

Assistance Act of 1961 (22 U.S.C. 2371(a)), section 6(j)(1) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)(1)), or section 40(d) of the Arms Export Control Act (22 U.S.C. 2780(d)) to have repeatedly provided support for acts of international terrorism). This section shall not apply to nuclear incidents occurring as a result of missions, carried out under the direction of the Secretary, the Secretary of Defense, or the Secretary of State, that are necessary to safely secure, store, transport, or remove nuclear materials for nuclear safety or nonproliferation purposes.

(b) DEFINITIONS.—The terms used in this section shall have the same meaning as those terms have under section 11 of the Atomic Energy Act of 1954 (42 U.S.C. 2014), unless otherwise expressly provided in this section.

**SEC. 636. AUTHORIZATION OF APPROPRIATIONS.**

There are authorized to be appropriated such sums as are necessary to carry out this subtitle and the amendments made by this subtitle.

**SEC. 637. NUCLEAR REGULATORY COMMISSION USER FEES AND ANNUAL CHARGES.**

(a) IN GENERAL.—Section 6101 of the Omnibus Budget Reconciliation Act of 1990 (42 U.S.C. 2214) is amended—

(1) in subsection (a)—

(A) by striking “Except as provided in paragraph (3), the” and inserting “The” in paragraph (1); and

(B) by striking paragraph (3); and

(2) in subsection (c)—

(A) by striking “and” at the end of paragraph (2)(A)(i);

(B) by striking the period at the end of paragraph (2)(A)(ii) and inserting a semicolon;

(C) by adding at the end of paragraph (2)(A) the following new clauses:

“(iii) amounts appropriated to the Commission for the fiscal year for implementation of section 3116 of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005; and

“(iv) amounts appropriated to the Commission for homeland security activities of the Commission for the fiscal year, except for the costs of fingerprinting and background checks required by section 149 of the Atomic Energy Act of 1954 (42 U.S.C. 2169) and the costs of conducting security inspections.”; and

(D) by amending paragraph (2)(B)(v) to read as follows:

“(v) 90 percent for fiscal year 2005 and each fiscal year thereafter.”.

(b) REPEAL.—Section 7601 of the Consolidated Omnibus Budget Reconciliation Act of 1985 (42 U.S.C. 2213) is repealed.

(c) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 2006.

**SEC. 638. STANDBY SUPPORT FOR CERTAIN NUCLEAR PLANT DELAYS.**

(a) DEFINITIONS.—In this section:

(1) ADVANCED NUCLEAR FACILITY.—The term “advanced nuclear facility” means any nuclear facility the reactor design for which is approved after December 31, 1993, by the Commission (and such design or a substantially similar design of comparable capacity was not approved on or before that date).

H. R. 6—199

(2) COMBINED LICENSE.—The term “combined license” means a combined construction and operating license for an advanced nuclear facility issued by the Commission.

(3) COMMISSION.—The term “Commission” means the Nuclear Regulatory Commission.

(4) SPONSOR.—The term “sponsor” means a person who has applied for or been granted a combined license.

(b) CONTRACT AUTHORITY.—

(1) IN GENERAL.—The Secretary may enter into contracts under this section with sponsors of an advanced nuclear facility that cover a total of 6 reactors, with the 6 reactors consisting of not more than 3 different reactor designs, in accordance with paragraph (2).

(2) REQUIREMENT FOR CONTRACTS.—

(A) DEFINITION OF LOAN COST.—In this paragraph, the term “loan cost” has the meaning given the term “cost of a loan guarantee” under section 502(5)(C) of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a(5)(C)).

(B) ESTABLISHMENT OF ACCOUNTS.—There is established in the Department 2 separate accounts, which shall be known as the—

(i) “Standby Support Program Account”; and

(ii) “Standby Support Grant Account”.

(C) REQUIREMENT.—The Secretary shall not enter into a contract under this section unless the Secretary deposits—

(i) in the Standby Support Program Account established under subparagraph (B), funds appropriated to the Secretary in advance of the contract or a combination of appropriated funds and loan guarantee fees that are in an amount sufficient to cover the loan costs described in subsection (d)(5)(A); and

(ii) in the Standby Support Grant Account established under subparagraph (B), funds appropriated to the Secretary in advance of the contract, paid to the Secretary by the sponsor of the advanced nuclear facility, or a combination of appropriations and payments that are in an amount sufficient cover the costs described in subparagraphs (B), (C), and (D) of subsection (d)(5).

(c) COVERED DELAYS.—

(1) INCLUSIONS.—Under each contract authorized by this section, the Secretary shall pay the costs specified in subsection (d), using funds appropriated or collected for the covered costs, if full power operation of the advanced nuclear facility is delayed by—

(A) the failure of the Commission to comply with schedules for review and approval of inspections, tests, analyses, and acceptance criteria established under the combined license or the conduct of preoperational hearings by the Commission for the advanced nuclear facility; or

(B) litigation that delays the commencement of full-power operations of the advanced nuclear facility.

(2) EXCLUSIONS.—The Secretary may not enter into any contract under this section that would obligate the Secretary to pay any costs resulting from—

H. R. 6—200

- (A) the failure of the sponsor to take any action required by law or regulation;
- (B) events within the control of the sponsor; or
- (C) normal business risks.

(d) COVERED COSTS.—

(1) IN GENERAL.—Subject to paragraphs (2), (3), and (4), the costs that shall be paid by the Secretary pursuant to a contract entered into under this section are the costs that result from a delay covered by the contract.

(2) INITIAL 2 REACTORS.—In the case of the first 2 reactors that receive combined licenses and on which construction is commenced, the Secretary shall pay—

- (A) 100 percent of the covered costs of delay; but
- (B) not more than \$500,000,000 per contract.

(3) SUBSEQUENT 4 REACTORS.—In the case of the next 4 reactors that receive a combined license and on which construction is commenced, the Secretary shall pay—

- (A) 50 percent of the covered costs of delay that occur after the initial 180-day period of covered delay; but
- (B) not more than \$250,000,000 per contract.

(4) CONDITIONS ON PAYMENT OF CERTAIN COVERED COSTS.—

(A) IN GENERAL.—The obligation of the Secretary to pay the covered costs described in subparagraph (B) of paragraph (5) is subject to the Secretary receiving from appropriations or payments from other non-Federal sources amounts sufficient to pay the covered costs.

(B) NON-FEDERAL SOURCES.—The Secretary may receive and accept payments from any non-Federal source, which shall be made available without further appropriation for the payment of the covered costs.

(5) TYPES OF COVERED COSTS.—Subject to paragraphs (2), (3), and (4), the contract entered into under this section for an advanced nuclear facility shall include as covered costs those costs that result from a delay during construction and in gaining approval for fuel loading and full-power operation, including—

(A) principal or interest on any debt obligation of an advanced nuclear facility owned by a non-Federal entity; and

(B) the incremental difference between—

(i) the fair market price of power purchased to meet the contractual supply agreements that would have been met by the advanced nuclear facility but for the delay; and

(ii) the contractual price of power from the advanced nuclear facility subject to the delay.

(e) REQUIREMENTS.—Any contract between a sponsor and the Secretary covering an advanced nuclear facility under this section shall require the sponsor to use due diligence to shorten, and to end, the delay covered by the contract.

(f) REPORTS.—For each advanced nuclear facility that is covered by a contract under this section, the Commission shall submit to Congress and the Secretary quarterly reports summarizing the status of licensing actions associated with the advanced nuclear facility.

(g) REGULATIONS.—

H. R. 6—201

(1) IN GENERAL.—Subject to paragraphs (2) and (3), the Secretary shall issue such regulations as are necessary to carry out this section.

(2) INTERIM FINAL RULEMAKING.—Not later than 270 days after the date of enactment of this Act, the Secretary shall issue for public comment an interim final rule regulating contracts authorized by this section.

(3) NOTICE OF FINAL RULEMAKING.—Not later than 1 year after the date of enactment of this Act, the Secretary shall issue a notice of final rulemaking regulating the contracts.

(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

**SEC. 639. CONFLICTS OF INTEREST RELATING TO CONTRACTS AND OTHER ARRANGEMENTS.**

Section 170A b. of the Atomic Energy Act of 1954 (42 U.S.C. 2210a(b)) is amended—

(1) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively, and indenting appropriately;

(2) by striking “b. The Commission” and inserting the following:

“b. EVALUATION.—

“(1) IN GENERAL.—Except as provided in paragraph (2), the Nuclear Regulatory Commission”; and

(3) by adding at the end the following:

“(2) NUCLEAR REGULATORY COMMISSION.—Notwithstanding any conflict of interest, the Nuclear Regulatory Commission may enter into a contract, agreement, or arrangement with the Department of Energy or the operator of a Department of Energy facility, if the Nuclear Regulatory Commission determines that—

“(A) the conflict of interest cannot be mitigated; and

“(B) adequate justification exists to proceed without mitigation of the conflict of interest.”.

## **Subtitle C—Next Generation Nuclear Plant Project**

**SEC. 641. PROJECT ESTABLISHMENT.**

(a) ESTABLISHMENT.—The Secretary shall establish a project to be known as the “Next Generation Nuclear Plant Project” (referred to in this subtitle as the “Project”).

(b) CONTENT.—The Project shall consist of the research, development, design, construction, and operation of a prototype plant, including a nuclear reactor that—

(1) is based on research and development activities supported by the Generation IV Nuclear Energy Systems Initiative under section 942(d); and

(2) shall be used—

(A) to generate electricity;

(B) to produce hydrogen; or

(C) both to generate electricity and to produce hydrogen.