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United States Senate
COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS
WASHINGTON, DC 20510–6175

March 24, 2015

The Honorable Stephen Burns, Chairman
U.S. Nuclear Regulatory Commission
11555 Rockville Pike
Rockville, MD 20852

Dear Chairman Burns,

We write today seeking additional information about the Nuclear Regulatory Commission's (NRC's) resources and efficiency. The NRC's role in protecting public health and safety and the environment is a vital one: one that we strongly support and one that should be adequately funded.

In 10 years, the NRC's annual budget has grown from $669 million to $1.049 billion and its staff from 3,108 Full Time Equivalents (FTE) in fiscal year 2005 to 3,778 FTE for fiscal year 2015. The staffing increase is 21% and the appropriated funds, 90% of which are recovered by fees on licensees (and their customers), have increased by 57%.

The NRC continues to make significant progress implementing the post-Fukushima safety enhancements that were prioritized as Tier One, the items considered most safety significant, and many items from Tier 2. However, as stated in the NRC's *Principles of Good Regulation: "Regulatory activities should be consistent with the degree of risk reduction they achieve."* As the NRC analyzes lower priority issues, the agency is struggling to justify further requirements as cost-beneficial, as evidenced by the issue of filtered vents which we cited in our March 4, 2015, letter and previous correspondence.

The NRC's workload includes 20 rulemakings merely with regard to power reactors. This is in spite of the fact that the NRC's own assessment of long term trends in the safety of U.S. reactors indicated *"...the staff identified no statistically significant adverse trends in industry safety performance"*, and *"The staff observed that a number of indicators displayed a statistically significant improving trend."* Furthermore, their assessment of short term trends indicated *"Short-term FY 2013 data did not reveal any emerging trends that warranted additional analysis or significant adjustments to the nuclear reactor safety inspection or licensing programs."*

Nuclear energy makes a vital contribution to powering our nation's economy, contributing to energy security and providing thousands of jobs supporting families across the country. We are concerned that the current size of the agency may not appropriately reflect the shrinking number of operating nuclear plants.

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We intend to review these matters in detail in a hearing April 15, 2015, examining the NRC's budget. Please respond to the attached questions by April 3, 2015. If you have any questions or concerns, please contact Annie Caputo of the Majority Committee staff at 202-224-6176.

Sincerely,

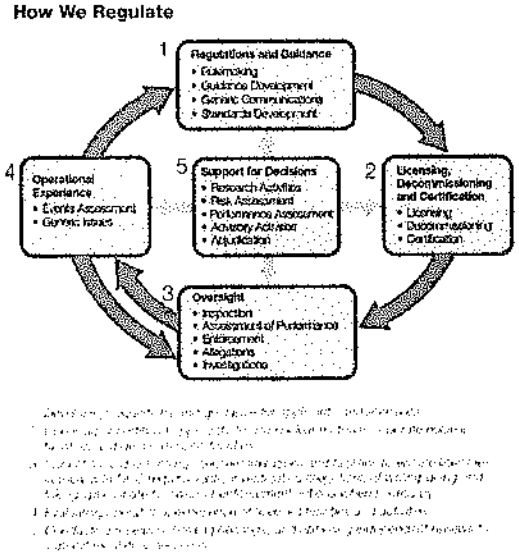
Senator James Inhofe

Chairman
Committee on Environment and
Public Works

Senator Shelley Moore Capito

Chairman
Subcommittee on Clean Air and
Nuclear Safety

1. Please provide all tables in the NRC's FY 2016 Congressional Budget Justification revised to include the "FY'15 Enacted" figures.
2. In testimony to the Senate Energy and Water Subcommittee, "The FY 2015 proposed fee rule will also reflect a positive increase in the agency's staff productivity assumption of 1,375 hours in FY 2014 to 1,420 hours in FY 2015." Please explain in detail this assumption including studies that went into productivity and the methodology used to calculate this figure.
3. Please provide the estimated percentage of employees eligible to retire over the next five years.
4. Please provide the current attrition rate for NRC employees and whether the attrition rate is expected to increase in coming years due to retirement eligibility.
5. Please provide a table listing corporate support costs as indicated in the NRC's Congressional Budget Justification side by side with corporate support costs as indicated in the NRC's fee recovery rule for each of the last 15 years. Please explain any discrepancies.
6. The NRC's *Info Digest* includes the following figure labeled *"How We Regulate"*[1]:



We consider corporate support costs to be any resources not directly engaged in executing the activities listed in this figure.

a. Please provide a list of any costs not directly engaged in these activities that are not counted as corporate support as accounted for in the Congressional Budget Justification. Please include an explanation as to why that is the case for each item.
b. Please provide a list of any costs not directly engaged in these activities that are not counted as corporate support as accounted for in the fee recovery rule. Please include an explanation as to why that is the case for each item.

[1] http://www.nrc.gov/reading-rm/doc-collections/nuregs/staff/sr1350/v26/sr1350v26-sec-1.pdf , page 3.

7. Following Fukushima, NRC staff initiated a consequence study that evaluated the risk of a radioactive release from a spent fuel pool following an earthquake. The NRC staff also prepared a report on the expedited transfer of spent fuel out of pools. Please indicate the FTE and costs expended on these two efforts.
8. Please provide the funding level NRC requested in its budget proposal to carry out its statutorily mandated review of the license application for a permanent repository at Yucca Mountain.
9. Post-Fukushima items have been categorized into 3 tiers, with Tier 1 items carrying the greatest safety benefits. For each item in each tier, please provide the level of resources, both funding and staffing levels, budgeted for FY 2016.
10. Please provide a graph depicting the amount of fee billed under 10 CFR Part 171 for the last 15 years.
11. The NRC has entered into a multi –year study on radiation impacts around nuclear power plants using National Academy of Sciences. Please provide the amount of resources spent on this effort to date and the estimated costs for completing this effort.
12. The CBJ makes reference to some 66 research projects without much clarity as to what level of resources each will consume or why they have been initiated. Please provide a list of all ongoing research projects in the NRC's Office of Research and any others within the agency. Please indicate how much each project has cost to date, how much is budgeted for each project for FY 2016, and an estimate to complete any projects that my extend beyond FY 2016. Please also indicate for each project whether it was initiated by NRC staff or as a result of Commission direction. Please rank this list in terms of quantitative risk reduction.
13. In light of the Government Accountability Office's recent criticism of NRC's cost-estimating capabilities, does the NRC have a current estimate of the total cost for the industry to implement the regulatory requirements NRC is imposing post-Fukushima? If so, please provide it.
14. Please provide a list of all reactor power uprates reviewed by the NRC. Please include the duration of the review, the date of the approval, the number of Requests for Additional Information issued, the cost billed to the applicant for each review, and the NRC's costs including corporate support for each one.
15. Please provide a list of all reactor license extensions reviewed by the NRC. Please include the duration of the review, the date of the approval, the number of Requests for Additional Information issued, the cost billed to the applicant for each review, and the NRC's costs including corporate support for each one.
16. Please provide a list of all reactor design certifications reviewed by the NRC since 2000. Please include the duration of the review, the date of the approval or estimated date for completion, the number of Requests for Additional Information issued, the cost billed to the applicant for each review, and the NRC's costs including corporate support for each one.
17. Please provide a list of all reactor construction and operating license applications reviewed by the NRC since 2000. Please include the duration of the review, the date of the approval or estimated date for completion, the number of Requests for Additional Information issued, the cost billed to the applicant for each review, and the NRC's costs including corporate support for each one.
18. Please provide a list of all reactor early site permit applications reviewed by the NRC since 2000. Please include the duration of the review, the date of the approval or estimated date

for completion, the number of Requests for Additional Information issued, the cost billed to the applicant for each review, and the NRC's costs including corporate support for each one.

19. The NRC has begun reviewing an application to certify a foreign design, the KHNP-1400. Please provide the amount the NRC budgeted for this review for fiscal years 2015 and 2016, and the costs estimated to be billed to the applicant for FY 2015.
20. How often has the Commission imposed regulatory changes based on a Backfit analysis in which qualitative factors were determined to override the result quantitative analysis? Please provide a short summary of each instance and the justification for doing so.
21. Please provide a list of licensing actions and reviews that have been delayed due to Fukushima-related work. Will such delays continue as the NRC proceeds on Tier 3 post-Fukushima issues? If so, please explain.