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UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

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PRESS CONFERENCE

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PUBLIC MEETING

Nuclear Regulatory Commission
One White Flint North
Rockville, Maryland

Wednesday, July 7, 1992

Ivan Selin, Chairman of the Commission,
met with members of the press, pursuant to notice, at
10:00 a.m.

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P-R-O-C-E-E-D-I-N-G-S

10:32 a.m.

CHAIRMAN SELIN: It's nice to see a number of the same familiar faces here.

This will be the third annual press conference I've had. I had one just after the time I was confirmed as Chairman and then one last year about this time.

What I'd like to do is just make a few general comments and then try informally to answer whatever questions that you might have.

As I did last year, I would like to recognize that the quality of coverage that the NRC has gotten nationally, locally and in the regional press or regional media has really been pretty good, that not many people have just tried to take some specific event and generalize from it. There's been a lot of thoughtful press, a lot of people trying to understand how we work and what we're trying to do and, in fact, a number of articles that have been very helpful for me. I've learned things that I didn't know just from reading the inside material.

In fact, I have a general impression that relations between those of us who are concerned with nuclear power in particular but also some of the

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1 nuclear material questions and the general public have
2 improved quite a bit in the last few years, in fact to
3 the point where I believe that from the point of view
4 of the nuclear power industry, and 75 percent of what
5 we do has to do with the nuclear power industry, that
6 these sort of generalized highly emotional debates
7 that I've heard about and that I've read about have
8 pretty much gone away and that most of the debates are
9 on substantive serious issues.

10 I think the future of the nuclear power
11 industry is really tied up with two questions.

12 One is, is it economical to run nuclear
13 power plants when you take into account all of the
14 safety requirements and other requirements, including
15 requirements that come out of the state regulatory
16 process, the economic regulatory process?

17 And the second is, what in the world are
18 we going to do with the spent fuel that comes out of
19 these power plants?

20 These are two very -- not easy, but well-
21 focused questions. I'm trying to avoid the phrase
22 "legitimate questions," but they're questions that I
23 think anybody has a reasonable basis for raising as
24 opposed to the more general questions about the
25 morality of nuclear power or what does this mean for

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1 neighbors, et cetera. These are both areas that have
2 gotten a lot of attention lately, as I'm sure you
3 know.

4 The nuclear industry has focused first
5 from INPO, from the nuclear power side, and then from
6 their NUMARC or their regulatory side on what they can
7 do to reduce operating costs, I hope while keeping up
8 a legitimate level of safety. Certainly, that's part
9 of the declaratory policy.

10 And the NRC has also taken a look at what
11 have we learned in the almost 20 years that we've been
12 regulating power plants about what is not productive
13 or has been productive but has used up its time or
14 what seemed like a good idea at the time but after the
15 ten, 12 years since TMI we can go back and say these
16 are no longer necessary. In other words, as we add
17 new regulations we need to be able to purge the old
18 regulations, so there's been a systematic effort on
19 the part of the industry and to some degree on the
20 part of the NRC to do the second part of our charter
21 which is to achieve safety at reasonable economic
22 levels.

23 The other questions to do with existing
24 reactors have been very interesting. As I look at the
25 two some years that I've been here, I'd say that the

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1 issues that seemed to me to be big issues when I came
2 in have in fact been exactly the big issues, except
3 that I underestimated the amount of time and effort
4 that would be required and really called for on my
5 part in the regulation of existing reactors.

6 I assumed, and correctly, that the
7 Commission does a good job on existing reactors. And
8 I assumed, but not correctly, that therefore the
9 Chairman wouldn't have to spend a lot of time in this
10 area. But, in fact, it's been a very fruitful area to
11 spend quite a bit of time, first of all because as
12 Chairman I need to emphasize the importance of the
13 regulation of existing reactors, otherwise complacency
14 would set in.

15 But secondly, there has been a significant
16 change in the last two years in the operation of
17 American reactors. I'd say that the better reactors,
18 probably the top two-thirds of the reactors in the
19 United States are operated as well or better than any
20 reactors overseas, but the range between the top half
21 or two-thirds and the bottom, say, quarter or so is
22 really far too large. Even given that we have more
23 utilities and more reactors and more nuclear power,
24 electrical power from nuclear energy than any other
25 country in the world, the range between the top and

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1 the bottom people is still far too large.

2 Our performance indicators and our more
3 formal ways of measuring performance shows a steady
4 but stabilizing improvement in both safety performance
5 and just sort of general economic performance. But as
6 we look in more detail, what we find is the top people
7 are getting pretty close to the potential that they
8 can both in terms of safety and in terms of
9 availability out of their reactors and the bottom
10 folks are pulling down the average and are a
11 disproportionate cause for concern.

12 Therefore, a lot of what we have been
13 doing and what we will be doing in the next year or
14 two will be to try to put our resources where the
15 problems are. In other words, instead of just
16 spreading ourselves in proportion to the amount of
17 power or the number of reactors, we still will keep
18 plenty of effort on the top folks to keep them from
19 getting complacent but more and more the discretionary
20 resources will be focused on the people who are not up
21 to the standards, the de facto standards that the
22 industry has set for itself, and a lot of our tools
23 are being sharpened to support that.

24 In particular, our highly controversial
25 but extremely useful program called the "Systematic

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1 Assessment of Licensee Performance" will be sharpened
2 to look for stragglers and to be used to put more of
3 the resources on the stragglers and less on the people
4 that are doing quite well.

5 And then moving to the areas that for the
6 last couple years I've been saying are very important
7 areas that continue to be important areas, there's the
8 question of plant life extension. As you well know,
9 power plants were licensed for 40 years when they
10 first started operations. The assumption was that was
11 a long time and well before they ran out their license
12 period a second and third generation of reactors would
13 be available within the United States. For a whole
14 lot of reasons, this obviously hasn't worked out and
15 so a lot of attention has been paid to whether it is
16 safe or prudent for plants to operate beyond the 40
17 years. A rule has been passed. A set of procedures
18 have come up. In the last year, I'd say that this
19 topic has gotten a lot more attention than it got in
20 the past and I'd just like to make three points about
21 that.

22 The first is, I fully support the theory
23 which was passed by the Commission before I came here
24 that the key question is, if these plants are safe
25 today, can we be sure that they will continue to be

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1 safe as time goes on? In other words, can the current
2 licensing basis be firmly extended into the future?
3 This is as opposed to the more stringent question
4 about if I had it to do over again would I build the
5 plant this way in this place today, which was rejected
6 as a basis for plant life extension and I think
7 correctly rejected.

8 The second main point is that the
9 importance of the possibility of a license extension
10 goes beyond years 41 to 60, that a large number of
11 power plants will close down well before they finish
12 their 40 years if they don't have the possibility of
13 extending, even if they don't choose to extend.
14 Because, faced with the kind of inevitable recurring
15 capital expenses that you get when you have to replace
16 steam generators or add a diesel or do some other
17 major capital investment, if they only have five or
18 even ten years to amortize these costs, they will in
19 many cases find that the costs can't pay for
20 themselves. But if they can amortize the costs sort
21 of for five or ten years, then that gives them an
22 option to go for another 20 years. In many cases,
23 that will be enough to put them over the edge.

24 Now, note that I'm not saying they need 30
25 years instead of ten years for the amortization. I'm

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1 saying in many cases the economic question is sort of
2 a wash. If they don't have any possibility of going
3 beyond the 40 years, they'll decide to close down.
4 Why take all the hassle and all the regulatory
5 problems for just a few more years? But, if they do
6 have the potential for going another 20 years, then,
7 if the economics are close, it pays in many cases for
8 them to go forward to keep this option open.

9 And then the third point about the license
10 renewal or the plant life extension program is that as
11 we now have a maintenance rule, a rule which requires
12 quite a bit of preventive maintenance in many areas in
13 existing plants and in particular requires testing to
14 how that this preventive maintenance has kept the
15 reliability of equipment up to date, the staff has
16 realized that this is a very solid basis for going
17 into the future.

18 In other words, if we have a program today
19 to keep equipment refurbished, renovated and up to
20 date, if we can be convinced by the licensee that that
21 program has essentially renewed and refurbished the
22 equipment and is likely to keep it going for another
23 20 years and in particular the condition monitoring is
24 likely to remain valid, then that particular area
25 should not be a big issue for plant life extension.

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1 So incorporating this concept of
2 maintenance and condition monitoring into plant life
3 extension gives us a much simpler and straightforward
4 way of looking at what it takes to convince us that
5 the plants will be good for another 20 years.
6 Unfortunately, when the rule was written this concept
7 of taking advantage of the maintenance rule programs
8 was not in hand and the rule wasn't written around
9 this concept and so we are considering in some detail
10 whether the rule has to be changed and, if it does,
11 just how it has to be changed to account for a
12 slightly different logic in the technical evaluation
13 of the plants.

14 Where we stand now is we have a couple of
15 options. The Commission has voted to have a major
16 conference which will be help probably in September in
17 which all the different parties, whether they're
18 industry people, general observers, public interest
19 intervenors, will sit down with the Commission. We'll
20 look at these draft rules and we'll go and see what's
21 the best way to get from where we are today to an
22 affordable, predictable basis for extending licenses
23 another 20 years.

24 The other major reactor area has to do
25 with new reactors and there are two parts there. One

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1 is the set of provisions for issuing licenses for
2 construction of new power plants, and that's gone
3 really quite smoothly. It's far from tested at this
4 point, but the so-called Part 52 modifications have
5 held up very well to fairly close critical analysis.
6 We've had a major workshop. We've polished our rules
7 and I think the regulatory environment is pretty well
8 set if and when people decide that they want to buy
9 new power plants.

10 Much more interesting has been the work
11 that's gone on in certifying the designs of these new
12 power plants. Now the new designs are dominated by
13 two concepts. The first is a systems approach to
14 things, whether it be an evolutionary plant in which
15 almost every part of the plant has been demonstrated
16 someplace or a so-called passive plant or -- well,
17 passive is probably as good a phrase as we can --
18 where there are quite a few novel concepts in design,
19 in particular relying much more on natural convection
20 and gravity to get water over the core in case of an
21 accident rather than relying on active power, diesels
22 and pumps. In both these concepts, the idea is to get
23 a system concept and to stick to that concept and not
24 diddle with the concept. In other words, to have a
25 great deal of standardization in these new plants.

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1 And the related idea is to make a safety
2 assessment based primarily on the paper design and the
3 experience and the limited amount of demonstrations,
4 but to agree in advance, in other words to get the
5 vendor to come forward in advance and give us
6 acceptable conditions so that we will be able to know
7 when the plant is built if the plant was built
8 according to the design. It's like having a contract
9 where we say not only will we buy something but here
10 are the acceptance criteria, here are the terms of the
11 contract, here's how we'll know whether the contract
12 has been fulfilled before the contract is signed
13 instead of after the contract is signed.

14 All of these acceptance criteria are
15 wrapped up on something called "ITAAC," which stands
16 for inspections, tests, analyses and acceptance
17 criteria. It's quite a novel concept to the nuclear
18 industry. In fact it's really quite novel even in the
19 aerospace industry where there's some of this. They
20 haven't gone as far as we're trying to go.

21 In the first two designs, the so-called
22 "evolutionary designs," the GE large advanced boiling
23 water reactor and the Combustion Engineering System
24 80+, the design questions are basically resolved at
25 this point. Almost all the issues are focused on the

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1 ITAAC, how will we know that the plant was built
2 according to the design, and these are coming along
3 quite well at this point.

4 As far as the certification goes, the last
5 point I'd like to stress is that at least for the two
6 evolutionary reactors these may be new to the United
7 States. We haven't built a reactor in the United
8 States based on a license since 1974. In other words,
9 the license was issued in 1974. But they're not new
10 to the world. All the features, even the electronics
11 and certainly all the other features in both of these
12 designs have been demonstrated someplace or other, in
13 Japan, in Korea, perhaps in Taiwan, and so when and if
14 new power plants are built in the United States they
15 are supposed to be the selection of the best elements
16 of power plants that will have been demonstrated
17 around the world.

18 Now clearly the industry is not thriving,
19 but it's not moribund either. There has been a low
20 level, a continuous low level of activity overseas and
21 one part of our international program is to monitor
22 this activity and take advantage of what we can learn
23 from what goes on overseas.

24 I'd just quickly switch to a couple of
25 other topics. One is the materials area. Materials

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1 is only literally 15 percent, with overhead about 25
2 percent of our budget, but it seems to me that two-
3 thirds of our problems arise in the materials area.
4 It's a very difficult set of areas, in large part
5 because the components have very little to do with
6 each other.

7 What we've been trying to do across the
8 materials area, whether it has to do with
9 decontamination of old sites or regulation of the
10 industrial use of radioactive sources or the medical
11 area, is to bring a more systematic basis for
12 regulation in this area, to run this in a more
13 predictable fashion rather than relying so much on
14 sensible but ad hoc decisions which don't make for
15 very good precedents.

16 We've started something called the "Site
17 Decommissioning Management Plan" where we've taken 50
18 sites, not a single one of which is a serious short-
19 term health and safety hazard. They're all plants
20 that are left over from industrial operations of one
21 kind or another where there is a residual amount of
22 decontamination.

23 When you look at the country where we have
24 50 of these, maybe 200 of these sites, and you put
25 them all together and you look at the universe of the

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1 sites rather than the sites one at a time, there's a
2 set of problems. Somebody's going to get sick.
3 Somebody's going to get hurt. People who live around
4 these sites would be very displeased with the
5 activities of the nuclear industry and with us and we
6 have to do something to clean these up. We have put
7 these in this Decommissioning Management Plan, set
8 temporary decommissioning criteria, started a
9 participatory rulemaking to figure out what's the
10 level of radiation below which these sites can be
11 returned to general unrestricted use and pushed very
12 hard on the licensees or their predecessors to clean
13 up the sites with some considerable success.

14 In the medical area, we've been looking at
15 a lot of problems, but the basic problem is that we
16 regulate rather thoroughly only about 20 percent of
17 the use of radiation for cancer therapy and almost 80
18 percent is generated from different kinds of sources,
19 from linear accelerators, from electronic devices
20 rather than from sealed isotopes that come out of a
21 nuclear reactor. We don't regulate that part of the
22 field. Before rushing into trying to do an even
23 better job, and we certainly can do a better job on
24 what we do do, we've stopped to ask, does it make
25 sense to put so much effort into a quarter to a fifth

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1 of the field when the rest of the field, very similar
2 in terms of radiation, although quite different in
3 terms of sources, is regulated completely outside of
4 our area?

5 So, we are taking a look at the overall
6 basically medical therapeutic use of radiation to see
7 if it makes sense to change the federal government's
8 jurisdiction, either to do more or to do less, but not
9 to do exactly what we're doing now.

10 The last topic, general topic, I wanted to
11 talk to is openness. From day one I've made this a
12 basic theme of my stay. I've said the first
13 responsibility of the NRC is to assure the safety of
14 the general public from radiological damage and the
15 second is to make sure the public understands how and
16 why we do it, to try to give the impression that we
17 represent the public. There are a lot of ways to do
18 it. We've dealt a lot more with the media. Our
19 regional administrators give press conferences every
20 quarter. They've even started to enjoy doing this.
21 We've tried to give people, just the general public,
22 much more access to the regulatory process. We've
23 opened up a lot of our enforcement conferences. We've
24 put a lot more documents out. We hold a lot more
25 public meetings. We've had a participatory rulemaking

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1 on this question of a level of radiation which is
2 sufficient to allow a site to be returned to
3 unrestricted use, which has been pretty successful so
4 far, but it doesn't have any answers. I suspect that
5 once we start coming up with recommended levels, that
6 the parties will start having more problems with the
7 process. But so far, it's been a successful process.
8 People have participated. We've learned a lot from
9 them and they've learned a lot from each other.

10 The last item in this openness area has
11 been workshops. We've held -- in the year from July
12 1st, '91 until June 30th, '92 we held 40 some public
13 workshops and we've held over 70 in the year that just
14 ended last week. These are -- almost all are
15 substantive workshops where the Commission has a
16 proposal. It's neither a fait accompli nor is it just
17 sort of let's get together and talk this out. A lot
18 of work goes into some proposals, but well before they
19 take final form we publish the documents, invite large
20 segments of the public interested in the narrow sense
21 and interested in the broad sense, people to come in.
22 At almost every one of these workshops, the proposals
23 as a result of what we learn change in some ways quite
24 significantly. But we have pushed and I think rather
25 successfully to open up the regulatory process and,

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1 more importantly, to make sure that everybody in the
2 Commission understands that credibility doesn't come
3 from just doing a good job. You have to let people
4 see what you're doing. And conversely, if you're not
5 doing a good job you have to own up to this and try to
6 fix it.

7 I might just say a word on two very
8 specific topics that have been in the news lately and
9 then we'll get off the monologue.

10 The first has to do with whistleblowers,
11 or as I prefer to talk, people who bring allegations
12 or allegers. Strictly speaking, a whistleblower is
13 somebody who's within the organization who blows the
14 whistle on an activity and needs protection, usually
15 has to come public to get that protection. This is a
16 part of being much more dependent on allegations than
17 we have been in the past for safety information. It
18 just makes sense that there are a lot of people
19 working at power facilities or nuclear facilities of
20 one kind or another, a lot more than we have
21 inspectors, and whatever they can tell us is very
22 important. It's also important that they feel free,
23 even more important that they feel free to go to their
24 own employers, either within the chain of command or
25 outside the chain of command, and be taken as

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1 respected people who care about safety, not as
2 troublemakers.

3 The Commission has done a lot in the last
4 five years to improve the process, to open up the
5 process but coming directly to the NRC and even more
6 importantly to encourage licensees to have their own
7 programs, not only quality assurance programs, which
8 all power plant licensees must have, but programs that
9 go out of channels, which about two-thirds of the
10 licensees have.

11 The question before us is should we be
12 doing more. In fact, the Commission has asked the
13 staff to take a look at this very question to sort of
14 sketch out what the current situation is and to see
15 primarily within our statutory responsibilities
16 whether there are more things we can and should do.
17 In particular, can we get the feeling of protection
18 out earlier before people have been demoted or lost
19 their jobs, to put a protective net around people when
20 they first come forward, and most importantly to make
21 clear that potential allegeders know this net is there
22 because even if we're convinced that the process is
23 working very well, if people are deterred from coming
24 forward, then it's not a successful process.

25 The other topic I just wanted to mention

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1 has to do with terrorism and to so-called design basis
2 threat. The Commission, and I think correctly, for a
3 number of years, in looking at protecting power plants
4 from terrorism -- and remember, our job is to make
5 sure that the licensees protect the general public
6 from radiological damage. Whatever they do beyond
7 that to protect from blackmail or threats or economic
8 damage is not our business. Up until recently, we
9 have taken I think a sensible view that says there's
10 been no intelligence that there will be overt
11 terrorist attacks, particularly using vehicles. It
12 doesn't make sense for large scale attacks by
13 organized terrorists in the United States where people
14 have basically a sanctuary.

15 Most of the emphasis was on setting up a
16 protective barrier so that terrorists could not
17 covertly get into a plant undiscovered, plant weapons
18 or bombs or do other damage and get out. In the
19 spring of this year, it became pretty clear that there
20 was another set of threats that we didn't protect
21 against. They more generally, I'd say, are threats
22 that took the power plant by storm rather than by
23 stealth, where you could drive in a vehicle into the
24 plant, either to carry people in or to carry in a
25 bomb. We looked at this. We do not believe -- first

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1 of all, again, there's still no intelligence that says
2 people are planning vehicular attacks or any other
3 attacks on power plants.

4 For all the weaknesses of security, power
5 plants are still quite well protected compared to a
6 lot of other attractive targets. But the margin of
7 prudence, the margin of confidence that we have is
8 clearly frayed by the events at the World Trade
9 Center, much more than the penetration of Three Mile
10 Island. So, we went back and we said one of the
11 assumptions was that it would be difficult for
12 terrorists to put together enough explosives to load
13 into a car or truck and drive it in without some
14 intelligence in advance. Well, that turns out not to
15 be so. The attack on the World Trade Center was a
16 surprise. We can't rule out unexpected vehicular
17 bombs.

18 The second was just that it was clear that
19 what I'll call -- it's not my phrase, but I'll call
20 the amateurization of the terrorism movement has led
21 to a lot of people who either through bravery or
22 ignorance or some combination of the two are willing
23 to take much worse chances than professional
24 terrorists would normally take. In the past, we just
25 couldn't rule out the fact that it's essentially a

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1 suicide attempt or a very risky attempt to drive a
2 truck through a fence carrying large amounts of
3 explosive and to drive right up to the reactor
4 building or into the reactor building and have an
5 explosion.

6 So, the staff has proposed, not as an
7 urgent measure, in other words not as a measure of
8 immediate threat to health and safety, but as a
9 prudent measure that we enter into a rulemaking, an
10 expedited rulemaking that would require every power
11 plant in the country to strengthen their protective
12 barriers so that you couldn't drive a vehicle of a
13 certain size and a certain speed just through the
14 barrier, whether it's through the fence or through the
15 entrances, and therefore to have a reasonable
16 confidence that a vehicle couldn't penetrate the
17 protected area.

18 And then to take a look at the geometry of
19 the power plant and the structure of the vital areas
20 to see if by preventing penetration we also prevent an
21 attack by a vehicular bomb. In other words, in most
22 power plants if you can't get into the protected area
23 you can't get a reasonable sized vehicle with a
24 reasonable sized bomb close enough to the vital areas
25 to do some damage, and we are requiring that people

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1 not be able to get into the protected area.

2 Then they have to take a look at their
3 geometry to say, is there something peculiar about
4 their plant, something in the geometry where the
5 protected area fence is too close to the building such
6 that keeping people out of the protected area is not
7 equivalent to keeping a bomb far enough away from the
8 building? If that's the case, then they will have to
9 do -- assuming the rule goes through as the staff
10 proposes, which is a big assumption, but assuming the
11 rule goes through, then the licensee will have to do
12 an analysis, a more detailed analysis to see whether
13 there is a problem, taking into account the specifics
14 of the structure and the specifics of where pipes and
15 cable go in that particular plant. If they still have
16 a problem, then they either have to fix this or
17 convince us that the cost of fixing that problem for
18 the extreme case of the large bomb driven very close
19 to the fence in a particularly vulnerable area. They
20 would either have to convince us that the cost of
21 protecting against that is not commensurate with the
22 threat or they will have to do something in addition
23 to just strengthening the protective area, most likely
24 moving the fence out to a broader area.

25 I think I'll just stop at this point and

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1 try to answer whatever questions you have.

2 QUESTION: Could you expand on this
3 terrorism a little bit more? Sometimes the Defense
4 Department gets accused of fighting past wars and it
5 almost sounds like you're reacting to past terrorist
6 events. It may seem stretching the imagination, but
7 why couldn't terrorists use an airplane packed with
8 500 pounds of explosives or somehow get their hands on
9 a homemade mortar barrage like was used against the
10 Prime Minister's residence in London? The IRA did
11 that.

12 Do you worry at all that maybe you're
13 fighting past terrorist events and not anticipating
14 future ones now that we know that terrorism has been
15 brought to our shores, both with the World Trade
16 Center and with the plot to do the tunnels under the
17 harbors?

18 CHAIRMAN SELIN: Well, there's a whole lot
19 of things that people could do, but the question is
20 how hard is it to do it, how much expertise does it
21 take to do it, what's the risk versus what is the
22 benefit. There are 69 power plants in the United
23 States. They're not top on anybody's list of places
24 terrorists would normally attack. They tend to be
25 pretty remote, good symbolic targets. But there are

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1 a lot of other places that are a lot easier to attack,
2 like the Lincoln Tunnel, like a lot of other places
3 that would do a lot more damage.

4 So, what we see our job is to raise the
5 level that -- the threshold that people would have to
6 cross to the point where they would just say, "Let's
7 forget this. There are other places that are better
8 to go at." You can rent an airplane, you can get a --
9 I suppose you could get a suicide pilot to fly an
10 airplane. You'd have a fair chance he could fly the
11 airplane into the power plant and cause a lot of
12 damage. You wouldn't probably not even have to put
13 any explosives on it. But that's a very difficult
14 thing to do compared to a lot of other topics that are
15 much easier to do. We've come to the conclusion that
16 based on some evidence it's not out of the question
17 that somebody would load a bunch of explosives on a
18 pickup truck, drive the explosives through the gate,
19 known enough about a power plant to be able to
20 distinguish the reactor building from the turbine
21 building. This is still way beyond anything in which
22 we have any intelligence and way beyond anything that
23 we think makes sense, but it's not as far beyond that
24 level as it was in January. Once you get into
25 paramilitary attacks, et cetera, you're really beyond

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1 what it makes sense for licensees to do.

2 I should point out, there's still other
3 things that can be done given some intelligence, given
4 some warning. These are steps we're talking about
5 that people would just be doing on a routine basis,
6 although I don't think we'd ever have a contingency
7 plan for a suicide airplane attack on a power plant.
8 We would for larger numbers of vehicles or larger
9 numbers of explosives if there was some intelligence
10 to suggest that an armada was being put together.

11 QUESTION: Excuse me. Do you have a date
12 when you hope this expedited rulemaking will --

13 CHAIRMAN SELIN: Well, the staff's
14 language has been published. They need to go through
15 some mechanics. I believe it would take about four
16 months from today to have the rule through. I don't
17 really think we're going to get a lot of surprises in
18 the comments because we had a thorough workshop on
19 this topic in May and the rule is pretty
20 straightforward. It's not as if the rule itself will
21 elicit a lot of questions.

22 The key thing that we're doing when we go
23 out with the statement is we're going to try to give
24 as much assurance as we can to the licensees that this
25 is probably going to be the package that we're not

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1 going to pull the rug out from under them and
2 therefore encourage them to get started and not wait
3 for the rule to come in and a date to be set. I
4 believe most of the licensees are pretty well
5 reconciled to doing something, but they would be
6 uncomfortable spending a lot of money and then finding
7 out that we made some change in the regulations and
8 they would have to do the job twice.

9 So, the key is to get a pretty well
10 understood rule with reasonable assurances that if
11 they start working against the draft rule they won't
12 end up having to tear out barriers and put in new
13 barriers.

14 QUESTION: So, that's a proposal rule?

15 CHAIRMAN SELIN: It's a proposed rule.
16 There is not such a threat that we feel there's an
17 immediate threat to health and safety and therefore we
18 are going to go through an expedited rulemaking,
19 probably 30 days of comment.

20 By the way, this is the first time we've
21 ever changed the design basis threat using our so-
22 called backfit rule, saying that it looks to us like
23 the costs are commensurate with the savings. The
24 changes in the past were to the point of saying, "This
25 is something we're really worried about," and you just

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1 have to do it regardless of what it costs.

2 QUESTION: You mentioned that the last
3 time a license was issued was 1974. Do you see --
4 what is the likelihood, do you think, of a license
5 being issued for new plants?

6 CHAIRMAN SELIN: Well, it doesn't make any
7 sense for anybody to try to get a license before about
8 '98 or so. We're going through the certification of
9 new designs and the earliest in which a design will
10 have a full design approval, in other words not only
11 the staff approval but the hearings and the Commission
12 approval, will be about 1995. I can't imagine a
13 utility ordering a power plant other than the new
14 designs using the new procedures. So, we could expect
15 at the earliest an order about 1996, if the demand is
16 there.

17 In other words, there are really three
18 questions. One is, is baseload electricity necessary,
19 and the answer is sure, but not much until the end of
20 the century, except in some specific areas. The
21 second is, is there an alternative and a process for
22 a nuclear power plant. And then the third is could
23 they raise the finances and get over the economic
24 questions. I'd say '96 or '97 would be the earliest
25 we could expect somebody to come in with a license

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1 application.

2 QUESTION: But you're not looking at
3 anybody who you're sure is going to be coming in at
4 this point?

5 CHAIRMAN SELIN: No. On the one hand,
6 it's not imagination. Utilities -- not only vendors,
7 but utilities are putting a fair amount of money.
8 There's over \$100 million of utility money in
9 something we call first-of-a-kind engineering project,
10 probably \$200 million if you add it all up, and that's
11 only a fraction of what a power plant would cost, but
12 it's not pocket change either. The second thing is
13 that these plants will have been pretty well
14 demonstrated in large part overseas. So, it's not
15 entirely buying off paper. But it is far from
16 assurance that there will ever be another plant
17 ordered. But I'm absolutely certain there won't be an
18 application before about, say, '96. Since it's a new
19 application process, it's got to take at least a year
20 and a half or two years to -- well, a year to put the
21 application together and a year and a half or two
22 years to process them. So, by the time -- even if
23 somebody really wanted to do this and things went very
24 smoothly, you're talking about the end of the decade
25 before a new license could reasonably be issued for a

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1 new power plant.

2 QUESTION: You said --

3 CHAIRMAN SELIN: Let's go to Ed. He's
4 next.

5 QUESTION: I have two questions. Public
6 Citizen is going to come out with a report tomorrow,
7 "Critical Lemons in Nuclear Plants."

8 CHAIRMAN SELIN: Right.

9 QUESTION: And you mentioned the
10 difference between good performers and bad performers.
11 I think they would classify a lot more plants as bad
12 performers based on a lot of different criteria than
13 the NRC might. But even given the technical
14 differences, how would you refute or would even refute
15 that -- they say about 50 plants are basically lemons
16 and are worthless.

17 CHAIRMAN SELIN: You know, we work off our
18 stuff, not off theirs. We'll obviously take a look at
19 what they have to say and see if we can learn
20 something. But I don't see such a big difference. We
21 have almost 10 plants on the watch list and there are
22 a lot more that, although not down to the point of
23 requiring the level of attention of a watch list, are
24 pretty far below the better plants in the area. There
25 are old plants that are top performers, as well as new

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1 plants. They come from all makes. We see no
2 intrinsic reason that anybody ought to be on our list
3 or on their lemon list or what have you.

4 Now, the difference between their 50 and
5 our 10 might be adjectives, but I suspect that a large
6 number of their 50 would be plants that have caused us
7 concern at one point or another, probably not to the
8 point where we think they're candidates for the watch
9 list, but certainly plants for whom we could see
10 significant improvement in performance.

11 I personally, and I think the Commission
12 as a whole, is really quite taken with the wide
13 variation from one to another. I don't see a major
14 conflict between us and them about what ought to be
15 done about these plants or the fact that there just
16 shouldn't be so many plants that are even candidates
17 to be called a lemon by any serious observer.

18 QUESTION: The second part is just on TVA.
19 They have one plant, Watts Bar, that's been under
20 construction 20 years, and then Bellefont. How can
21 you justify those continuing construction schedules
22 over that long of a time?

23 CHAIRMAN SELIN: What do you mean how can
24 we justify?

25 QUESTION: How can you justify continuing

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1 to tell them that they could get a license? If
2 they've been applying for 20 years, isn't there a
3 point where the NRC can tell somebody to stop or do
4 you feel that there's a need to?

5 CHAIRMAN SELIN: No. I mean our job is to
6 say, "From where you are today, do we think it's
7 possible to get a license?" We've told Watts Bar that
8 April is pretty optimistic. An awful lot of things
9 would have to happen to come together. But there have
10 been a lot of problems at Watts Bar. There still are
11 significant numbers of problems at Watts Bar, but the
12 criteria are there. If they choose to continue the
13 construction, we will evaluate what they do.

14 One of my concerns about Watts Bar is the
15 continued -- reduced from the peak but still the
16 continued high level of allegations that come in about
17 safety problems at Watts Bar. That's not good in
18 itself from their point of view and it's certainly not
19 the sign of a happy and contented work force and that
20 will be one of the issues that we will look at in
21 addition to the more technical questions of safety and
22 readiness to load fuel.

23 It's true that Watts Bar was going on for
24 a long time and it's true that in 1985 both the
25 Commission and the licensee thought that they were

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1 very close to a license, but they weren't. The
2 allegations were a major contributor to understanding
3 how far away they were from having a plant that was
4 ready to go. But once we and the current TVA
5 management, which was not the management in 1985,
6 looked at Watts Bar in some depth, we pretty much
7 agreed on how much more had to be done to have a
8 licensable plant.

9 Yes?

10 QUESTION: To get back to this range and
11 this gap, you've indicated that it's not necessarily
12 the age of the plant or when it was built. Give us
13 some sense of what it is that's different in the lower
14 25 percent.

15 CHAIRMAN SELIN: Sure.

16 QUESTION: (Questioner off mike) -- all
17 the utility executives that have usually a lot of
18 experience in nuclear power. What is it that's there
19 that you see --

20 CHAIRMAN SELIN: I mean if you want a one
21 word summary, it's management. That's really what it
22 come down to. The cliché is that it's people, but
23 management is responsible for running a plant, for
24 getting good people, for instilling a safety culture
25 in the plant.

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1 Some utilities, I hope a reduced number,
2 think that safety means just doing enough to keep the
3 NRC off their back. Most seem to believe that it's in
4 their economic as well as their public affairs benefit
5 to be tougher on themselves than we would be on them.
6 Just in the two years that I've been here I've seen
7 that change in attitude, almost always to the better,
8 not to the worst. In other words, utility managements
9 who used to say, "If it's not in the NRC regs, we
10 don't have to do it," seem to be reduced in number.

11 The second related item is that the
12 industry itself has been starting to preach that a
13 safe plant is likely to be an economic plant and a
14 non-economic plant is almost certainly not a safe
15 plant and you'll see a very high correlation over a
16 long time between the performance characteristics,
17 things like availability or percent of time generating
18 electricity with the SALP scores and the other safety
19 scores. But you have to look over a long time because
20 often we see a plant that runs for three years or two
21 and a half years -- no, not that long, but for 18
22 months and then comes down and finds that it's
23 deferred a lot of maintenance that has to be fixed in
24 the overhaul.

25 But we talk a lot about safety culture,

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1 about finding root causes, about really caring about
2 safety, about making investments before they are
3 necessary, not afterwards, about trying to control
4 their own destiny. But it all comes down to
5 management and the most disconcerting thing to me is
6 to see a good plant and a bad plant in the same
7 company because to me that means that the corporate
8 management really hasn't done their job, that if the
9 plant management is good, they're able to run a good
10 plant, at least the corporation has not gotten in
11 their way, but that the corporation hasn't added much
12 value to the plants and we're starting to see less of
13 that. TVA has improved its operations over a number
14 of years ago. Commonwealth Edison is clearly a better
15 corporate performer than it was just a couple years
16 ago. In a couple of other places we've seen wide
17 variations where the bottom guys are starting to come
18 closer to the top, people in the same company.

19 QUESTION: Just to follow-up on --

20 CHAIRMAN SELIN: Let me just see if
21 anybody has got a first question.

22 QUESTION: Yes. I was wondering what
23 you're planning to do with Region V. A couple weeks
24 ago the NRC report came out urging -- recommending the
25 elimination of Region V and putting the activities in

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1 the Texas office. Do you agree with those
2 recommendations?

3 CHAIRMAN SELIN: Well, the study report
4 recommended that, but the staff didn't. The staff
5 looked at a number of options and there seemed to be
6 three serious options at this point. One is not to do
7 anything. The second is to move all the material
8 functions and the management of the reactor functions
9 to Texas, but keep kind of a field office to supervise
10 the reactors and people in the area, plus an agreement
11 states person and a public affairs person. And a
12 third would be to close the office.

13 Remember, Region V, although very large
14 geographically, is an area that's got relatively low
15 numbers of reactors. Except for Alaska and Hawaii,
16 every one of the states in the region is an agreement
17 state for material management. So, we have very
18 little direct supervision of material licensees other
19 than Veterans Administration hospitals and fuel cycle
20 facilities, which we don't see to the states under the
21 agreement state program.

22 We've already made a couple of decisions,
23 which is, number one, we're not going to make a
24 decision until I go out on behalf of the Commission
25 and go to the region and have a general meeting,

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1 listen to what the regional people have to say, which
2 will happen in a couple of weeks. The second is even
3 if we do reduce some resources from the region, none
4 of that will start until next summer. So, we're not
5 talking about jerking people around on the very short-
6 run.

7 But the ratio of overhead direct work in
8 that region has gotten to be much higher than it is in
9 any other part of the country. There's a real
10 question about whether there's enough of a work load
11 to maintain two fully independent regions in IV and in
12 V and what's behind this. It's resource-driven in the
13 broad sense of trying to make sure that the taxpayers
14 and the licensees get their money's worth, but not in
15 the narrow sense of saying, "We have some arbitrary
16 budget target we have to hit and that's the target."
17 Even without the general squeezing down of government
18 operations, it's a legitimate question to say whether
19 productivity is high enough given -- nothing to do
20 with people's individual performance, but given the
21 small number of licensees that we have there to
22 maintain a separate regional office.

23 QUESTION: Last year here you had said
24 that public opinion in nuclear power had shifted from
25 critical to skeptical. Where do you see it now?

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1 CHAIRMAN SELIN: My finger isn't
2 completely on the pulse of the public, but I visit a
3 lot of places and I talk to a lot of people who
4 generally are close to licensees, not entirely but
5 generally are. I don't believe that a licensee who
6 wanted to build a new power plant, who had sources of
7 capital, who -- assume it's five years from now and we
8 have both the procedures and the reactor designs,
9 would have a major public affairs problem if people
10 perceive a solution to the high-level waste problem.

11 I just don't see an enormous amount of
12 opposition to nuclear power on general points. I see
13 it much more on specific points, particularly economic
14 points as well as the high-level waste point.

15 There's still lots of problems though. In
16 the low level waste area, there hasn't been anywhere
17 near as much progress as people foresaw a few years
18 ago. There doesn't have to be a lot of progress. I'm
19 pretty optimistic that the compact system will work
20 and that a number of sites will get out there and then
21 economics and common sense will take care of the rest
22 of the problem. But that's mostly because it's such
23 an easy problem, that when you get to putting a low-
24 level waste facility, it doesn't take much more than
25 some local opposition to slow things down enormously.

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1 But I just don't see -- I mean I look at
2 our hearings, I look at our meetings, I look at our
3 relatively few licensing applications and they're very
4 responsible places. They're almost textbooks for how
5 government-citizen interactions ought to work. From
6 what I know of a few years ago, that wasn't the case.
7 So, I think that generally the general public, either
8 they're -- this bothers me, but they're worried about
9 other things more than they are about power plants, or
10 they're reasonably well informed about the power plant
11 issues and are concentrating on the major topics.

12 I think we benefit from a strong presence
13 of public interest groups. We are a quasi-judicial
14 agency. The more we have advocates from both sides
15 before us instead of having to be both magistrate and
16 judge, the better off we are. I would like to see
17 more -- I don't want to say opposition, but more
18 skepticism I think would make our job a little easier
19 rather than where we stand today.

20 QUESTION: I had a couple questions on
21 Thermolag.

22 CHAIRMAN SELIN: Sure.

23 QUESTION: Are you satisfied that the
24 industry is moving fast enough to solve the problems
25 with Thermolag? And secondly, do you think that

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1 there's any validity in the criticisms from some of
2 those public interest groups you were just praising
3 that the NRC is being hypocritical, on the one hand
4 saying that Thermolag needs to be replaced and on the
5 other hand saying that Appendix R is marginal to
6 safety and likely to be eliminated or altered or
7 modified?

8 CHAIRMAN SELIN: We never said Appendix R
9 is marginal to safety. What we have said is that
10 Appendix R was written in a very short time and it's
11 more prescriptive than it would be if we rewrote it
12 today. No one has ever said we shouldn't have
13 something like an Appendix R, but there's a
14 considerable discussion about whether setting such
15 prescriptive guidance in terms of fire safety is
16 really the right way to do it or should we go more
17 towards some type of performance specification of
18 Appendix R?

19 In fact, we don't have a comprehensive
20 view, but when we take a look at the plant by plant,
21 individual plant examinations that have gone on, fire
22 is still one of the major contributors to the risk in
23 power plants. Someplace between 10 and 20 percent of
24 the risk of a core melt accident would be either based
25 on or at least exacerbated by the fire risk. So, we

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1 are very much interested in fire protection. If
2 anything, we're more interested in fire protection
3 than we were a few years ago. The staff just did --
4 well, you reported on it in some length, but the staff
5 did what I consider to be an extraordinary, tough-
6 minded report on what has to be done better in fire
7 protection, either more or better than we've done to
8 date.

9 QUESTION: Is it a perception problem that
10 you're dealing with then because clearly you're not
11 winning over groups like NERS? There's --

12 CHAIRMAN SELIN: We haven't done anything
13 to win them over yet. We're thinking that we should
14 be moving more towards a more performance-oriented
15 fire protection program, but we haven't even presented
16 a program for discussion, let alone tried to convince
17 anybody that we're right. People have a perfect right
18 to be skeptical of our performance as regulators and
19 not as safety people. In other words, our program
20 performance in the fire protection area has been
21 nothing to be proud of. The Thermolag, that's the
22 sorriest situation I've seen since I'm here. But we
23 have good people there now. They certainly are tough
24 on themselves and on the agency about what we ought to
25 be doing. I'm reasonably optimistic that we will come

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1 up with a proposal at some point that will be better
2 than where we are today to concentrate more on the
3 empirical evidence of where fire is a problem and what
4 ought to be done about it.

5 But I will stress that if there are
6 changes to Appendix R, they will be after the
7 Thermolag problem is fixed, not before. We are not
8 considering making changes to Appendix R that would
9 let people off the hook that today don't have
10 adequate -- not Thermolag, but do not have adequate
11 passive barriers to fire spread. They have to meet
12 today's rules today with the fairly technical changes
13 of where we put the thermocouples and what kind of
14 hose is used in the testing.

15 The second thing is we've never said that
16 people should tear out the Thermolag. We do not know
17 how good the stuff is. Clearly it has some value and
18 pretty clearly it doesn't do what it was promised to
19 do, and it's not just Thermolag. Some of the other
20 less frequently used fire barriers are also showing
21 some inadequacies. Until we know just what it can do,
22 either on a specific basis, plant by plant basis, or
23 generic basis, we can't tell people that they don't
24 have to run these fire watches. Obviously we would
25 prefer that people get in and they separate their

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1 supposedly redundant systems and a few plants have
2 done that. But the reason I have confidence that the
3 industry will do something in a timely fashion is
4 because it's costing them so much money not to that
5 they would just have to be crazy to continue the
6 current situation any longer than they have to.
7 Almost any reasonable capital investment to fix the
8 fire barrier would, in a very short time, pay for
9 itself compared to running these fire watches.

10 I don't have any great belief in the
11 altruism of this industry or any other industry, but
12 self-interest clearly would argue that it pays for
13 them to fix the problem and convince us that they have
14 fixed the problem and then get off the fire watch
15 area. In fact, the NUMARC program is pretty much on
16 schedule in spite of the fact that there was some real
17 questions raised about whether individual utilities
18 would do the testing that they said they would do as
19 part of NUMARC. Now they're back on schedule.

20 QUESTION: (Questioner off mike.) Any
21 chance that you're going to go to Ukraine with --

22 CHAIRMAN SELIN: You mean as ambassador?

23 QUESTION: Yes.

24 CHAIRMAN SELIN: No. The National Journal
25 is a wonderful journal, but I don't intend to go to

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1 Ukraine. I expect to be here for quite awhile.

2 QUESTION: Could we revisit this terrorism
3 thing? The last nuclear plant I saw was Duke Power's
4 Catawba plant and I remember this cordon sanitaire
5 that ran around the perimeter.

6 CHAIRMAN SELIN: Right.

7 QUESTION: Basically two chain link fence,
8 maybe topped by concertina wire and gravel and a
9 several yard wide cordon in the middle.

10 CHAIRMAN SELIN: Right.

11 QUESTION: Is it your intention or your
12 vision, maybe I should say, that the crash barriers
13 should be extended throughout this perimeter or just
14 at the gates where --

15 CHAIRMAN SELIN: No, throughout the
16 perimeter.

17 QUESTION: You see a perimeter-wide?

18 CHAIRMAN SELIN: Absolutely, a perimeter-
19 wide defense. We've looked at a couple of specifics.
20 The licensee is always free to come back with a
21 different solution, but we are satisfied that if they
22 did nothing else they could, through a combination of
23 these jersey bounces and heavy aircraft cable, they
24 could string these around the fences to the point that
25 you couldn't drive through the fence even at a fairly

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1 high speed with a fairly large truck. So, the basic
2 provision, which we expect to require of every
3 licensee, is that the fence be able to withstand the
4 penetration of a vehicle whose exact characteristics
5 will be classified, but a good sized vehicle going at
6 a good sized rate of speed.

7 Now, in a particular plant, if there's a
8 creek or a barrier, some natural barrier, they can
9 take that into account. But basically they have to
10 have a perimeter that's got very high confidence of
11 repelling a vehicle within the design basis.

12 QUESTION: Can you suggest -- are we
13 talking probably about roughly \$1 million project?

14 CHAIRMAN SELIN: Half a million to \$1
15 million for probably 80 to 90 percent of the plants.
16 There will be a few plants where it will cost them a
17 lot more because of geography, but they have to do it
18 regardless of what it cost them. The cost benefit
19 analysis as we propose it does not deal with an
20 individual plant's cost of fixing its fence. Every
21 plant will have to fix the fence. We looked at an
22 average cost and said it seems to us to be worth it if
23 some plant has got poor geography and geometry and it
24 has to spend more, it will have to spend more.

25 The cost benefit goes for those plants

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1 where fixing the fence will fix the penetration
2 problem, but not the standoff problem, whether they
3 have to go much further than that.

4 QUESTION: And one follow-up on that. You
5 said you hoped to have the rulemaking four months from
6 today approximately.

7 CHAIRMAN SELIN: Completed. I mean out,
8 commented, turned back and into a final rule.

9 QUESTION: And then how much time would it
10 give the plants to --

11 CHAIRMAN SELIN: Well, that's some
12 discussion. It would certainly be next spring
13 sometime. There are just some problems in, first of
14 all, how fast we can require these things, and
15 secondly what has been a moribund industry will
16 suddenly become a growth industry, namely providing
17 certain kinds of cable and consultants and stuff. So,
18 I expect for a short amount of time there will be a
19 lot of people chasing a relatively limited supply.
20 So, we have to be reasonable. But as I said, we're
21 pushing as hard as we can to get people to start and
22 not wait for the rulemaking.

23 QUESTION: I just want to make sure I
24 understand. You're saying that you want the final
25 rule within four months?

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1 CHAIRMAN SELIN: Right.

2 QUESTION: Okay.

3 CHAIRMAN SELIN: Done, out, commented,
4 turned around and gone final.

5 QUESTION: But the preliminary rule isn't
6 out yet?

7 CHAIRMAN SELIN: Preliminary rule should
8 be out in about a month. I mean we have the draft
9 rule that's 20 lines, but there has to be a whole
10 package that goes with it and there's some work that
11 has to be done on the package. Actually, the most
12 difficult part of this is to get the language right
13 that says, we won't pull the rug out from under you if
14 you start today, but we're not prejudging the results
15 of the comment process. That's the toughest part of
16 the whole --

17 QUESTION: You called it a jersey bounce.
18 I'm familiar with the jersey barrier --

19 CHAIRMAN SELIN: Yes, it's the same thing.

20 QUESTION: -- which is the concrete
21 divider on highways.

22 CHAIRMAN SELIN: No, no. They're not
23 those, they're these just concrete-laden orange
24 barrels basically that you can set up as a barrier.
25 In fact, what the plant --

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1 QUESTION: Like at an exit ramp or
2 something that you might find?

3 CHAIRMAN SELIN: Yes. What the plants
4 choose to do is their business. We've satisfied
5 ourselves that there is at least one or there are at
6 least one or two solutions which are affordable, which
7 are readily available. And then if a plant comes up
8 with some other idea, if they want to put in moles and
9 alligators or something like that, that's their
10 authority. We don't have an alligator inspector now,
11 but I'm sure we'll figure out how to do it.

12 QUESTION: On the subject of
13 whistleblowers, a number of them that we've heard from
14 in recent months talk about that they go to the Labor
15 Department and the Labor Department they feel
16 sometimes isn't as knowledgeable about some of these
17 internal power plant things and the management does a
18 snow job on them. They come to the NRC and the NRC
19 tells them to go to the Labor Department. Could you
20 clarify a little bit exactly what the NRC is prepared
21 to do --

22 CHAIRMAN SELIN: Yes, I will clarify that
23 exactly.

24 First of all, let me just say that
25 except -- I'm not absolutely sure about a couple of

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1 the agencies within the Labor Department, safety
2 agencies like the Mine Safety Agency, but except for
3 that, we are the only federal agency that does any
4 independent investigation of harassment and
5 intimidation. Every other federal agency, the FAA,
6 the DOE, et cetera, once the employee has been
7 considered for remediation, for getting his job back
8 or something, that's all they do, whereas we do a lot
9 more than anybody else. We take a look and say, a
10 situation where harassment goes on is not only bad for
11 the employee but it's bad for health and safety. So,
12 I just want to set the background a little bit.

13 On the other hand, the kind of dangers
14 we're dealing with are a lot greater than other people
15 deal with, at least potentially. So, it's appropriate
16 that we be held to a tougher standard than our
17 colleagues in the federal government.

18 Almost all complaints about harassment and
19 intimidation that come to us, in fact 85 percent of
20 the complaints arise from a situation where the
21 employee went to his employer, not to us, made some
22 safety suggestions or allegations or what have you.
23 As a result of those safety suggestions or
24 allegations, considered that he had been harassed or
25 she had been harassed and intimidated, demoted, fired,

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1 and then came to us with an harassment and
2 intimidation complaint. In the last five years we had
3 3800 total complaints, of which about 600 were
4 harassment and intimidation. Only about 80 of those
5 600 arose out of the 3800 complaints. In other words,
6 the people who come to us with safety complaints very
7 rarely then come to us with a harassment and
8 intimidation complaint.

9 So, most of the time, the first time we've
10 heard about the event is after the employee considers
11 himself or herself to have been harassed and
12 intimidated. That's not good. On the one hand, we do
13 want the employees to feel that they can go to the
14 employers. On the other hand, we would like people to
15 be protected before this happens, not after it
16 happens. It's much easier to prevent harassment than
17 it is to turn it around.

18 The employee must file a complaint within
19 I think it's 90 days with the Department of Labor --
20 I'm not sure. It's more than 30 days. It was
21 recently changed. I think it's 90 days -- in order to
22 have that complaint considered. We cannot order an
23 employee to be reinstated. We cannot order
24 compensation. We can order safety changes, but we
25 cannot order employee changes. Only the Department of

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1 Labor has authority to do that. So, if they want
2 somebody to turn around the condition of employment,
3 they must eventually go to the Department of Labor and
4 they have only so many days from the point when the
5 harassment took place in order to go to the Department
6 of Labor.

7 As a matter of policy, and we're looking
8 at this, but it's not a foolish policy, when the
9 Department of Labor is investigating the harassment
10 and intimidation we will generally not do a parallel
11 investigation. There are good reasons for this.

12 First of all, an investigation has a
13 certain amount of surprise in it and if you have two
14 people going around to the same people and asking
15 questions we could mess up the Department of Labor
16 investigation. So we give the employee the first
17 shot, in effect. The people who can rectify the
18 employee's situation get first shot at the
19 investigation rather than us.

20 There also is a desire to preserve or
21 conserve resources.

22 But the third thing is that, although we
23 know a lot more about safety than the Department of
24 Labor, they know a lot more about harassment and
25 intimidation than we do, so we feel that we'd be

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1 better off having the Department of Labor's record in
2 front of us before we look into the harassment
3 ourselves.

4 There are three major steps in the
5 Department of Labor chain. The first one is an area
6 review, which is almost always done within 30 days.
7 If either party is unhappy with the result, it goes to
8 an administrative law judge which takes on the average
9 of about -- it's about a year for an administrative
10 law judge to make a decision, and if they don't like
11 what happens out of that they can go to the Secretary
12 of Labor and it takes at least 14 months. It's a very
13 long time.

14 We used to wait for the Secretary of Labor
15 to make a decision. Now we will look at a complaint
16 once the administrative law judge has finished with
17 the complaint. If the administrative law judge finds
18 harassment, intimidation, or dismisses the case on
19 procedural grounds as opposed to substantive grounds,
20 we will usually look into that from a safety point of
21 view. There's some argument we shouldn't wait that
22 long and it's a question that we're looking at.

23 The main problem from the employees' point
24 of view is that the Department of Labor takes so long
25 and very often finds against the employees. Having us

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1 move in earlier wouldn't change that for that
2 particular employee very much. It might change it a
3 lot for the next person down the line, because we
4 can't reverse the Department of Labor's finding in
5 terms of providing remedies to the employee.

6 What we very much would like to do is to,
7 once an employee raises a safety concern, is to try to
8 -- I shouldn't say we'd very much like to. What we're
9 considering doing is, is there some way to get some
10 protection around that employee before he loses his
11 job, before he misses a promotion, because once the
12 alleged retribution has taken place then it's hard to
13 reverse and our authority is fairly limited. It
14 really is a Labor Department --

15 QUESTION: You have the authority to
16 intervene like that?

17 CHAIRMAN SELIN: We can order the plant to
18 do something different, but we can't tell them to take
19 that employee back. The conditions of employment is
20 a Department of Labor issue. We can tell the plant,
21 "You shouldn't have done that. You've got to change
22 your procedures. We want the people who did that
23 punished because we consider that a safety concern,"
24 but we can't order an employee to be treated
25 differently. We have a lot of authority, but that's

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1 not one of the --

2 QUESTION: You can't really protect them
3 all --

4 CHAIRMAN SELIN: I didn't say that. We
5 can provide an awful lot of protection to employees.
6 I mean, we have extraordinary authority. Our big
7 challenge is to deal with this authority in a way
8 that's not abusive or capricious rather than being
9 limited in our authority.

10 What I'm saying is that our ability to do
11 things before the employee has lost a job or demotion
12 is much greater than to rectify a specific situation.

13 QUESTION: There's one other area you
14 really haven't touched on here and that is vessel
15 embrittlement. Are you convinced that this is not a
16 big problem for nuclear plants that are now, say, at
17 about the 20 year stage, which is an average for the
18 older ones as they go into the last 20 years of their
19 licensing?

20 CHAIRMAN SELIN: Yes. In vessel
21 embrittlement there are at least three different
22 things that we're concerned about. One is just
23 hydrostatic overpressure, their ability to take a very
24 high pressure over a long amount of time, and that
25 doesn't seem to be a problem. The second one is the

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1 ability to withstand thermal shock. In other words,
2 what you think of as embrittlement. If there were an
3 accident and it were necessary to pour thousands of
4 gallons of relatively cold water over this very hot
5 core and this very hot shell, would the vessel
6 shatter? That's a concern. It's not a short-term
7 concern. Except for Yankee Rowe, we have samples from
8 every reactor and we do the tests and none of them
9 seems to be currently a problem. But there is a
10 possibility that in the next five to ten years some of
11 them will not have sufficient -- will be too brittle
12 against pressurized thermal shock. That's a major
13 area of concern, but it doesn't mean that there are a
14 dozen folks about to be closed down. It means there's
15 somebody we watch very carefully, both on an
16 individual plant basis and on a generic basis.

17 The particular concern has more to do with
18 the welds than with the plates of the vessel and we
19 watch this very carefully. But we have to make sure
20 that the weld samples are the right sample, samples of
21 the right thing.

22 Then the third is sort of general
23 ductility and that's less of a concern, although it's
24 gotten more publicity, and that is just the toughness
25 of the vessel, that if a crack somehow starts, will it

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1 propagate quickly or will the vessel be able to
2 withstand the crack? Not a dynamic characteristic,
3 but a very important characteristic once cracks start
4 in a plate. We don't know as much about cracks as we
5 would like to know, that our tests to do with cracks,
6 not so much embrittlement, but generally to do with
7 cracks, were based on the theory that eventually
8 through corrosion or some other item the thickness of
9 the vessel, or more likely the tubes in the steam
10 generator would wear away. Now we see lots of very,
11 very small cracks in walls that are perfectly thick
12 and the cracks don't seem to do any damage. They're
13 very short and they seem to be very stable, but it's
14 a different situation from the one that we were
15 worried about.

16 So, on this question of ductility and more
17 general cracks, we have a large research program. We
18 see potential risks that the vessels might be brittle
19 before their lifetime is up, but in most cases we're
20 talking about five to ten years before even at a first
21 cut we're worried about it.

22 Now, the other thing I should say is the
23 general way we do this is we have what's called a
24 screening criterion. It's a surrogate that's so
25 conservative it says, "As long as you pass this test,

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1 we don't even have to look at you any further. If you
2 fail the test it doesn't mean you have a problem, it
3 means we have to do maybe a more site-specific
4 calculation. In most cases, the screening criteria
5 particularly for this upper shelf life, this
6 ductility, have held up pretty well.

7 So, I don't see a problem tomorrow or the
8 next year or the next year, but I think there's a
9 legitimate question about whether some half a dozen or
10 dozen pressure vessels will make it through the first
11 40 years without corrective action and that's
12 something we're looking at very hard.

13 QUESTION: I talked to Duke Power
14 yesterday and although they express high confidence,
15 as you'd expect, and the lack of a problem with
16 embrittleness, they said that if -- when they get to
17 the point on their Oconee station that they have to
18 make the decision in the next ten years that they want
19 to go for a relicensing at the end of the 40 year
20 cycle, which is 20 years from now, they won't do it if
21 they feel embrittlement is a problem or if they're not
22 sure at all what the NRC is going to come down on
23 embrittlement over the next 20 years, which is an
24 awfully long period of time to study an issue. They
25 won't relicense Oconee because they just see too many

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1 problems in replacing the vessel, where they're going
2 to dispose of it --

3 CHAIRMAN SELIN: I don't think anybody is
4 going to replace a vessel and continue operating.
5 There's a lot of interest in annealing a vessel, which
6 is heating a vessel to the point where the distortions
7 in the crystalline structure of the metal are pushed
8 out. I would find it very surprising that anybody
9 would replace --

10 QUESTION: Well, would they have any -- I
11 mean is it conceivable at this time though that you
12 could relicense a plant after 40 years despite this
13 issue of embrittlement that we know so little about?

14 CHAIRMAN SELIN: Yes. I mean a lot of
15 vessels are not concerned at all about embrittlement.
16 Some of the newer vessels, a lot of the embrittlement
17 risks has to do with great details about just where
18 you keep which parts of the core, how much neutron
19 flux hits the vessel. Between say 1965 and 1975, the
20 industry learned an awful lot and the newer plants are
21 at much less risk of embrittlement than the older
22 plants, just because so much more had been learned
23 about how to operate a plant to spread the flux around
24 more evenly and not --

25 QUESTION: But this is an older plant

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1 you're talking about.

2 CHAIRMAN SELIN: You can't redo what was
3 done in the first ten years unless you anneal the
4 vessel. I can't put myself in the Duke Power people's
5 shoes, but I don't think anybody is going to come in
6 for a renewed license unless they have pretty good
7 confidence that their vessel, perhaps with annealing,
8 would last through the time period. But conversely,
9 if somebody is sort of close and then they're deciding
10 whether they want to go through the cost of, A,
11 annealing the plant and, B, convincing us the
12 annealing process worked, the possibility of another
13 20 years might be a major part of their consideration.
14 They're not going to anneal a vessel to get another
15 five years out of it, but they might do it to get
16 another 25 years out of it.

17 QUESTION: (Questioner off mike.) We
18 haven't talked about the high-level waste issue very
19 much. With the pace that we're seeing at Yucca
20 Mountain and the fact that nobody is going to come
21 out -- can you comment a little bit about the
22 industry's plans to have above-ground storage at local
23 sites, what that means and whether or not you have any
24 concern about that?

25 CHAIRMAN SELIN: Well, the above-ground

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1 storage has nothing to do with the ultimate
2 repository. We are very comfortable that the
3 technology is available to store somewhat seasoned
4 spent fuel for 50 to 100 years in solid, dry casks.
5 But we still have the question of what's going to
6 happen after that. The law is written in a funny
7 fashion and says that before an MRS can be licensed,
8 there has to be a certain amount of progress made on
9 the final repository. You can't build an MRS until
10 there's reasonable confidence that the final
11 repository will be gone.

12 And I think the politics go along with
13 that, that no governor is going to approve a major
14 repository taking its spent fuel from out of state
15 without having assurances that there will be a place
16 for that fuel to go. We feel very comfortable with
17 the solid, dry cask technology. There are lots of
18 good designs and good approaches out there.

19 As far as Yucca Mountain itself goes, we
20 don't demand a lot in order to be comfortable that
21 progress is being made, but we haven't even seen the
22 little that we require.

23 I'm reasonably encouraged that the Clinton
24 Administration will succeed in being able to do more
25 than the previous administration was able to do for

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1 three reasons. The first is they seem to look at this
2 as an environmental issue as much or more as a nuclear
3 power issue and it's a very serious environmental
4 issue. We're talking about some 30,000 tons of spent
5 fuel that's already on our hands.

6 The second is that there seems to be a
7 little more of a cooperative attitude of how we're
8 going to go about solving this.

9 And the third, to put it frankly, they
10 couldn't do any worse than the last crowd did, not for
11 not wanting, but the previous administration got
12 themselves into an impasse, a cul de sac where the
13 exit was blocked off. It was just clear that they
14 were at a complex impasse with the people in the State
15 of Nevada.

16 So, new people with goodwill and not the
17 same amount of baggage can't do any worse and probably
18 could do a little better. We don't require the high-
19 level waste repository to be available by any specific
20 date. What we do need is enough evidence of motion to
21 feel confident that a solution is little by little on
22 the way. It doesn't have to go to Yucca Mountain.
23 We've said over and over again that if Yucca Mountain
24 proves inappropriate, there's enough time to find
25 another site and there's enough geology that another

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1 site ought to be considered. But we can't just sit
2 indefinitely in an impasse with no motion at all and
3 continue to say that eventually the spent fuel will be
4 taken care of.

5 QUESTION: But might it not -- if all the
6 sites around the country begin to store above ground
7 for length periods, doesn't it take some pressure off,
8 at least to move ahead on the wrong track?

9 CHAIRMAN SELIN: I don't think so. First
10 of all, there's enormous financial pressure to move
11 ahead. Secondly, we've made it clear that we consider
12 above-ground storage not a substitute for disposition
13 of the fuel. The third is, if you take a look at what
14 state regulators have been doing with above-ground
15 storage, you would not feel comfortable as a power
16 plant operator saying you're going to rely on this
17 indefinitely. Not from a safety point of view, but
18 from this being a downpayment on a de facto, permanent
19 storage site.

20 QUESTION: Senators Lieberman and Simpson
21 are requesting a GAO audit of the Lisbon initiative
22 monies and other monies spent to the former Soviet
23 Union for reactor safety because they're really
24 curious about what's going on over there. I know NRC
25 has been doing some work over there. But they've

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1 heard from people and they want to find out exactly
2 where the money is going and what's happening. Do you
3 see a problem with things over there?

4 CHAIRMAN SELIN: Well, the big problem is
5 not much money has gone overseas, it's not that it's
6 gone to the wrong people. Not so much the Lisbon
7 initiative. If you take a look at all the money
8 that's been pledged in the West, it's up to \$400
9 million at this point.

10 QUESTION: Does anybody know if that
11 figure is accurate?

12 CHAIRMAN SELIN: Yes. We have a good
13 score keeping on what's been pledged and what's been
14 committed, et cetera. I ought to start with my
15 agency. The NRC has done a really terrific job on
16 taking the money that we've been given and using it
17 for our mission, which is to interact with the
18 regulators in the former Soviet Union and also Eastern
19 Europe -- that's not the Lisbon initiative, but it's
20 related initiatives -- to do a lot of work on some
21 specific safety-related improvements and then to get
22 some understanding of the safety risks of these
23 operators. In fact, we're pretty close to having
24 about a 50 page report that details what we've done
25 with our monies and I'm very proud of what we've done.

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1 We've had very large numbers of regulators and some
2 number of operators come to the United States for
3 training at different points. We've got a network
4 throughout these countries of NRC alumni that's really
5 pretty formidable.

6 Most of the money has been spent, the
7 American money, has been spent by the Department of
8 Energy and they've had a pretty good program in risk
9 reduction. I won't speak for them, but I think it
10 will stand up pretty well.

11 The real problem is that on the one hand
12 you've got to do these short-term things to build up
13 some confidence. Otherwise, the more difficult long-
14 term task can't happen. On the other hand, even if
15 all the short-term measures are enormously successful,
16 they're not going to make a huge difference in the
17 overall risk of former Soviet reactors. Particularly
18 the Chernobyl type reactors and also to a lesser
19 degree the older 440 megawatt pressurized water
20 reactors have intrinsic structural problems that are
21 very serious. These risk reduction measures are just
22 the tip of the iceberg. Even if they're all done and
23 they're all done well and they're all successful, it's
24 not going to make a huge difference in the overall
25 risk of these Eastern European reactors. They're a

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1 necessary --

2 QUESTION: (Questioner off mike.) Well
3 then, suppose there's an accident before --. Would
4 this blow the whole program?

5 CHAIRMAN SELIN: I think it will blow a
6 lot more than the whole program. You can only do what
7 you can do at a certain pace and time. From 1986 and
8 the time of the Chernobyl explosion until I'd say
9 1989, 1990, there were no serious attempts done to do
10 anything about the underlying risk. There were some
11 limited safety analysis and some regulatory insights
12 because you couldn't do anything fast. So, at the end
13 of each year, we were still the same five years from
14 the beginning of a solution. At least since 1990, I'd
15 say, we're starting to take maybe six months a year
16 off the lead time to get the major long-term steps
17 carried out. But it will be ten years if things go
18 well before safety in the former Soviet Union will be
19 even comparable to that which we have in the West and
20 the risk will be very high between now and then, not
21 insignificant thereafter. But it's the best you can
22 do and it's certainly worth the money that's going
23 into that.

24 I think the GAO audit will not be
25 particularly negative. I don't think it will turn up

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1 a lot of surprises.

2 QUESTION: You had said earlier that
3 management is the real key to the successful
4 operation.

5 CHAIRMAN SELIN: Right.

6 QUESTION: With regard to New York Power
7 Authority and the shift there, do you see that -- are
8 those plants on the way back?

9 CHAIRMAN SELIN: Well, Fitzpatrick has
10 improved somewhat already. Indian Point 3 was really
11 a big disappointment. That had been held up for a
12 long time as a very good plant and in retrospect it
13 probably was never as good as we thought it was. I
14 think it remains to be seen. It's clear that
15 management is taking the problem seriously. It's
16 clear they look at this as a safety problem, not an
17 NRC problem, and it's clear that they understand that
18 they have to do a lot of things and at least the more
19 concrete steps are starting up. But it's not clear
20 yet. It's too early to tell whether it's really going
21 to be a fundamental conversion, is this the road to
22 Damascus or is this just -- you know, under
23 Diocletian, a lot of people converted under pressure.
24 But as soon as he was gone, they converted back. I
25 don't know yet whether this is a real deep conversion

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1 or just a conversion until the spotlight goes
2 someplace else and that remains to be seen.

3 I don't think Mr. Flynn knows the answer,
4 the Chairman of the Power Authority knows the answer
5 to that question yet. Certainly they're a lot better
6 off now than they were six months ago, but how far
7 that's going to go and how long that will last remains
8 to be seen. Our attention will not flag. We are
9 looking at this as a power authority problem, not just
10 a plant by plant problem and we will pay attention to
11 the whole structure from the structure of the Power
12 Authority down to the foreman on the two plant sites.

13 Shall we wrap it up? Any last questions?

14 QUESTION: (Questioner off mike.) One
15 more question. What has the White House with
16 President Clinton told you -- and if you don't remain
17 chairman, will you remain on the Board?

18 CHAIRMAN SELIN: Well, the second question
19 is speculative, which I'm not going to answer. The
20 first thing is that the President and his people have
21 a lot of other things to worry about. They seem to
22 think that the NRC relative to the personnel and
23 management problems in other parts of government are
24 going okay and I feel comfortable that I will be
25 chairman for quite awhile to come.

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1 I think maybe at this point we'll break it
2 up.

3 (Whereupon, at 11:24 a.m., the above-
4 entitled matter was concluded.)
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DATE OF MEETING: JULY 7, 1993

were transcribed by me. I further certify that said transcription
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Carol Lynch

Reporter's name: Peter Lynch

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