April 25, 2016

The Honorable James M. Inhofe
Chairman, U.S. Senate Committee on
Environment & Public Works
Washington, DC 20510

The Honorable Michael D. Crapo
U.S. Senate Committee on
Environment & Public Works
Washington, DC 20510

The Honorable Cory A. Booker
U.S. Senate Committee on
Environment & Public Works
Washington, DC 20510

The Honorable Sheldon Whitehouse
U.S. Senate Committee on
Environment & Public Works
Washington, DC 20510

Dear Chairman Inhofe and Senators Booker, Crapo, and Whitehouse:

On behalf of GE Hitachi Nuclear Energy (GEH), an alliance between the General Electric Company (GE) and Hitachi Ltd., nuclear reactor technology vendors with over 100 years of combined experience, I write to express our support for S. 2795, the Nuclear Energy Innovation and Modernization Act (NEIMA).

In 1957, GE connected the first commercial nuclear reactor to the electric grid and we have continued to pioneer innovative technologies and deliver critical services to our customers ever since. Underpinning our success is a safety culture that informs every decision we make. We are proud to work with the Nuclear Regulatory Commission (NRC) to develop and license our technology and ensure proper deployment of our products.

While we enjoy a positive working relationship with the NRC, we are concerned that the Commission’s current fee structure and budget process hinder the U.S. nuclear industry by imposing unnecessary costs and, in some cases, unjustifiable regulatory burdens on the industry. With most of our non-U.S. competitors offering government financing, the U.S. nuclear industry must find ways to minimize costs to its customers without jeopardizing safety. Further, as global power demand increases, the industry is ready to deliver the next generation nuclear reactor—producing carbon-free power, with less waste. However, unless the NRC modernizes its licensing processes to better accommodate the unique licensing needs of advanced reactors, these breakthrough technologies may never be developed or deployed.
GEH is convinced that the Act strikes a proper balance by reforming the Commission’s fee structure, and modernizing its licensing processes, while ensuring the Commission remains properly funded so it may carry out its critical mission. First, by amending the NRC’s fee structure, NEIMA ensures that the user-fees collected from industry are properly allocated to industry requested activities such as licensing and permitting. In addition, the fees for existing reactors remain capped at 2015 levels. Second, by limiting the amount of corporate support that can be used for NRC overhead expenses, the Act helps drive down unnecessary costs for our customers. Finally, recognizing the need for a distinct licensing framework for advanced reactors, the Act establishes an appropriate risk-informed, performance-based licensing process, with certain advanced reactor programs excluded from the Commission’s fee recovery mandate.

GEH is committed to developing and delivering cutting-edge nuclear technologies and services to power the world safely. Once enacted, NEIMA would reform and modernize the Commission so that we can compete more effectively in a global marketplace without compromising that commitment, and continue to lead the world in nuclear innovation.

Sincerely,

Jay Wilkman
President and CEO
GE Hitachi Nuclear Energy