

February 9, 2016

The Honorable Shelley Moore Capito
Chairman, Subcommittee on Clean Air
and Nuclear Safety
Committee on Environment and Public Works
United States Senate
Washington, DC 20510

Dear Madam Chairwoman:

Enclosed is the U.S. Nuclear Regulatory Commission's (NRC's) Fiscal Year (FY) 2017 Congressional Budget Justification. This Congressional Budget Justification reflects the NRC's continued focus on accomplishing its mission, achieving resource savings and improving the agency's efficiency and effectiveness, while adapting to a dynamic environment.

Between FY 2001 and FY 2010, the NRC grew significantly to enhance security and incident response and prepare for the projected growth in the use of nuclear power in the United States. The level of forecasted nuclear power growth in the nation did not fully occur due to changes in the energy industry, resulting in fewer applications for new nuclear power plants and fuel cycle facilities, and earlier decommissioning of some existing plants. Consistent with the decline in workload, agency resources, excluding the Office of the Inspector General (OIG), have decreased approximately 8 percent from \$1.043.9 million, including 3,741.7 full-time equivalents (FTE), to \$970.2 million, including 3,462 FTE, between the FY 2014 enacted budget and the FY 2017 Congressional Budget Justification. This represents a decrease of \$73.7 million, including 279.7 FTE. The NRC's FY 2017 budget provides \$5 million for activities related to advanced nuclear reactor technologies that is excluded from the Omnibus Budget Reconciliation Act of 1990 fee recovery requirement to assess and collect user fees from NRC licensees and certificate holders.

The NRC recognizes the changing environment in the nuclear industry and remains committed to using resources effectively and efficiently. To that end, the NRC has initiated a transformation initiative, Project Aim, which 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. In June 2015, the Commission directed actions to further improve the agency's efficiency in its internal processes and reduce corporate support requirements. A key action involves rebaselining the agency's workload. This involves 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. As a result of this analysis, the NRC's FY 2017 budget includes significant savings. The agency continues to review and prioritize its work, this process will result in further efficiencies gained and resources saved.

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Despite a declining budget and staffing levels, the FY 2017 budget fully supports the safety and security of the NRC programs, and the agency's primary focus continues to be protecting public health and ensuring the long-term safety of nuclear materials and facilities.

Sincerely,

/RA/

Stephen G. Burns

Enclosure:
As stated

cc: Senator Thomas Carper

Identical letters sent to:

The Honorable Shelley Moore Capito
Chairman, Subcommittee on Clean Air
and Nuclear Safety
Committee on Environment and Public
Works
United States Senate
Washington, DC 20510
cc: Senator Thomas Carper

The Honorable James Inhofe
Chairman, Committee on Environment
and Public Works
United States Senate
Washington, DC 20510
cc: Senator Barbara Boxer

The Honorable Fred Upton
Chairman, Committee on Energy
and Commerce
United States House of Representatives
Washington, DC 20515
cc: Representative Frank Pallone, Jr.

The Honorable Ed Whitfield
Chairman, Subcommittee on Energy and
Power
Committee on Energy and Commerce
United States House of Representatives
Washington, DC 20515
cc: Representative Bobby L. Rush

The Honorable John Shimkus
Chairman, Subcommittee on Environment
and the Economy
Committee on Energy and Commerce
United States House of Representatives
Washington, DC 20515
cc: Representative Paul Tonko

The Honorable Mike Simpson
Chairman, Subcommittee on Energy
and Water Development
Committee on Appropriations
United States House of Representatives
Washington, DC 20515
cc: Representative Marcy Kaptur

The Honorable Lamar Alexander
Chairman, Subcommittee on Energy
and Water Development
Committee on Appropriations
United States Senate
Washington, DC 20510
cc: Senator Dianne Feinstein

The Honorable Ron Johnson
Chairman, Committee on Homeland
Security and Governmental Affairs
United States Senate
Washington, DC 20510
cc: Senator Thomas Carper

The Honorable Michael McCaul
Chairman, Committee on Homeland
Security
United States House of Representatives
Washington, DC 20515
cc: Representative Bennie Thompson

The Honorable Mike Enzi
Chairman, Committee on the Budget
United States Senate
Washington, DC 20510
cc: Senator Bernie Sanders

The Honorable Tom Price
Chairman, Committee on the Budget
United States House of Representatives
Washington, DC 20515
cc: Representative Chris Van Hollen, Jr.

The Honorable Thad Cochran
Chairman, Committee on Appropriations
United States Senate
Washington, DC 20510
cc: Senator Barbara Mikulski

The Honorable Harold Rogers
Chairman, Committee on Appropriations
United States House of Representatives
Washington, DC 20515
cc: Representative Nita Lowey

The Honorable Edward R. Royce
Chairman, Committee on Foreign Affairs
United States House of Representatives
Washington, DC 20515
cc: Representative Eliot Engel

The Honorable Lisa Murkowski
Chairman, Committee on Energy
and Natural Resources
United States Senate
Washington, DC 20510
cc: Senator Maria Cantwell

The Honorable Jason Chaffetz
Chairman, Committee on Oversight
and Government Reform
United States House of Representatives
Washington, DC 20515
cc: Representative Elijah Cummings

The Honorable Paul D. Ryan
Speaker of the House of Representatives
Washington, DC 20515

The Honorable Shaun Donovan
Director, Office of Management and Budget
Washington, DC 20503
cc: Benton Arnett

The Honorable Joseph R. Biden, Jr.
President of the United States Senate
Washington, DC 20510

The Honorable Bob Corker
Chairman, Committee on Foreign Relations
United States Senate
Washington, DC 20510
cc: Senator Ben Cardin