



THE COMMITTEE ON ENERGY AND COMMERCE

MEMORANDUM

May 5, 2014

To: Members, Subcommittee on Energy and Power

From: Committee Majority Staff

Subject: Hearing entitled: “The NRC FY 2015 Budget and Policy Issues”

On Wednesday, May 7, 2014, at 10:00 a.m. in 2322 Rayburn House Office Building, the Subcommittee on Energy and Power will conduct a hearing entitled “The NRC FY 2015 Budget and Policy Issues.” The hearing will examine U.S. Nuclear Regulatory Commission (NRC) budget for fiscal year 2015 and associated policy issues.

I. Witnesses

Five NRC commissioners will appear as the only panel of witnesses:

- Allison Macfarlane, Chairman;
- Kristine Svinicki, Commissioner;
- George Apostolakis, Commissioner;
- William Magwood, Commissioner; and,
- William Ostendorff, Commissioner.

II. Background—Nuclear Regulatory Commission

The NRC is an independent agency established by Congress in the [Energy Reorganization Act of 1974](#). Its [mission](#) is “to license and regulate the Nation’s civilian use of byproduct, sources, and special nuclear materials to ensure adequate protection of public health and safety, to promote the common defense and security, and to protect the environment.”

The NRC’s [fiscal year 2015 budget request](#) is \$1,060 million, to support 3,882 employees resulting in a \$3.6 million increase and 66.8 additional full-time equivalent staff. Ninety percent of the agency’s budget is recovered through fees assessed on its licensees. The remaining ten percent is attributable to work benefitting the Federal government and is appropriated accordingly. The Nuclear Reactor Safety Program, which encompasses NRC efforts to license, regulate, and oversee civilian nuclear power, accounts for approximately \$815 million of agency resources, and the work of roughly 2,958 employees. The Nuclear Materials and Waste Safety Program, which encompasses the agency’s efforts to license, regulate, and oversee nuclear materials and waste, accounts for approximately \$232 million in agency budget authority and 860 employees.

In addition to its ongoing safety oversight and licensing activities, the NRC has been focusing on [“lessons learned”](#) from the causes and consequences of the Fukushima Daiichi nuclear accident in Japan. Following the incident, an NRC task force reviewed NRC regulations and concluded that there was no imminent risk from continued operations of U.S. reactors, but that additional enhancements to safety requirements and emergency preparedness were warranted. It recommended orders and regulatory [reforms](#) for the Commission to consider applying to U.S. operating reactors. These recommendations were prioritized into three tiers. On [March 12, 2012](#), the Commission issued regulatory requirements in response to the Tier 1 recommendations. Industry implementation and related assessment of those actions is underway. Information on the status of various actions can be found on the NRC’s [Japan Lessons Learned](#) webpage.

On November 18, 2013, the NRC issued an [order](#) detailing the course of action to address the August 13, 2013, DC Circuit Court writ of mandamus requiring the NRC to resume its review of the Yucca Mountain license application. The Commission directed the staff to complete and issue the Safety Evaluation Report documenting the staff’s conclusions with regard to Yucca Mountain license application. The NRC has estimated this effort to cost \$8.3 million.

III. Issues

Issues to be examined at the hearing may include:

- Impact of nuclear plant closures on the NRC’s budget;
- Budgeting for the Yucca Mountain license review; and,
- Commission’s efficient use of resources and staffing.

IV. Staff Contact

If you have any questions regarding this hearing, please contact Annie Caputo of the Majority Committee staff at (202) 225-2927.