

CLIENT ALERT

Reforming the Nuclear Regulatory Commission: An Overview of President Trump's May 23 Executive Order



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On May 23, 2025, President Trump signed an executive order titled "<u>Ordering the Reform of the Nuclear Regulatory</u> <u>Commission</u>" (EO) aimed at accelerating and expanding the nuclear energy industry in the United States. The EO directs a comprehensive structural reorganization of the Nuclear Regulatory Commission (NRC) and an overhaul of its regulatory framework related to the licensing and deployment of advanced nuclear reactors.

KEY PROVISIONS

Seeking to increase U.S. nuclear energy capacity from approximately 100 GW in 2024 to 400 GW by 2050, a key objective of the EO is to ensure the NRC operates in line with its revised mission—established under the Accelerating Deployment of Versatile, Advanced Nuclear for Clean Energy Act of 2024 (ADVANCE Act)—by avoiding unnecessary barriers to energy deployment while continuing to uphold its safety mandate.

Agency Reorganization to Prioritize Licensing

Specifically, the EO mandates a broad restructuring of the NRC to align the agency's focus and resources primarily on new reactor licensing. Relatedly, the EO instructs the NRC to collaborate with the Department of Government Efficiency to implement a reorganization plan to "promote the expeditious processing of license applications and the adoption of innovative technology." This reorganization plan involves undertaking reductions in force across the agency while recognizing that functions dedicated to new reactor licensing may expand.

In further support of regulatory reform, the EO requires the NRC to form a regulatory drafting team of at least 20 officials tasked with developing new licensing rules, as detailed further below. Additionally, the EO calls for a reduction in the personnel and responsibilities of the Advisory Committee on Reactor Safeguards (ACRS) to the minimum necessary to fulfill its statutory obligations. Established under the Atomic Energy Act, the ACRS is charged with reviewing safety studies and facility license applications and advising the NRC on reactor hazards and the adequacy of safety standards.

Rulemaking and Procedural Reform

Beyond structural changes, the EO mandates the NRC to initiate a "wholesale revision of its regulations and guidance documents" within nine months and to finalize the revised regulations within 18 months. These

rulemakings must adhere to the procedural requirements of the Administrative Procedure Act (APA), and all resulting rules and licensing decisions must remain consistent with existing statutory authority.

Among the most consequential directives is the requirement to establish fixed timelines for reactor licensing decisions. Specifically, the NRC must:

- issue a final decision within 18 months for applications to construct and operate a new reactor of any type; and
- issue a final decision within 12 months for applications to continue operating an existing reactor.

Tolling of these deadlines is permitted only in cases involving applicant failure. To facilitate compliance, the EO further instructs the NRC to streamline its hearing process and revise its National Environmental Policy Act implementing regulations to reflect the 2023 amendments enacted through the Fiscal Responsibility Act and the "Unleashing American Energy" executive order of January 20, 2025.

OTHER ACTIONS

To further support its objectives, the EO also directs the following actions:

- Revising nuclear reactor safety assessments and the Reactor Oversight Process to focus on credible, realistic risks, including a reduction in burdens related to reactor security rules.
- Establishing fixed caps on hourly fees charged by the NRC for reactor application and licensing-related reviews.
- Reconsidering reliance on the linear no-threshold model for radiation exposure and instead adopting determinate radiation limits.
- Creating an expedited approval pathway for reactor designs previously approved by the Department of Energy or Department of Defense, with NRC review limited to new or previously unevaluated risks.
- Developing a streamlined licensing process for high-volume deployment of microreactors and modular reactors, including consideration of whether certain designs or components can be authorized under general licenses.
- Setting strict thresholds for post-construction changes, limiting the NRC's ability to require design or licensing modifications once construction is underway.
- Reevaluating licensing duration policy, including reconsideration of how long a renewed license remains valid.

KEY TAKEAWAYS

President Trump's May 23, 2025 EO directs comprehensive structural and regulatory changes at the NRC, with the goal of prioritizing new nuclear reactor licensing and expediting the deployment of advanced nuclear technologies.

Winston's Oval Update and lawyers advising our clients will continue to monitor further developments and will provide updates to our readers as they become available.

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