CHAPTER 19.1
NUCLEAR WASTE FUND

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I. Introduction

I.A. Purpose

This chapter provides the financial management requirements for the accounting, reporting, and use of funding for the Nuclear Waste Fund (Fund). Also, this chapter applies to DOE organizations that receive funding derived from the Nuclear Waste Fund.

I.B. Background

The Nuclear Waste Policy Act of 1982 (P.L. 97-425), as amended, established the Nuclear Waste Fund, which authorized the Department to charge fees to the civilian owners and generators of used nuclear fuel (UNF)[1] and high-level radioactive waste (HLW) for the disposal of their nuclear waste. DOE may use the Fund only for radioactive waste disposal activities permitted under the Nuclear Waste Policy Act when authorized by Congress.

I.C. Authorities

As part of the Nuclear Waste Policy Act, the statutory requirements for the Nuclear Waste Fund were codified in 42 USC 10222.

I.D. Applicability and Financial Management Responsibilities

I.D.1. Office of Nuclear Energy

The Office of Used Fuel and High-Level Waste Disposition within the Office of Nuclear Energy assumed certain functions from the Office of Civilian Radioactive Waste Management (OCRWM) created under the Nuclear Waste Policy Act of 1982, when funding for OCRWM ceased in Fiscal Year 2011.

The Office of Nuclear Energy manages use of funding appropriated to the Department of Energy for nuclear waste disposal activities and derived from the Nuclear Waste Fund.

I.D.2. Office of the Chief Financial Officer (CFO)

The CFO Office of Budget (CF-30) is responsible for Departmental Budget Formulation and Execution activities, including analyzing and coordinating appropriation requests for the funding and use of the Nuclear Waste Fund.

CFO's Office of Finance and Accounting (CF-10) is responsible for the accounting and financial reporting activities related to the Nuclear Waste Fund, including investment and collection.

I.D.3. Office of the General Counsel

The Office of the General Counsel is responsible for the management of certain Nuclear Waste Fund activities, providing recommendations for Fund investment, and the Standard Contract for the disposal of UNF and HLW between commercial nuclear utilities and the government regulated under 10 CFR Part 961.

I.D.4. Designated Financial Officers

Applicable Designated Financial Officers are responsible for the oversight and accounting of any funding received for their cognizant site derived from the Nuclear Waste Fund.

I.D.5. Site Facility Management Contractors

This chapter applies to M&O contractors performing functions funded by appropriations that derive from the Nuclear Waste Fund.

II. Source of Funds

II.A. Collections from Non-Federal Sources

The Nuclear Waste Policy Act of 1982 (P.L. 97-425) authorized the Department to charge fees to the civilian owners and generators of UNF and HLW for the disposal of their nuclear waste. Per DOE Order 522.1B, *Pricing of Departmental Materials and Services*, fees and costs for the storage and disposal of radioactive waste are determined in accordance with 42 USC 10222 and are exempt from the general pricing policy.

The fees charged to commercial owners and generators of UNF and HLW are governed under the Standard Contract regulated under 10 CFR Part 961. The per kilowatt-hour (kWh) portion of the fee was set to zero in 2014 and has not changed.

Collections are deposited in Treasury Account Symbol 089X5227, Nuclear Waste Disposal Fund, Energy Programs, Energy, a special fund account established by the Nuclear Waste Policy Act.

II.B. Investment Gains

DOE invests fund amounts in excess of current requirements in U.S. Treasury securities consistent with the authorities of 42 USC 10222(e)(3).

Investment gains are deposited into Treasury Account Symbol 089X5227.

III. Use of Funding

III.A. Budget Formulation Requirements

42 USC 10222(e)(2) requires the Secretary to submit the budget of the Nuclear Waste Fund to the Office of Management and Budget at least triennially. Nuclear Waste Fund appropriations are also subject to triennial authorization.

In practice DOE submits the budget for the Nuclear Waste Fund annually in the Department's Congressional Budget Justifications. The Department may only obligate and expend funds from the Nuclear Waste Fund subject to appropriations. Offices requiring funding from the Nuclear Waste Fund should follow current budget formulation guidance issued by the CFO Office of Budget.

III.B. Budget Execution Requirements

42 USC 10222(e)(4), exempts the Nuclear Waste Fund from the requirement for apportionments under subtitle II of chapter 15 of title 31 (31 USC 1512). However, in practice, DOE requests and OMB apportions any funding appropriated from the Nuclear Waste Fund.

DOE execution of the Nuclear Waste Fund is subject to the Administrative Control of Funds requirements specified in Chapter 2.2 of the handbook and guidance from the Office of Budget.

III.C. DOE Internal Reimbursable Transactions

42 USC 10222(d) lists the authorized uses of the Nuclear Waste Fund, including expenditures for nongeneric research and development under the Nuclear Waste Policy Act, and the administrative costs of the radioactive waste disposal program. Thus, any DOE Departmental Element supporting the radioactive waste disposal program may be reimbursed by the Nuclear Waste Fund.

DOE Federal entities seeking reimbursement for expenses should enter into a DOE Internal Reimbursable Transaction with the Office of Nuclear Energy, consistent with current procedures in section IV of Chapter 12 of the DOE *Financial Management Handbook*.

Contractors performing work funded by the Nuclear Waste Fund are subject to normal procedures for contract obligation. For M&O contractors, the Office of Nuclear Energy must preallocate funding for obligation on the contract and approve a Work Authorization[2] to specify the work performed.

III.D. Appropriations from the Nuclear Waste Fund for the Nuclear Waste Technical Review Board

The Nuclear Waste Technical Review Board (NWTRB) is an independent board within the Executive Branch. The NWTRB evaluates the technical and scientific validity of activities undertaken by DOE pertaining to site characterization, and packaging or transportation of UNF and HLW (42 USC 10262). 42 USC 10269 authorizes the NWTRB to receive appropriations derived from the Nuclear Waste Fund. As an independent board, the NWTRB submits a separate budget justification to Congress. Appropriations are made in the independent agencies section of the annual Energy and Water Development Appropriations Act.

Amounts appropriated to the NWTRB are provided through an appropriations transfer from the Nuclear Waste Fund. CF-10 requests a non-expenditure transfer in the Department of the Treasury's Central Accounting Reporting System (CARS). Once Treasury approves the transfer, DOE records the transaction in the Federal Financials (FV) module in STARS, General Ledger (GL) module in STARS, and in the Consolidated Accounting and Investment System (CAIS). Once recording is completed, DOE notifies the NWTRB of the transfer.

Further information on accounting for Non-Expenditure Transfers or Non-Expenditure Transactions can be found in Chapter 3.1 of the Financial Management Handbook, and I TFM, Part 2, Chapter 2000, *Warrant and Non-Expenditure Transfer (NET) Transactions.*

IV. Fund-specific Accounting Practices

IV.A. FASAB

The Nuclear Waste Fund follows SFFAS 43, *Funds from Dedicated Collections*, which requires separate identification of funds from dedicated collections on the Department's financial statement. Thus, Departmental Elements and M&O contractors must separately account for funding derived from the Nuclear Waste Fund, including the tracking of collections; revenue recognition; and property, plant, and equipment. Further information on accounting for property, plant, and equipment can be found in Chapter 10.1 of the Financial Management Handbook.

Additional standards applicable to fund accounting include SFFAS 5, *Accounting for Liabilities of the Federal Government*, SFFAS 12, *Criteria for Recognition of a Contingent Liability*, and to account for investments SFFAS 1, *Accounting for Selected Assets and Liabilities.*

IV.B. Fund Balances

DOE records a deferred revenue liability for all fund balances, including investment gains. Revenues are recognized as a financing source as costs are incurred for NWF activities.

IV.C. Accounting for Receivables

Currently, the Nuclear Waste Fund holds a receivable account for 11 contracts with utility companies to account for payments due under the Standard Contract for UNF discharged prior to April 7, 1983. UNF discharged prior to April 7, 1983, was subject to a one-time fee under the Standard Contract.

Interest on amounts due accrues each month using the 13-week Treasury bill rate, with interest compounded quarterly. DOE informs the utility companies about the specific interest rate used for accrual and provides a Quarterly Statement of Payment report which details the UNF receivable balance, including both principal and accrued interest.

The Standard Contract sets three payment options for UNF discharged prior to April 7, 1983:

IV.C.1. In Option 1, the utility companies are required to make quarterly payments from the date of first delivery of UNF and not to exceed 40 quarters. The utility companies' financial dues are prorated evenly over 40 quarters and consist of fees plus interest on the outstanding fee balance. The interest from April 7, 1983, to date of the first payment is calculated based upon the 13-week Treasury bill rate and is compounded quarterly. When the 40 quarterly

payments begin, the interest is to be calculated at the ten-year Treasury note rate.

IV.C.2. In Option 2, the utility companies have the option of making a single payment anytime prior to first date of delivery of UNF. The utility companies' financial dues consist of fees plus interest on the outstanding fee balance. The interest from April 7, 1983, to date of the payment is calculated based upon the 13-week Treasury bill rate and is compounded quarterly.

IV.C.3. In Option 3, utility companies had the option to make a single full payment prior to June 30, 1985, or prior to two years of contract execution. The financial dues consisted of all outstanding fees with no interest. Option 3 is currently not in use.

V. Reporting and Oversight

V.A. Monitoring and Reporting on Fund Balances

The Nuclear Waste Fund's balances are included in the DOE Agency Financial Report.

Also, the Secretary of the Treasury, after consultation with the Secretary of Energy, provides a report to Congress presenting the financial condition and the results of operations of the Nuclear Waste Fund during the preceding year. The Treasury Bulletin's March issue features the annual report from Treasury, covering the Nuclear Waste Fund along with other special funds.

V.B. Specific Reporting Requirements

V.B.1. Budgetary Reporting. 42 USC 10222(e)(2) requires the Secretary to submit the budget of the Nuclear Waste Fund to the Office of Management and Budget at least triennially. The 42 USC 10222(e)(2) reporting requirement is met through the annual submission of the President's budget request and the accompanying Congressional Budget Justification.

V.B.2. Special Fund Reporting. CF-10 leads DOE coordination for the reporting of information for Treasury's annual report on the financial operations of the US Government, and specific annual report to Congress on Government Investment Accounts, including the Nuclear Waste Fund and other special funds. Requirements for Treasury reporting on Government Investment Accounts can be found in I TFM Part 2, Chapter 4300.

V.C. Audits

The Nuclear Waste Fund is part of the Department's Agency Financial Report, and is subject to audit as part of the Department's annual financial statement audit. There is no requirement for a separate audit of the Nuclear Waste Fund.

42 USC 10224(d) specifically permits the Government Accountability Office to audit the Nuclear Waste Fund, as necessary. Also, the Government

Accountability Office and DOE's Office of the Inspector General maintain authority to audit the fund's financial and business operations under their normal authorities.

VI. Acronyms

CAIS	Consolidated Accounting and Investment System
CARS	Central Accounting Reporting System
CF-10	CFO Office of Finance and Accounting
CF-30	CFO Office of Budget
CFO	Chief Financial Officer
FV	Oracle U.S. Federal Financials
GL	General Ledger
HLW	High Level Waste
kWh	Kilowatt-Hour
M&O	Management and Operating
NET	Non-Expenditure Transfer
NNSA	National Nuclear Security Administration
NWPA	Nuclear Waste Policy Act of 1982, as amended
NWTRB	Nuclear Waste Technical Review Board
OCRWM	Office of Civilian Radioactive Waste Management
STARS	Standard Accounting and Reporting System
UNF	Used Nuclear Fuel (Spent Nuclear Fuel)
USC	United States Code

VII. References

VII.A. P.L. 97-425, *Nuclear Waste Policy Act of 1982*, as amended, which authorized the Nuclear Waste Fund.

VII.B. 42 USC 10222, *Nuclear Waste Fund*, codifies section 302 of the Nuclear Waste Policy Act that sets out the requirements for administering the Fund.

VII.C. 10 CFR Part 961, *Standard Contract for Disposal of Spent Nuclear Fuel and/or High Level Radioactive Waste*, which sets the contract terms for DOE's civilian nuclear waste activities, including receipts and revenues deposited in the Nuclear Waste Fund.

VII.D. I TFM, Part 2, Chapter 2000, *Warrant and Non-Expenditure Transfer (NET) Transactions*, which sets Treasury requirements for Non-Expenditure Transfers.

VII.E. I TFM Part 2, Chapter 4300, *Responsibilities Relating to Government Investment Accounts and Investment in Government Account Series Securities,* sets requirements for government accounts on the books of the Treasury for which the Secretary of the Treasury has been authorized to invest.

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[1] The term “used nuclear fuel” is intended to be synonymous with the term “spent nuclear fuel” as used and defined in the Nuclear Waste Policy Act of 1982, as amended, and the *Standard Contract for the Disposal of Spent Nuclear Fuel and/or High-Level Radioactive Waste* (10 CFR Part 961).

[2] More detailed requirements on work authorizations can be found in DOE Order 412.1A, *Work Authorization System.*

SUBJECT: OCTOBER 2026 UPDATE TO CHAPTER 19.1, NUCLEAR WASTE FUND

1. EXPLANATION OF CHANGES:

   The update to Chapter 19.1, Nuclear Waste Fund, contains significant changes to the previous chapter dated March 5, 2007 (formerly Chapter 19, Nuclear Waste Fund). The update to the chapter includes:

   - A significant reorganization of the chapter to streamline content.
   - Current roles and responsibilities under the current legal arrangements.
   - Current operational requirements for the financial management of the Nuclear Waste Fund; and,
   - Elimination of the requirement for a separate audit for the Nuclear Waste Fund since the fund activities are already audited as part of the Department's annual financial statement audit.

2. LOCATION OF CHANGES:

   Due to the significant restructuring and updating of the chapter, a listing of individual changes throughout the document is not provided.