annual fees includes the budgeted resources for the activities listed in paragraph (e)(1) of this section, plus the total budgeted resources for the activities included in paragraphs (e)(2) and (3) of this section, as reduced by the appropriations the NRC receives for these types of activities. If the NRC's appropriations for these types of

activities are greater than the budgeted resources for the activities included in paragraphs (e)(2) and (e)(3) of this section for a given fiscal year, a negative fee-relief adjustment (or annual fee reduction) will be allocated to annual fees. The activities comprising the FY 2017 fee-relief adjustment are as follows:

* * * * *

Dated at Rockville, Maryland, this 12 day of January 2017.

For the Nuclear Regulatory Commission.

Maureen E. Wylie,
Chief Financial Officer.

[FR Doc. 2017-01886 Filed 1-27-17; 8:45 am]

BILLING CODE 7590-01-P