

Press Release



Security Regulations Pose Economic Challenge for Small Modular Reactors

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As policymakers consider ways to address climate change, they will look to reduce carbon emissions from U.S. energy production. Nuclear power — as it is a zero-emissions energy source — can play a critical role, but it faces regulatory and economic challenges. AAF’s Director of Regulatory Policy Dan Bosch examines the economic challenges posed by security regulations for Small Modular Reactors (SMRs) and ways to reduce the regulatory burden to make their deployment more viable.

His points:

- SMRs are smaller nuclear reactors that the federal government believes will be a critical component of the United States’ ability to meet its low-carbon energy needs in the future;
- Deployment of SMRs will depend on their economic viability, and one way to make them more viable is to lower their regulatory compliance costs commensurate to their reduced risk;
- Current physical security requirements can cost traditional large plants at least \$10.1 million annually, based on American Action Forum estimates, and SMRs are unlikely to be viable in the face of such requirements; and
- The Nuclear Regulatory Commission is currently working on a rulemaking to streamline requirements, though it may be able to be more ambitious than the limited reforms it is publicly considering.

[Read the analysis.](#)