Press Release

The Nuclear Regulatory Commission Would Benefit from Regulatory Oversight

ANDREW EVANS | DECEMBER 5, 2018

The Trump Administration is considering expanding its review of regulations to independent agencies. While such a move could be controversial in some cases, the Nuclear Regulatory Commission (NRC) is a prime candidate for review, contend AAF regulatory and energy policy experts. The NRC’s incentives to regulate are not aligned properly with the risk, encouraging it to issue burdensome regulations with diminishing value.

An excerpt:

The American Action Forum (AAF) estimated last year that the regulatory burdens on nuclear power plants have exceeded $60 million per plant per year, an amount greater than many plants’ profit margins. This regulatory bloat from the NRC can be explained in part by two aspects of its structure that incentivize it to increase its regulatory burdens. First, the NRC is funded by fees on the regulated entities, and as more nuclear power plants go out of business, maintaining the NRC’s budget requires more regulations on fewer plants. Second, the stated objective of the NRC is to “provide reasonable assurance of adequate protection of public health and safety and to promote the common defense and security and to protect the environment.” Such a broad mission statement means there is often opportunity for further regulation.

Read more here.