



NUCLEAR REGULATORY COMMISSION

10 CFR Parts 50 and 54

[NRC-2024-0218]

RIN 3150-AL32

Exceptions from Foreign Ownership, Control or Domination

AGENCY: Nuclear Regulatory Commission.

ACTION: Proposed rule; request for comment.

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC) is proposing to amend its regulations on foreign ownership, control, or domination (FOCD) of utilization facilities to comply with section 301 of the Accelerating Deployment of Versatile, Advanced Nuclear for Clean Energy Act of 2024. The statute has designated certain exceptions from the FOCD provision set forth in the Atomic Energy Act of 1954, as amended. The proposed rule would affect applicants and licensees of utilization facilities that are owned, controlled, or dominated by a foreign entity.

DATES: Comments must be submitted electronically using <https://www.regulations.gov> no later than midnight Eastern Time on **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

ADDRESSES: Submit your comments, identified by Docket ID NRC-2024-0218, at <https://www.regulations.gov>. If your material cannot be submitted using <https://www.regulations.gov>, call or email the individuals listed in the FOR FURTHER INFORMATION CONTACT section of this document for alternate instructions.

Do not include any personally identifiable information (such as name, address, or other contact information) or confidential business information that you do not want publicly disclosed. All comments are public records; they are publicly displayed exactly as received, and will not be deleted, modified, or redacted. Comments may be submitted anonymously.

Follow the search instructions on <https://www.regulations.gov> to view public comments.

You can read a plain language description of this proposed rule at <https://www.regulations.gov/docket/NRC-2024-0218>. For additional direction on obtaining information and submitting comments, see “Obtaining Information and Submitting Comments” in the **SUPPLEMENTARY INFORMATION** section of this document.

FOR FURTHER INFORMATION CONTACT: Irene Wu, Office of Nuclear Material Safety and Safeguards, telephone: 301-415-1951, email: Irene.Wu@nrc.gov and Shawn Harwell, Office of Nuclear Material Safety and Safeguards, telephone: 301-415-1309, email: Shawn.Harwell@nrc.gov. Both are staff of the U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001.

SUPPLEMENTARY INFORMATION:

This rulemaking is separate from NRC’s comprehensive review and reform of its regulations in accordance with Executive Order (E.O.) 14300, “Ordering the Reform of the Nuclear Regulatory Commission” (90 FR 22587; May 29, 2025). The rulemakings associated with that effort will comprehensively reexamine NRC requirements. While there could be additional revisions as a result of these future rulemakings, the NRC is moving forward with publication of this proposed rule at this time because it is a deregulatory action of high interest for stakeholders that was mandated by statute and in progress before the issuance of E.O. 14300.

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I. Obtaining Information and Submitting Comments

A. Obtaining Information

Please refer to Docket ID NRC-2024-0218 when contacting the NRC about the availability of information for this action. You may obtain publicly available information related to this action by any of the following methods:

- **Federal Rulemaking Website:** Go to <https://www.regulations.gov> and search for Docket ID NRC-2024-0218.

- **NRC's Agencywide Documents Access and Management System (ADAMS):** You may obtain publicly available documents online in the ADAMS Public Documents collection at <https://www.nrc.gov/reading-rm/adams.html>. To begin the search, select "Begin ADAMS Search." For problems with ADAMS, please contact the NRC's Public Document Room (PDR) reference staff at 1-800-397-4209, 301-415-4737, or by email to PDR.Resource@nrc.gov. For the convenience of the reader, instructions about obtaining materials referenced in this document are provided in the "Availability of Documents" section.

- **NRC's PDR:** The PDR, where you may examine and order copies of publicly available documents, is open by appointment. To make an appointment to visit the PDR, please send an email to PDR.Resource@nrc.gov or call 1-800-397-4209 or 301-415-4737, between 8 a.m. and 4 p.m. eastern time, Monday through Friday, except Federal holidays.

B. Submitting Comments

Comments must be submitted electronically using <https://www.regulations.gov> no later than midnight Eastern Time on **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**. Please include Docket ID NRC-2024-0218 in your comment submission.

The NRC cautions you not to include identifying or contact information that you do not want to be publicly disclosed in your comment submission. The NRC will post all comment submissions at <https://www.regulations.gov> as well as enter the comment submissions into ADAMS. The NRC does not routinely edit comment submissions to remove identifying or contact information.

If you are requesting or aggregating comments from other persons for submission to the NRC, then you should inform those persons not to include identifying or contact information that they do not want to be publicly disclosed in their comment submission. Your request should state that the NRC does not routinely edit comment submissions to remove such information before making the comment submissions available to the public or entering the comment into ADAMS.

II. Rulemaking Procedure

Because the NRC considers this action to be non-controversial, the NRC is publishing this proposed rule concurrently with a direct final rule in the Rules and Regulations section of this issue of the *Federal Register*. The direct final rule will become effective on **[INSERT DATE 75 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**. However, if the NRC receives significant adverse comments by **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**, then the NRC will publish a document that withdraws the direct final rule. If the direct final rule is withdrawn, the NRC will address the comments in a

subsequent final rule or as otherwise appropriate. Absent significant modifications to the proposed revisions requiring republication, the NRC will not initiate a second comment period on this action in the event the direct final rule is withdrawn.

A significant adverse comment is a comment where the commenter explains why the rule would be inappropriate, including challenges to the rule's underlying premise or approach, or would be ineffective or unacceptable without a change. A comment is adverse and significant if:

1) The comment opposes the rule and provides a reason sufficient to require a substantive response in a notice-and-comment process. For example, a substantive response is required when:

a) The comment causes the NRC to reevaluate (or reconsider) its position or conduct additional analysis;

b) The comment raises an issue serious enough to warrant a substantive response to clarify or complete the record; or

c) The comment raises a relevant issue that was not previously addressed or considered by the NRC.

2) The comment proposes a change or an addition to the rule, and it is apparent that the rule would be ineffective or unacceptable without incorporation of the change or addition.

3) The comment causes the NRC to make a change (other than editorial) to the rule.

For procedural information and the regulatory analysis, see the direct final rule published in the Rules and Regulations section of this issue of the *Federal Register*.

III. Background

In July 2024, the Accelerating Deployment of Versatile, Advanced Nuclear for Clean Energy Act of 2024 (ADVANCE Act) was signed into law. It requires the NRC to

take a number of actions, particularly regarding licensing new reactors and fuels, while maintaining the NRC's core safety and security mission.

Section 301 of the ADVANCE Act designated certain exceptions from the foreign ownership, control, or domination (FOCD) provision set forth in the Atomic Energy Act of 1954, as amended (AEA). Sections 103 and 104 of the AEA prohibit the issuance of a license for utilization or production facilities (e.g., a commercial nuclear power reactor) to an applicant that the Commission knows or has reason to believe is owned, controlled, or dominated by a foreign entity. Specifically, section 301 of the ADVANCE Act states that if the Commission determines that the issuance of the applicable license to that entity is not inimical to the common defense and security or public health and safety, then the FOCD restriction for utilization facility licenses shall not apply to an entity that is owned, controlled, or dominated by (1) the government of a country that is a member of the Organisation for Economic Co-operation and Development (OECD) or the Republic of India on the date of issuance of the ADVANCE Act, (2) a corporation that is incorporated in one of those countries, or (3) a citizen or national of one of those countries, subject to some additional exclusions in section 301(b)(2).

The additional exclusions in section 301(b)(2) are based on whether any government bodies or persons of the excepted countries were subject to certain sanctions under section 231 of the Countering America's Adversaries Through Sanctions Act (CAATSA) of 2017 (22 U.S.C. 9525) or included on the List of Specially Designated Nationals and Blocked Persons maintained by the Office of Foreign Assets Control of the Department of Treasury pursuant to section 231 of the CAATSA of 2017 (22 U.S.C. 9525) on the ADVANCE Act's date of enactment of July 9, 2024. The NRC has reviewed those lists and determined that Turkey falls within the exclusion in section 301(b)(2) because, as of that date, the Republic of Turkey's Presidency of Defense Industries was subject to sanctions under section 231 of CAATSA. The NRC's implementing regulation for the FOCD restrictions is section 50.38 of title 10 of the *Code of Federal Regulations* (10 CFR), "Ineligibility of certain applicants." The NRC will

continue to review sanctions lists as part of the agency's inimicality determination, which determines whether a proposed ownership structure would be inimical to the common defense and security of the United States. That determination remains a precondition for the new FOCD exception.

IV. Plain Writing

The Plain Writing Act of 2010 (Pub. L. 111-274) requires Federal agencies to write documents in a clear, concise, and well-organized manner. The NRC has written this document to be consistent with the Plain Writing Act as well as the Presidential Memorandum, "Plain Language in Government Writing," published June 10, 1998 (63 FR 31885).

V. Paperwork Reduction Act

This proposed rule does not contain any new or amended collections of information subject to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.). Existing collections of information were approved by the Office of Management and Budget, approval numbers 3150-0011 and 3150-0155.

Public Protection Notification

The NRC may not conduct or sponsor, and a person is not required to respond to a collection of information unless the document requesting or requiring the collection displays a currently valid OMB control number.

VI. Executive Orders

The following are Executive orders that are related to this proposed rule:

A. Executive Order 12866: Regulatory Planning and Review (as amended by Executive Order 14215, Ensuring Accountability for All Agencies)

The Office of Information and Regulatory Affairs (OIRA) has determined that this proposed rule is a significant regulatory action. Accordingly, the NRC submitted this proposed rule to OIRA for review. The NRC is required to conduct an economic analysis in accordance with section 6(a)(3)(B) of E.O. 12866. However, NRC expects the costs of this rule to be minimal.

B. Executive Order 14154: Unleashing American Energy

The NRC has examined this proposed rule and has determined that it is consistent with the policies and directives outlined in E.O. 14154.

C. Executive Order 14192: Unleashing Prosperity Through Deregulation

This action is a deregulatory action as defined by E.O. 14192.

D. Executive Order 14270: Zero-Based Regulatory Budgeting to Unleash American Energy

E.O. 14270, "Zero-Based Regulatory Budgeting to Unleash American Energy," requires the NRC to insert a conditional sunset date into all new or amended NRC regulations provided the regulations are (1) promulgated under the AEA, the Energy Reorganization Act of 1974, as amended (ERA), or the Nuclear Waste Policy Act of 1982, as amended (NWPA); (2) not statutorily required; and (3) not part of the NRC's permitting regime. The NRC determined that the regulatory changes proposed in this rule are required for statutory compliance. Therefore, the NRC views this rulemaking to be outside the scope of E.O. 14270 and did not insert conditional sunset dates for the regulatory changes in this proposed rule.

VII. Availability of Documents

The documents identified in the following table are available to interested persons through one or more of the following methods, as indicated.

DOCUMENT	ADAMS ACCESSION NO. / WEB LINK / FEDERAL REGISTER CITATION
"Draft Standard Review Plan on Foreign Ownership, Control, or Domination," Revision 1, April 2016	ML16048A025
"Regulatory Guide X.XX: Foreign Ownership, Control, or Domination of Nuclear Power, and Non-Power Production or Utilization Facility, Draft," May 2016	ML16137A520
Executive Order 12866, "Regulatory Planning and Review," October 4, 1993	58 FR 51735
Executive Order 14154, "Unleashing American Energy," January 29, 2025	90 FR 8353
Executive Order 14192, "Unleashing Prosperity Through Deregulation," February 6, 2025	90 FR 9065
Executive Order 14215, "Ensuring Accountability for All Agencies," February 24, 2025	90 FR 10447
Executive Order 14267, "Reducing Anti-Competitive Regulatory Barriers," April 15, 2025	90 FR 15629
Executive Order 14270, "Zero-Based Regulatory Budgeting to Unleash American Energy," April 15, 2025	90 FR 15643
Executive Order 14300, "Ordering the Reform of the Nuclear Regulatory Commission," May 29, 2025	90 FR 22587
Presidential Memorandum, "Plain Language in Government Writing," June 10, 1998	63 FR 31885

Dated: April 6, 2026.

For the Nuclear Regulatory Commission.

Michael King,
Executive Director for Operations.