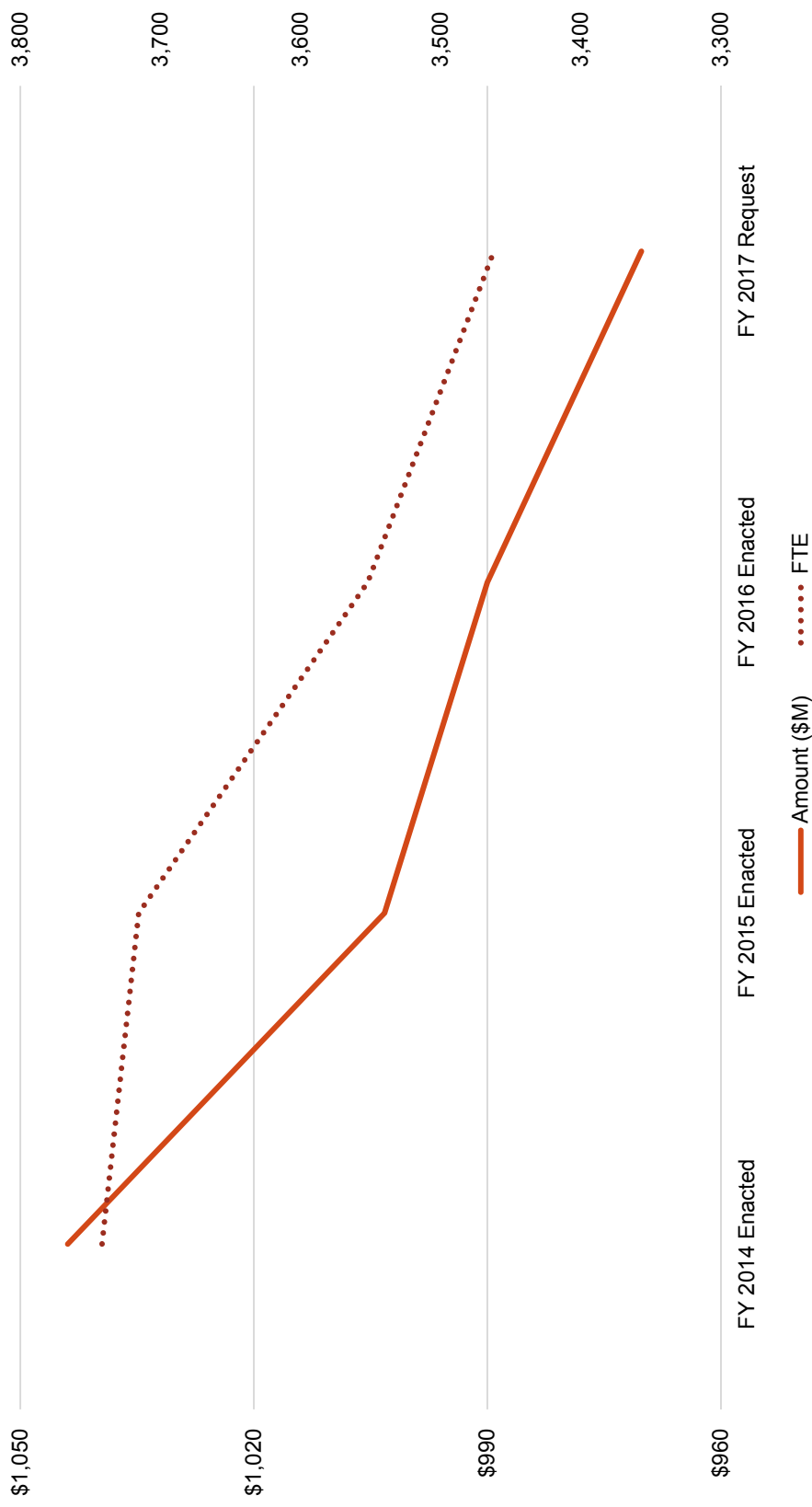


FY 2017 Congressional Budget Justification Summary

U.S. Nuclear Regulatory Commission
February 9, 2016

U.S. Nuclear Regulatory Commission FY 2014 - FY 2017 Budget Excluding Office of the Inspector General (Dollars in Millions)



- The NRC budget has decreased by \$73.7 million, including 279.7 FTE, between the FY 2014 Enacted Budget and the FY 2017 Request.

FY 2017 Nuclear Regulatory Commission Budget Summary (Dollars in Millions)

	<u>FY 2016 Enacted</u>	<u>FY 2017 Request</u>	<u>Delta</u>
Nuclear Reactor Safety	\$760.4	\$757.4	(\$3.0)
Nuclear Materials and Waste Safety	214.6	212.8	(1.8)
Integrated University Program	15.0	0.0	(15.0)
Total, without OIG	\$990.0	\$970.2	(\$19.8)
Office of the Inspector General	12.1	12.1	0.0
Total, NRC	\$1,002.1	\$982.3	(\$19.8)

FY 2017 Staffing Level (Excluding Reimbursable FTE)

	<u>FY 2016 Enacted</u>	<u>FY 2017 Request</u>	<u>Delta</u>
Nuclear Reactor Safety	2,780.1	2,718.2	(61.9)
Nuclear Materials and Waste Safety	771.9	743.8	(28.1)
Integrated University Program	0.0	0.0	0.0
Total, without OIG	3,552.0	3,462.0	(90.0)
Office of the Inspector General	63.0	63.0	0.0
Total, NRC	3,615.0	3,525.0	(90.0)

Net Appropriation (Dollars in Millions)

	<u>FY 2016</u> <u>Enacted</u>	<u>FY 2017</u> <u>Request</u>	<u>Delta</u>
Budget Authority	\$1,002.1	\$982.3	(\$19.8)
<u>Offsetting Fees</u>	<u>883.1</u>	<u>861.2</u>	<u>(21.9)</u>
Net Appropriation*	\$119.0	\$121.1	\$2.1

Breakout of Net Appropriation (Dollars in Millions)

	<u>FY 2016</u> <u>Enacted</u>	<u>FY 2017</u> <u>Request</u>	<u>Delta</u>
Waste Incidental to Reprocessing	\$1.5	\$1.4	(\$0.1)
Generic Homeland Security	18.5	18.0	(0.5)
OIG - Defense Nuclear Facilities Safety Board	1.0	1.0	0.0
Advanced Reactors Research and Development	0.0	5.0	5.0
<u>General Fund – Other</u>	<u>98.0</u>	<u>95.7</u>	<u>(2.3)</u>
Total Net Appropriations*	\$119.0	\$121.1	\$2.1

* Numbers may not add due to rounding.

FY 2017 Congressional Budget Justification Highlights

- The FY 2017 budget request fully supports the NRC's safety and security programs, and the agency's primary focus continues to be protecting public health and ensuring the long-term safety of nuclear materials and facilities.
- FY 2017 request represents a decrease of \$19.8 million or 2 percent when compared with the FY 2016 Enacted Budget.
- The FY 2017 budget request includes \$5 million in non-feebillable activities for advanced nuclear reactor technologies in support of Mission Innovation – as part of the President's commitment to double clean energy research and development in five years.
- NRC recovers approximately 90 percent of its budget from licensee fees (less other specific activities which are not fee recoverable). This will result in a net appropriation of \$121.1 million, an increase of \$2.1 million in net appropriations when compared with the FY 2016 Enacted Budget.

FY 2017 Congressional Budget Justification Highlights (continued)

- The agency has undertaken a number of initiatives in Project Aim to improve the efficiency and effectiveness of its operations.
- A key action involves re-baselining the agency's workload, which involved reviewing the agency's current and projected workload and developing a list of lower priority activities that can either be shed or performed with fewer resources.
- Some savings from Project Aim are included in the FY 2017 budget request.
- The NRC reviewed activities categorized as overhead/Corporate Support and made changes to the FY 2017 budget request to better align resources in the mission areas they support.
- The NRC reduced \$11.5 million from the FY 2016 President's Budget in Corporate Support as part of an agency-wide effort to find efficiencies.

Resources by Major Program

Major Programs	FY 2016 Enacted		FY 2017 Request		Delta FY17 - FY16	
	\$M*	FTE	\$M*	FTE	\$M*	FTE
Operating Reactors	\$589.2	2,157.2	\$587.5	2,103.6	(\$1.7)	(53.6)
New Reactors	\$171.3	622.9	\$169.9	614.6	(\$1.4)	(8.3)
Fuel Facilities	\$44.3	172.5	\$41.5	157.1	(\$2.9)	(15.4)
Materials Users	\$91.6	310.8	\$92.6	307.9	\$0.9	(2.9)
Spent Fuel Storage and Transportation	\$36.1	135.7	\$37.2	129.3	\$1.1	(6.5)
Decommissioning and Low-Level Waste	\$42.5	152.9	\$41.6	149.5	(\$1.0)	(3.3)
Integrated University Program	\$15.0	0.0	\$0.0	0.0	(\$15.0)	0.0
Total NRC, w/o OIG	\$990.0	3,552.0	\$970.2	3,462.0	(\$19.8)	(90.0)
Office of the Inspector General	\$12.1	63.0	\$12.1	63.0	\$0.0	0.0
Total**	\$1,002.1	3,615.0	\$982.4	3,525.0	(\$19.8)	(90.0)

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

FY 2015 Accomplishments

- Issued a 40-year operating license for Watts Bar Unit 2, the first reactor the NRC has authorized to operate since 1996
- Issued a combined license authorizing DTE Electric to build and operate an Economic Simplified Boiling Water Reactor at the Fermi site
- Approved the first underground spent fuel storage installation at the Callaway Nuclear Plant
- Made significant progress in assuring the implementation of safety enhancements at U.S. facilities in response to the lesson learned from the accident at Fukushima Daiichi
- Reduced the licensing backlog by 50% by the end of calendar year 2015
- Adjusted the Reactor Oversight Process criteria for subjecting a nuclear power plant to additional oversight
- Continued to oversee the safe and secure operation of nuclear power plants and fuel cycle facilities, as well as the possession and use of radioactive materials

FY 2015 Accomplishments (continued)

- Published a number of important rulemaking and guidance documents, including the proposed rule on mitigation of beyond-design-basis events, draft guidance for subsequent renewal of nuclear power plant operating licenses, the Advanced Notice of Proposed Rulemaking for a new decommissioning rulemaking, and changes to the petition-for-rulemaking process.
- Conducted almost 1,000 public meetings as part of our efforts to maintain regular communications with our stakeholders
- Released the final two volumes of the Yucca Mountain safety evaluation report and published a draft supplement to the Yucca Mountain environmental impact statement
- Participated in Southern Exposure 2015, a full-Federal, whole community exercise involving multiple Federal agencies and the State of South Carolina, to examine the response to and recovery from a simulated nuclear power plant accident
- Submitted the initial Project Aim report to the Commission and made substantial progress implementing the Commission's direction

FY 2017 Major Program Highlights

Reactor Safety

- Continue licensing and oversight activities for 100 commercial nuclear power reactors (includes the operation of Watts Bar Nuclear Power Plant, Unit 2)
- The number of 100 reactors does not include the five reactors (Kewaunee Power Station, San Onofre Nuclear Generating Station, Units 2 and 3, Vermont Yankee Nuclear Power Station, and Crystal River 3 Nuclear Power Plant), that have submitted letters notifying the NRC that they have permanently ceased operations.
- Continue to address the lessons learned from the Fukushima Dai-ichi Nuclear Power Plant accident in Japan.
- NRC plans to review three applications for medical isotope production facilities, including reviewing an operating license for one facility (SHINE Medical Technologies, Inc.) and conducting environmental and safety reviews of construction permits at two others (Northwest Medical Isotopes, LLC and Coqui RadioPharmaceuticals, Corp.). In addition, the NRC expects to perform oversight of construction of one medical isotope facility (SHINE Medical Technologies, Inc.).

FY 2017 Major Program Highlights

Reactor Safety (continued)

- Review three new reactor combined operating licenses (North Anna, Turkey Point, and Bell Bend), two design certifications (US-APWR and APR-1400), two design certification renewals (GE-Hitachi Advanced Boiling-Water Reactor ABWR and Toshiba ABWR), and one early site permit application (Blue Castle).
- Review one new small modular reactor design certification (NuScale) and one early site permit (TVA Clinch River).
- Oversee the construction of four new reactors (Vogtle Electric Generating Plants, Units 3 and 4, and Virgil C. Summer, Units 2 and 3) and carry out the vendor inspection program for both new and operating reactors.
- Develop the regulatory infrastructure for advanced nuclear reactor technologies in support of Mission Innovation, which is part of the President's commitment to double clean energy research and development in 5 years.

Changes from the FY 2016 Enacted Budget

Reactor Safety

- Workload declining for:
 - COL application reviews
 - Fukushima Near-Term Task Force recommendations
 - NFPA-805 license amendment requests
 - Rulemaking
 - Research
- Workload increasing for:
 - Regulatory infrastructure for advanced reactor technologies
 - Waterford and River Bend license renewals
 - Medical isotope production facilities
 - Milestone 8 full cybersecurity program
 - Decommissioning rulemaking
 - Potassium Iodide (KI) replenishment
 - Replacement Reactor Program System

FY 2017 Major Program Highlights

Materials and Waste Safety

- Support the completion of approximately 2,000 materials licensing actions and 900 routine health and safety inspections.
- Oversee and support the Agreement States' regulation of approximately 21,000 specific and 150,000 general licenses; conduct nine Integrated Materials Performance Evaluation Program reviews; and review 50 Agreement State incidents and events.
- Conduct licensing reviews and oversight activities for decommissioning power reactors including Kewaunee Power Station, San Onofre Nuclear Generating Station, Units 2 and 3, Crystal River 3 Nuclear Power Plant, and Vermont Yankee Nuclear Power Plant.
- Conduct licensing actions and inspections for 13 conversion, enrichment, and fuel fabrication facilities; as well as for 14 smaller licensees such as universities, test and research facilities.
- Review approximately 65 amendments and license renewal applications for transportation packages; four radioactive material transportation package applications; and approximately 20 Spent Nuclear Fuel (SNF) storage applications to ensure the safe and secure storage and transport of SNF and radioactive materials.

Changes from the FY 2016 Enacted Budget

Materials and Waste Safety

- Workload declining for:
 - Fuel Facilities oversight
 - Fukushima Near-Term Task Force recommendations
 - Fuel Facility licensing and rulemaking
 - Independent Spent Fuel Storage Installation security rulemaking
 - Extended storage and transportation
 - Ultimate Disposal
- Workload increasing for:
 - Interim consolidated storage facility review
 - Spent fuel storage and transportation license and certificate renewal
 - Uranium recovery licensing

Consolidated and Further Continuing Appropriations Act, 2016

- States that NRC must have Congressional authorization to reallocate the agency's unobligated carryover to supplement its FY 2016 appropriations.
- Directs the use of four budgetary control points:

Program	Control Points
Nuclear Reactors Safety	\$760 million, including not more than \$258.3 million for corporate support;
Nuclear Materials and Waste Safety	\$172 million, including not more than \$58.4 million for corporate support;
Decommissioning and LLW	\$43 million, including not more than \$14.6 million for corporate support;
Integrated University Program	\$15 million

- FY 2016 Enacted budget of \$1,002.1 million* is \$30.1 million below the FY 2016 President's Budget request.
- NRC's FY 2017 request of \$982.3 million* is a decrease of \$19.8 million* when compared to FY 2016 Enacted Budget.

* includes \$12.1 million for Office of Inspector General

Corporate Support Resources by Product Line

Major Programs	FY 2016 Enacted		FY 2017 Request		Delta FY17 - FY16	
	\$M*	FTE	\$M*	FTE	\$M*	FTE
Acquisitions	\$16.7	80.7	\$16.3	72.9	(\$0.4)	(7.8)
Administrative Services	\$107.5	105.9	\$105.3	107.4	(\$2.2)	1.5
Financial Mgmt.	\$28.8	109.7	\$31.4	109.9	\$2.6	0.3
Human Resource Mgmt.	\$19.4	59.3	\$18.7	57.5	(\$0.7)	(1.7)
Information Mgmt.	\$23.0	73.1	\$27.6	69.0	\$4.6	(4.1)
Information Technology	\$90.6	169.6	\$86.6	161.1	(\$4.0)	(8.5)
Outreach	\$4.2	17.6	\$4.6	17.9	\$0.4	0.2
Policy Support	\$21.4	122.3	\$23.7	120.2	\$2.3	(2.1)
Training	\$4.2	13.9	\$4.9	14.1	\$0.7	0.2
Total	\$315.8	752.0	\$319.1	730.0	\$3.2	(22.0)

Corporate Support Budget Realignment

Corporate Support → Program Business Line

Corporate Support Business Line
\$24.8M, including 34 FTE

- International activities
- Policy support
- Outreach
- Administrative services
- Information Technology



Operating Reactors Business Line
\$12.0M, including 17 FTE
New Reactors Business Line
\$2.7M, including 5 FTE
Nuclear Materials Users
\$8.0M, including 9 FTE
Decommissioning and Low-Level
Waste Business Line
\$0.9M, including 2 FTE
Fuel Facilities Business Line
\$0.5M, including 0 FTE
Fuel Facilities Business Line
\$0.7M, including 1 FTE

TOTAL

**Realignment of
\$26.3M, including
43 FTE**

Program Business Line → Corporate Support

Operating Reactors
\$0.9M, including 6 FTE



Human Resource Management
Product Line
\$0.6M, including 4 FTE
Information Management
\$0.3M, including 2 FTE

Corporate Support Product Line → Corporate Support Product Line

International Activities
\$0.8M, including 3 FTE

Product

Policy Support Product Line
\$0.3M, including 3 FTE

Summary

- This FY 2017 budget request reflects the NRC's progress in rightsizing the agency while continuing to fulfill its important safety and security responsibilities.
- The NRC recognizes the changing environment in the nuclear industry and remains committed to using resources effectively and efficiently.
- Project Aim involves taking a close look at the work we do and how we do it, evaluating our organizational structure, and developing a strategic workforce plan to ensure we have the right people in the right place at the right time doing the right work.