

ORIGINAL

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

Title: **BRIEFING ON NRC STRATEGIC ASSESSMENT -
PUBLIC MEETING**

Location: **Rockville, Maryland**

Date: **Monday, January 13, 1997**

Pages: **1 - 70**

ANN RILEY & ASSOCIATES, LTD.

1250 I St., N.W., Suite 300
Washington, D.C. 20005
(202) 842-0034

DISCLAIMER

This is an unofficial transcript of a meeting of the United States Nuclear Regulatory Commission held on January 13, 1997 in the Commission's office at One White Flint North, Rockville, Maryland. The meeting was open to public attendance and observation. This transcript has not been reviewed, corrected or edited, and it may contain inaccuracies.

The transcript is intended solely for general informational purposes. As provided by 10 CFR 9.103, it is not part of the formal or informal record of decision of the matters discussed. Expressions of opinion in this transcript do not necessarily reflect final determination or beliefs. No pleading or other paper may be filed with the Commission in any proceeding as the result of, or addressed to, any statement or argument contained herein, except as the Commission may authorize.

1 UNITED STATES OF AMERICA
2 NUCLEAR REGULATORY COMMISSION

3 ***

4 BRIEFING ON NRC STRATEGIC ASSESSMENT

5 ***

6 PUBLIC MEETING

7 ***

8 Nuclear Regulatory Commission
9 One White Flint North
10 11555 Rockville Pike
11 Rockville, Maryland
12

13 Monday, January 13, 1997
14

15 The Commission met in open session, pursuant to
16 notice, at 10:08 a.m., the Honorable SHIRLEY A. JACKSON,
17 Chairman of the Commission, presiding.
18

19 COMMISSIONERS PRESENT:

20 SHIRLEY A. JACKSON, Chairman of the Commission
21 KENNETH C. ROGERS, Member of the Commission
22 GRETA J. DICUS, Member of the Commission
23 NILS J. DIAZ, Member of the Commission
24 EDWARD McGAFFIGAN, JR., Member of the Commission
25

ANN RILEY & ASSOCIATES, LTD.
Court Reporters
1250 I Street, N.W., Suite 300
Washington, D.C. 20005
(202) 842-0034

1 STAFF AND PRESENTERS SEATED AT THE COMMISSION TABLE:

2

3 JOHN C. HOYLE, Secretary

4 EDWARD JORDAN, Strategic Assessment and

5 Rebaselining Committee

6 JOHN CRAIG, Strategic Assessment and Rebaselining

7 Committee

8 JACQUELINE SILBER, Strategic Assessment and

9 Rebaselining Committee

10 GEORGE PANGBURN, Section Leader Fuel Cycle

11 Licensing Branch, NMSS

12 FRANK MIRAGLIA, Acting Director, NRR

13 THEMIS SPEIS, Deputy Director, RES

14 STUART RUBIN, Chief Diagnostic Evaluation and

15 Incident Investigation Branch, AEOD

16 LAWRENCE CHANDLER, Assistant General Counsel For

17 Hearings and Enforcement, OGC

18 JAMES SHEA, Director, Division of Bilateral

19 Cooperation and Assistance, IP

20 JESSE FUNCHES, Deputy Controller, CFO

21

22

23

24

25

ANN RILEY & ASSOCIATES, LTD.
Court Reporters
1250 I Street, N.W., Suite 300
Washington, D.C. 20005
(202) 842-0034

P R O C E E D I N G S

[10:08 a.m.]

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CHAIRMAN JACKSON: Good morning, ladies and gentlemen.

Today the Commission will be briefed by the Strategic Assessment and Rebaselining Steering Committee on the results of the Nuclear Regulatory Commission interaction with stakeholders.

The Commission has received the Stakeholder Interaction Report prepared by the Steering Committee. We requested this briefing in order to discuss the interaction process and to review the views provided through the meetings and public comments.

The environment, as you know, within which the Commission operates is changing on many levels. The NRC has seen indications that changes will occur in its responsibilities and its budget, in the expectations of our stakeholders, and in market forces.

Against the backdrop of these changes in our regulatory and fiscal environment, one of my first actions as Chairman was to initiate this strategic assessment and rebaselining. It is a Commission level activity. The process has provided a structure for determining where the NRC is, where the NRC needs to be in order to respond to change, and how the NRC will set its direction for the

1 future.

2 The Steering Committee -- and I would ask you, Mr.
3 Jordan, to introduce the members at the table -- the
4 Steering Committee, which will be briefing us today was
5 drawn from most of the organizations within the agency to
6 lead this effort. This is an ongoing process and we are
7 here today to hear about the culmination of the second
8 phase.

9 This phase focused on the Commission establishing
10 preliminary views on the direction of the NRC and
11 interacting with our stakeholders to gain their input and
12 ideas concerning these preliminary views.

13 The Steering Committee issued its Stakeholder
14 Interaction Report on December 23rd, 1996. We look forward
15 to hearing from the Steering Committee on the results of the
16 interaction.

17 Do any of my fellow Commissioners have any
18 comments at this time?

19 If not, then Mr. Jordan, please proceed.

20 MR. JORDAN: Thank you, Madam Chairman and
21 Commissioners. The purpose of this briefing, as you stated,
22 is to report on the progress to date in obtaining and
23 assessing stakeholders' interactions and public comment on
24 the Direction Setting Issues.

25 And I would also, at this point, identify a couple

1 of personnel changes that occurred in the Strategic
2 Assessment Committee. Jacque Silber and I were assigned in
3 early January as cochairs of the committee replacing Jim
4 Mello and Jim Johnson.

5 And now I'd like to introduce the other
6 participants. John Craig has managed the support staff in
7 this entire effort and has done an outstanding job.

8 I would then go through the individuals that are
9 going to be providing comments and assessments of the
10 Direction Setting Issues.

11 George Pangburn, on my left, is section leader,
12 Fuel Cycle and Licensing Branch. He'll be discussing DSIs
13 2, 4, 5, 6, 7, and 9 and will go through those in numerical
14 sequence, so there will be some shuffling of people at the
15 table.

16 Frank Miraglia is acting director of NRR. He'll
17 be discussing DSI 10, 11, and 24.

18 Themis Speis, deputy director, Research, will be
19 discussing DSI 12 and 22.

20 Stuart Rubin, chief of the Diagnostic Evaluation
21 and Incident Investigation Branch, AEOD, will be discussing
22 DSI 13 and 23.

23 Larry Chandler, Assistant General Counsel for
24 hearings and enforcement, OGC, will be discussing DSI 14.

25 Jim Shea, director, Division of Bilateral

1 Cooperation and Assistance, International Programs, will be
2 discussing DSI 20.

3 And Jesse Funches, deputy controller, deputy CFO,
4 will be discussing DSI 21.

5 These people, plus others of the Strategic
6 Assessment Committee and staff, were intimately involved in
7 preparing DSIs, in meeting with the stakeholders, and in
8 assessing comments, and so there is a broader involvement
9 than the people we've already recognized.

10 I would also take the opportunity to recognize
11 Chip Cameron's role in facilitating interactions with
12 stakeholders. This was a very open process and Chip
13 facilitated not only the stakeholders but the staff in
14 having those interactions.

15 CHAIRMAN JACKSON: And I would like to take this
16 time to publicly commend him. I've heard nothing but good
17 reports about his activities and how he's moved this along.

18 MR. JORDAN: At this point then, I'll turn to John
19 Craig and ask him to provide a discussion of the process.

20 MR. CRAIG: Good morning.

21 I think the first topic I'd like to highlight as
22 we get the back-up slides for stakeholder interactions, the
23 first one up, is that the term "stakeholder" was an
24 interesting one. It seems intuitively obvious, I think, but
25 it turns out it's not.

1 [Slide.]

2 MR. CRAIG: We used the term in a matter of days
3 as if we were familiar with it and we referred to internal
4 stakeholders as people with NRC badges and external
5 stakeholders as people without NRC badges, the public,
6 industry and others.

7 And one of the public interest groups said they
8 didn't want to participate in the stakeholders' meeting
9 because they thought that connoted an endorsement. They
10 didn't want to get that close. So there were some differing
11 opinions, I guess, in terms of what stakeholders meant.

12 The stakeholder interaction process kicked off in
13 mid-September 1996. We worked with the public strategies
14 group to help us lay out a process to interact with internal
15 and external stakeholders.

16 For internal stakeholders, the thought was that
17 we'd utilize the normal lines of communication, and for
18 external stakeholders, we would make information available,
19 issue invitations to let them know what information they had
20 available, let them know about the meetings and that we were
21 requesting comments. The press release that went out and
22 the documents that were distributed in mid September did
23 that.

24 The documents that we issued to the public
25 included a framework document which was a parallel, I think,

1 of the strategic plan. It talked about DSIs and overarching
2 issues and it grouped the DSIs in several groupings.

3 We also had something we referred to as a process
4 paper, and it told all stakeholders, internal and external
5 stakeholders, how to get copies of the issue papers, how to
6 provide comments.

7 We issued agency-wide announcements and we had an
8 initial mailing in September that was basically the mailing
9 that we used as part of NPR, and it had about 80 broad
10 groups in it, and the mailings, not only these but the
11 subsequent ones, hit public interest groups, citizen groups,
12 state agencies, industry groups. So it's a very broad reach
13 of notification.

14 We also made presentations in September at the
15 annual Agreement State Regulators Conference to explain the
16 stakeholder process. And indeed we explained the strategic
17 assessment and rebaselining initiative, the purpose, and
18 tried to make clear the relationship between their comments
19 on the issue papers and the importance of the comments in
20 the Commission's deliberations and final decisions on the
21 DSIs since they would be reflected in the strategic plan.

22 In early October, we also conducted meetings with
23 managers here in the White Flint complex and had the same
24 essential presentation. And they then followed up with
25 their staffs, with internal meetings and discussions, to

1 emphasize the availability of the issue papers and to
2 request comments.

3 Go to the next slide, please.

4 [Slide.]

5 MR. CRAIG: Also, in early October, we split the
6 Steering Committee up into teams and made trips to four
7 regional offices to go over the purpose of the strategic
8 assessment initiative, as well as each one of the DSIs and
9 to discuss them with regional staffs.

10 We briefed the agency partnerships, the ACRS. We
11 had three mailings. The total of the mailings were about
12 1650, including the initial three phases.

13 Before each one of the stakeholder conferences,
14 about a week in advance, we issued press releases in the
15 geographic areas around Washington, Chicago, and Colorado
16 Springs, so once again, to let the stakeholders in those
17 areas know and remind them that the meetings were there and
18 to solicit their attendance.

19 We had three stakeholder meetings, as I said. The
20 first one was in Washington. The second one in Colorado
21 Springs, the third in Chicago. During the process, we had
22 requests for an extension of public comment period. As you
23 know, it was extended and it ended December the 2nd.

24 The Stakeholder Interaction Report includes
25 comments that were dated, I believe, December the 12th. It

1 actually includes comments that we received approximately
2 December the 19th. We have two additional comments that
3 have been forwarded to the Commission -- one from a private
4 citizen, one from EPA -- and George is going to talk about
5 the comments we received from EPA.

6 The copies of the Stakeholder Interaction Report
7 are being made available to the public this week. They're
8 going to go up on the Internet, Fed World. They're going to
9 be available to NRC employees through the auto system.
10 They're also going to be available in the PDR. The issue
11 papers themselves, transcripts from the public meetings, as
12 well as copies of the written comments are also going to be
13 available through the same mechanisms.

14 MR. JORDAN: We'll cycle through all the DSIs in
15 numerical order and we would offer you the opportunity as we
16 go to ask questions and make comments on each one, and then
17 we'll have an opportunity for comments when we're all done.

18 CHAIRMAN JACKSON: But you're going to march along
19 pretty fast?

20 MR. JORDAN: We're going to march along pretty
21 fast. And so we're limited to five minutes or less per
22 item. I'm sure some will get a little more and some a
23 little less.

24 COMMISSIONER ROGERS: Excuse me. I wonder if at
25 some point you could give us an indication of how many

1 individual commenters there were on each of the DSIs. In
2 other words, I'm sure the numbers vary quite a bit depending
3 on the DSI, just to get some feeling about --

4 CHAIRMAN JACKSON: Will the people who are
5 discussing them, can they just mention that?

6 MR. JORDAN: We'll ask them to mention it, and if
7 not, we'll provide that subsequently.

8 CHAIRMAN JACKSON: Sure.

9 MR. JORDAN: And so --

10 MR. CRAIG: I'll just note, in the Stakeholder
11 Interaction Report itself, at the end of each DSI, there's a
12 listing of the commenters. There's a feel there, and I'll
13 add, because people have asked me how many commenters were
14 there, some organizations commented in writing and verbally
15 at each one of the meetings and then sent in comments. So
16 the number is a rough number. Any number you hear will be a
17 rough number, just due to the duplication.

18 CHAIRMAN JACKSON: And were there many comments
19 that came off of the Internet? I think you had put --

20 MR. CRAIG: There were a small number. Most of
21 the ones were received at the stakeholder conference or
22 mailed directly to the Secretary. A small number came in
23 off the Internet.

24 MR. JORDAN: George, would you begin with your DSI
25 item number 2.

1 MR. PANGBURN: First slide, please.

2 [Slide.]

3 MR. PANGBURN: DSI 2 deals with the issue of
4 should NRC seek to expand its authority and responsibility
5 to include DOE facilities.

6 Next slide, please.

7 [Slide.]

8 MR. PANGBURN: The Commission's preliminary views
9 on this DSI contained three basic points: that NRC would
10 not take a position on accepting broad responsibility for
11 regulation of DOE facilities and would neither encourage nor
12 oppose legislation giving broader authority; that given
13 adequate resources and a reasonable time period, that NRC
14 could provide adequate regulatory oversight of DOE if asked;
15 and that if NRC were to be given oversight responsibility,
16 the Commission would prefer that it be done in an
17 incremental fashion and that some type of prioritization
18 methodology be used to determine the types of facilities
19 that, if subject to oversight, would provide the greatest
20 potential benefit to health and safety.

21 Next slide, please.

22 [Slide.]

23 MR. PANGBURN: In terms of comments that we
24 received on this particular DSI, there were 37 written
25 comments and 21 commenters spoke at the stakeholder meetings

1 around the country.

2 Most of the commenters felt that NRC should take a
3 position regarding regulation of the Department of Energy
4 and did not support the Commission's preliminary view on
5 this particular issue.

6 Several commenters strongly encouraged the
7 Commission to aggressively pursue external regulation of DOE
8 under Option 1B, which would divide regulatory
9 responsibility for DOE among the federal and state agencies
10 in the same way it now occurs for commercial facilities.

11 With respect to the initial bullet on this page,
12 the breadth of that comment was very strong. We received it
13 from CRCPD, the Conference of Radiation Control Program
14 Directors, the Organization of Agreement States, the United
15 States Enrichment Corporation, as well as a number of
16 individual states, and --

17 COMMISSIONER McGAFFIGAN: Could I ask a clarifying
18 question?

19 When you say commercial facilities, do you mean
20 commercial reactor facilities or what --

21 MR. PANGBURN: Commercial facilities, reactor and
22 non-reactor.

23 COMMISSIONER McGAFFIGAN: Most of the non-reactor
24 are fairly unique facilities. Would the state -- thinking
25 of New Mexico, would the state really be up to trying to

1 regulate the facilities at Sandia and Los Alamos, the non-
2 reactor facilities, as we would an Agreement State?

3 MR. PANGBURN: Certainly some of the states
4 offered that view. And I think what we're looking at here
5 is that we have the same general breakout of
6 responsibilities that currently exist, namely, that NRC
7 would regulate radiation safety and that EPA would regulate
8 general environmental. To the extent that states are
9 Agreement States, would regulate that particular aspect of
10 it.

11 COMMISSIONER McGAFFIGAN: Would we have to go
12 through, if we followed this option, renegotiating with the
13 states what the states with significant DOE facilities --
14 Colorado, New Mexico, Washington, et cetera, you know --
15 what they controlled and what we controlled?

16 MR. PANGBURN: I believe that would be the case.
17 It would probably have to be done on a state-by-state basis.

18 CHAIRMAN JACKSON: I think it would depend, would
19 it not, Commissioner, on, one, what the overarching
20 legislation had to say, and secondly, within that context,
21 what historical precedent had to say, and third, what
22 capability had to say.

23 COMMISSIONER McGAFFIGAN: Right.

24 CHAIRMAN JACKSON: And probably then be, as you
25 pointed out, within all of those things to negotiate it on a

1 state by -- on a facility-specific basis.

2 MR. PANGBURN: As John mentioned, we received
3 comments late from EPA. Those comments were sent to us
4 electronically. We don't have a formal hard copy signed
5 out, but EPA indicated in their comments that they supported
6 NRC regulation of safety and EPA regulation of environmental
7 hazards, which, as I read it, is an encouragement of Option
8 1B, namely, the same existing, as opposed to the breakout
9 that was provided in the Advisory Committee's report, which
10 would have split up responsibility between NRC and OSHA, for
11 example, under the facility safety and occupational safety.

12 CHAIRMAN JACKSON: And I think both we and EPA, as
13 I recall, have operated with MOUs with OSHA as appropriate
14 involving worker safety.

15 MR. PANGBURN: The next slide, please.

16 [Slide.]

17 MR. PANGBURN: This is DSI number 4. The issue
18 is, what should the NRC's strategy regarding states becoming
19 and remaining Agreement States?

20 The next slide, please.

21 [Slide.]

22 MR. PANGBURN: The preliminary views of the
23 Commission on DSI 4 were focused on Option 3, which was to
24 continue the current program, including adopting current
25 initiatives. In addition, to encourage more states to

1 become and remain Agreement States, primarily through non-
2 monetary incentives; to explore providing seed money and/or
3 financial grants to encourage states to seek status; to
4 provide training to Agreement States without charge on a
5 space-available basis. Funding for travel and technical
6 assistance, however, would be borne by the Agreement States.

7 The next slide.

8 [Slide.]

9 MR. PANGBURN: Significant comments on DSI 4. We
10 received 48 written comments and 19 oral comments at the
11 stakeholder meetings. There was general support for the
12 Commission's preliminary view, that is, Option 3. However,
13 the Agreement States and some other commenters felt very
14 strongly that NRC should reinstate funding of Agreement
15 State training, travel, and technical assistance.

16 Although some licensees opposed reinstatement of
17 funding, this opposition was limited. Commenters considered
18 that a significant benefit of NRC-sponsored training is
19 enhanced consistency and compatibility and suggested that
20 NRC reinstate funding to support this end.

21 If I may, EPA's views on this, as you recall,
22 there were five options in the paper, the first of which was
23 to turn the program over to EPA. EPA noted that that was
24 their preferred option, assuming that they receive the
25 resources to do the job.

1 Option 2, to strongly encourage states to become
2 Agreement States, EPA had no view on.

3 Option 3, the Commission's preferred view, EPA
4 felt was their second choice.

5 EPA had no views on Option 4, which is to treat
6 Agreement States as coregulators.

7 And finally, on Option 5, which is to devolve AEA
8 material regulation to the states and withdraw the federal
9 preemption, EPA had major concerns about this option given
10 that their rescission of subpart "i" was based on NRC's
11 program of protection of public health and safety.

12 CHAIRMAN JACKSON: Let me ask, were there any
13 comments on innovative options for providing training, say,
14 using information, technology, and was there any discussion
15 relative to -- as far as the travel part based on a tiering
16 approach where some feel there is some differential ability
17 of states to pay for training, travel, and technical
18 assistance where some states, in fact, collect in excess of
19 their cost, and others, either because of legislation or
20 structurally, have less ability? Was there any discussion
21 about some kind of tiering that reflects that differential
22 ability?

23 MR. PANGBURN: I don't recall anything specific to
24 the question that you posed. Certainly the states offered
25 the notion that they might be able to reimburse NRC in kind

1 by providing services, namely, to do inspections of NRC
2 facilities located within their borders as a way of making
3 up for resources.

4 I might ask, Cardelia, can you speak to the
5 Chairman's question?

6 MS. MAUPIN: Concerning that question, some states
7 like New Mexico stated that most of their funding went into
8 one general fund, so they were not able to get funding
9 directly for training for their staff because of the
10 competition there. So the smaller states really have a
11 problem in terms of getting those monies.

12 In addition, some state people have to take their
13 own annual leave to come to NRC training courses.

14 CHAIRMAN JACKSON: When I spoke of tiering,
15 though, that approach is meant to address the issue that
16 there is a differential ability of the regulators in certain
17 states to pay, including to what extent they have control
18 over the funds, as well as what the working conditions are
19 in terms of their coming to courses.

20 But there was no specific targeted discussion?

21 MS. MAUPIN: No.

22 CHAIRMAN JACKSON: Okay.

23 MR. JORDAN: I was very interested in the area, as
24 you might imagine, from my role in AEOD and training, and I
25 did not see a clear recommendation that would, in fact,

1 parse those out in any organized way. It is a very
2 difficult situation.

3 CHAIRMAN JACKSON: Okay.

4 MR. PANGBURN: Hearing no comments, I'll move to
5 the next DSI, which is DSI 5, what should be the role and
6 scope of the NRC's low-level radioactive waste program.

7 The Commission's preliminary views on this DSI
8 supported Option 2, which was to assume a strong regulatory
9 role in the national low-level waste program that would
10 encompass all the activities that were performed before
11 recent reductions in the low-level waste program.

12 Next slide, please.

13 [Slide.]

14 MR. PANGBURN: We received 49 written comments and
15 19 oral comments on this DSI. I would note that there was
16 not a clear consensus regarding the preliminary views, that
17 low-level waste generators, including NEI, CORAR, and some
18 individual licensees and some Agreement and non-Agreement
19 States favored the Commission's preliminary view, as did the
20 Advisory Committee on nuclear waste.

21 However, many Agreement State commenters opposed
22 the Commission's preliminary views that the current low-
23 level waste program be expanded. Agreement State commenters
24 preferred an option that was somewhere between Option 3 of
25 continuing the current program and Option 4, to recognize

1 progress and reduce the program.

2 CHAIRMAN JACKSON: And when you say continue the
3 current program, that current program does reflect the
4 recent reduction?

5 MR. PANGBURN: That's correct.

6 CHAIRMAN JACKSON: So when they say between that
7 one and Option 4, recognize progress and reduce program,
8 they mean reduce it further beyond the reductions that have
9 already occurred?

10 MR. PANGBURN: That's accurate, yes.

11 COMMISSIONER DICUS: What was the position of the
12 host states?

13 MR. PANGBURN: The host states --

14 COMMISSIONER DICUS: Did they have a comment
15 position?

16 MR. PANGBURN: My recollection, as far as this
17 first view, namely, to support the Commission view, was that
18 New Jersey and California supported that, but that other
19 states that have ongoing programs supported the majority of
20 the Agreement State views captured under the second bullet.

21 EPA's views on this were that they opposed the
22 first -- the Commission's first option, namely, assuring a
23 leadership role. They felt that it was inconsistent with
24 NRC's role as an independent regulator. They had no
25 comments on Options 2 through 4.

1 Option 5, which was to transfer the entire program
2 to EPA, was, once again, their favored view, assuming they
3 received adequate resources. And Option 6, assured storage,
4 was not something that EPA supported, but rather that they
5 preferred disposal.

6 I'll move to DSI 6, then. This DSI deals with the
7 question of, in recognition of current uncertainties, how
8 should NRC approach the present high-level waste situation?

9 [Slide.]

10 MR. PANGBURN: The next slide contains the
11 Commission's preliminary views, which were that NRC should
12 maintain the existing program. But the Commission noted
13 that it would like to explore taking a more active role in
14 resolving issues in the high-level waste program consistent
15 with NRC's mission.

16 If I could turn to the next slide.

17 [Slide.]

18 MR. PANGBURN: The comments in this particular
19 DSI, we received 41 written comments and 15 comments from
20 oral presenters at the stakeholder meetings. Support for
21 the preliminary view as stated was limited, with most
22 commenters calling for some modification of the preliminary
23 view, that is, possible -- a combination of parts of other
24 option or options.

25 Overall, the commenters were divided in support of

1 their option. For example, the Organization of Agreement
2 States didn't have a consensus view, but the states appear
3 to be split between Options 2, 3, and 5.

4 Significantly, the Department of Energy, the State
5 of Nevada, Clark County, some Agreement States, and the
6 Nevada Nuclear Waste Task Force supported the Commission's
7 preliminary view.

8 With respect to EPA's view, they had no comments
9 on the preliminary view, but had several comments on Options
10 1 and 2, no comments on Options 4 and 5. Those comments
11 were in the nature of clarifications, not in expressed
12 support one way or another.

13 CHAIRMAN JACKSON: Okay.

14 MR. PANGBURN: DSI 7 addresses what should be the
15 future role and scope of NRC's materials program, and in
16 particular, NRC's regulation of the medical use of nuclear
17 material?

18 [Slide.]

19 MR. PANGBURN: The next slide shows the
20 Commission's preliminary views which included a combination
21 of Option 2, continue the current program, ongoing program,
22 with improvements, and decrease oversight of low-risk
23 activities with continued emphasis on high-risk activities.

24 Specifically in implementing Option 3, NRC would
25 utilize the risk-informed, performance-based approach to

1 determine which activities in the materials area, and
2 specifically medical area, are low-risk activities.

3 Next slide, please.

4 [Slide.]

5 MR. PANGBURN: Most commenters supported the
6 Commission's preliminary views, and in particular, several
7 licensee and professional organizations changed their
8 positions from an earlier endorsement of the National
9 Academy of Sciences' recommendation, which was to devolve
10 the medical program to the states. The breadth of this view
11 on support of the Commission's preliminary view was
12 substantial. It was -- included Agreement States,
13 professional societies, and individual licensees.

14 Commenters also strongly supported, and as we
15 noted to you in the transmittal of this document, strongly
16 supported a single federal agency being responsible for
17 regulation of all radiation sources, including NARM.

18 There are several points here. First, the breadth
19 of this view, again, the states, OAS, CRCPD, American
20 College of Nuclear Physicians, Society for Nuclear Medicine,
21 NEI, Mallinckrodt and others, supported this.

22 Now, there were different views on what the nature
23 of that federal role should be. In some cases, it was a
24 more traditional role that focuses on the program that we
25 currently have of regulation at the federal level and at the

1 state level. In some cases, it was limited to simply
2 standard setting and allowing the states to implement
3 programs as they saw fit.

4 It was very clear that the federal agency that
5 should undertake this should be NRC, and it was equally
6 clear that it should not be EPA. That was a strong view in
7 all the public meetings that we were in, as well as in
8 written comments, and that should we proceed in this regard,
9 that we should take into account the fact that States'
10 knowledge and expertise could lessen the resource
11 requirements and possibly make this option more palatable to
12 the Commission.

13 EPA's views on this. They had no comment on the
14 first option, which was to take on additional regulatory
15 responsibility on NARM, X-ray and accelerator materials.
16 They supported Option 2, which was to continue the current
17 program with improvements since that program is the basis
18 for rescission, again, subpart "i".

19 They agreed that Option 3, which was part of the
20 Commission's preliminary view and involved decreasing
21 oversight of low-risk activities, was reasonable, but care
22 needs to be taken. That point was also made by a number of
23 states and individual licensees that, in moving towards
24 removing controls, it had to be done carefully and in close
25 coordination with the states.

1 Options 4 and 5, however, discontinuing the
2 medical program, except for oversight of devices and
3 discontinuing the entire materials program were major
4 concerns to EPA, once again, because of the rescission of
5 subpart "i" and EPA felt that if that option was selected
6 and EPA was not the regulator of materials licensees, that
7 some other vehicle might be needed to assure public health
8 and safety as a result of emissions from materials
9 licensees.

10 COMMISSIONER ROGERS: Could you give us the
11 numbers of comments on that?

12 MR. PANGBURN: 42 written comments on this one and
13 16 oral comments at the stakeholder meetings.

14 DSI 9 deals with what should be NRC's strategy to
15 take advantage of new and different approaches to optimize
16 site remediation at the site decommissioning management plan
17 or SDMP and other problem sites.

18 On the next page, we have the Commission's
19 preliminary views. This particular preliminary view used
20 part of four options, namely, to change the decommissioning
21 review process, focus on those cases in which progress can
22 be made, and transfer stalled sites to EPA, to take an
23 aggressive position to develop regulatory frameworks for
24 lower cost decommissioning waste disposal, and to develop a
25 strong litigation strategy.

1 In addition, the Commission indicated Option 2
2 should be tested on a pilot scale for a few selected
3 materials licensees. Program participants should be
4 volunteers.

5 With respect to Option 6, the staff should also
6 examine the level of risk associated with each site and
7 focus on better progress in making determinations on
8 disposition of sites.

9 Determinations on whether to send to EPA's
10 Superfund program a stalled site, high-risk site or a low-
11 risk site should be made on a case-by-case basis.

12 And finally, that the implementation process for
13 Option 6 should not preclude the Commission from reviewing
14 the low-risk stalled site if conditions warrant, nor should
15 the process automatically send the site to the EPA's
16 Superfund program.

17 Next slide, please.

18 [Slide.]

19 MR. PANGBURN: We received 35 written comments on
20 this and 15 oral comments in stakeholder meetings. There
21 was broad support for the options identified in the
22 Commission's preliminary view and for taking serious steps
23 to reduce the burden and intrusiveness of regulations. Most
24 commenters called for close coordination with them in any
25 systematic review of and revisions to the regulations.

1 With respect to EPA, they had no comments on
2 Options 2, 7, 8, and 9, which encompassed most of the
3 Commission's preliminary view.

4 The current program, Option 1, they felt was
5 acceptable. They strongly opposed Option 3, which had to do
6 with using alternative scenarios and criteria for
7 decommissioning.

8 Option 5 was acceptable as long as resources were
9 provided, and Option 6, which was part of the Commission's
10 preliminary view involving transfer of stalled sites to EPA
11 they felt was a piecemeal approach and that, if NRC could
12 not assure cleanup of problem sites, they should give the
13 entire program to EPA.

14 CHAIRMAN JACKSON: Are you done?

15 MR. PANGBURN: Yes.

16 CHAIRMAN JACKSON: Any comments on these options
17 that -- these DSIs? The figures on the number of comments?

18 MR. PANGBURN: For DSI 9?

19 CHAIRMAN JACKSON: 9.

20 35 written and 15 oral?

21 MR. PANGBURN: Yes, 35 and 15.

22 CHAIRMAN JACKSON: Okay. Thank you.

23 MR. JORDAN: Next is Frank Miraglia with DSIs 10
24 and 11.

25 MR. MIRAGLIA: Moving on to DSI 10, as stated, is:

1 Given the current environment, what should the Commission's
2 policy be on future reactors?

3 [Slide.]

4 MR. MIRAGLIA: The next slide indicates the
5 Commission's preliminary views. The Commission recognized
6 the economic decisions by license applications will be
7 determined by the level of support, that we should continue
8 to give priority for reviewing standard and advanced reactor
9 designs, early site approvals, and licensing for new reactor
10 applicants.

11 In addition, the preliminary guidance from the
12 Commission indicated that the staff should develop
13 implementation guidance that would address the maintenance
14 of the utility requirements documents that had been
15 developed through first-of-a-kind engineering, address an
16 orderly closeout of the work performed, for example, a
17 simplified boil and water reactor and the MHTGR, and then
18 evaluate the design certification process for lessons
19 learned.

20 [Slide.]

21 MR. MIRAGLIA: The next slide indicates the number
22 of comments. There were 19 written comments and 13 oral
23 comments at the three stakeholder meetings. Several
24 commenters supported the elements of Option 2 and the
25 Commission's preliminary views with some modification.

1 The comments with respect to being more specific
2 as to the types of issues that should be addressed and the
3 focus that should be given to testing the next two phases of
4 part 52, namely, the siting and the COL phase, there was a
5 level of interest expressed primarily by the industry in
6 that regard.

7 There were some comments that endorsed Option 3.
8 And Option 3, if the Commission would recall, is to refocus,
9 given that there is no applications on the horizons, to
10 reallocate, and so there were a number of comments in that
11 regard.

12 CHAIRMAN JACKSON: What was the breadth of the
13 support for these different views?

14 MR. MIRAGLIA: I would say from the three meetings
15 and the comments, that the industry supports continued focus
16 and application of resources to these new designs, to the
17 point of, at one point, ranging from a comment that the
18 economic -- or the viability of the nuclear option, one
19 needs to demonstrate the part 52 process in its entirety, so
20 there is a group within the utilities and the nuclear
21 industry that has that as a view.

22 Clear recognition, as was recognized in the
23 previous reports to the Commission on this particular issue,
24 that this has implications for offshore sales and the
25 economic variability of the nuclear structure within the

1 U.S. by maintaining that kind of technology. So it would
2 range from there, and the public view would be that -- would
3 be on the other extreme. But I would say there was support
4 for some continued focus.

5 The question of applications and who would support
6 applications in this area was discussed and indicated that
7 funding in that would probably be minimal, but that there
8 should be some continued focus.

9 Given the Commission's position, and I responded
10 to some of those concerns in saying, if applications were
11 put before us, given this preliminary view, that they would
12 be assigned priority commensurate with the applications
13 before us and other ongoing activities.

14 COMMISSIONER ROGERS: Is there anything much said
15 on the utilities requirements document? That's something we
16 focused on a bit.

17 MR. MIRAGLIA: There was one comment that I
18 recall, Commissioner Rogers, that indicated that it would
19 have to be done and looked at as to what the future need
20 would be and that type of thing. We just recognized that it
21 was there. It may be worth doing, but someone would have to
22 forward that effort.

23 Moving on to DSI 11, which is: Given the changes
24 in the external/internal environment, what are the
25 implications for the current strategies for the operating

1 reactor oversight program?

2 There were three options in that DSI. Option 1 is
3 essentially continuing the comprehensive program and
4 examining -- systematic examination for improvements and
5 lessons learned.

6 Option 2 was to further encourage industry to
7 develop generic guidelines that we can endorse, provide
8 increased opportunities for public involvement, use
9 technology to improve efficiencies of our processes, and to
10 examine some effectiveness in how we staff multiple-unit
11 sites, and to improve the understanding and effectiveness of
12 our performance program, assessment program.

13 Option 3 was to utilize the work re-engineering
14 processes to further identify improvements within the
15 program, come back to the Commission for approval for those
16 areas of review, and we should look at best practices from
17 regulatory agencies, foreign and domestic, nuclear and non-
18 nuclear.

19 In terms of comments received, and again, in terms
20 of numbers, there were 26 written comments, 13 oral at the
21 meetings.

22 One commentor, at least for this paper, directed
23 right at the issue, shared that there's a public perception
24 of trying to reduce the risk. That has a negative
25 perception from the point of view of the public and if it's

1 done setting regulations, and it all looks towards reducing
2 risk that has a negative connotation.

3 That theme or that question came up, I guess,
4 looking at risk-informed that has to be done in a balanced
5 way. I think that's really the essence of that comment.

6 There was a lot of support for Option 3 --

7 CHAIRMAN JACKSON: That reducing risk has a
8 negative --

9 MR. MIRAGLIA: No. That increasing cooperation
10 with the industry in that process could have the perception
11 of only looking at it in one direction.

12 But another outcome of the process is to increase
13 some of the burden in the regulatory process with respect to
14 how we interact with industry in that kind of process, and
15 that comes up in some of the other DSIs and the role of
16 industry and the like. We stated that we have to do it in a
17 balanced, public, open kind of way.

18 CHAIRMAN JACKSON: So you're saying that this
19 comment then related specifically to the Commission's move
20 toward risk-informed, or you're saying it permeated things
21 more broadly than that?

22 MR. MIRAGLIA: It was with respect to not with
23 risk-informed, but as to working in a cooperative way with
24 industry to reduce regulatory burdens from a risk
25 perspective. That's -- it was the industry involvement that

1 created that kind of concern.

2 It was commenters that supported Option 3 to
3 varying degrees, indicating that that was resource
4 intensive; however, for certain areas, that that might be a
5 very productive thing to do and to look at business process
6 re-engineering.

7 There was a suggestion that we look at the role of
8 resident and effectiveness of the resident inspector program
9 within the context of that program.

10 In addition, there was comments regarding
11 effectiveness of our enforcement policy that should have
12 been discussed within the context of that program.

13 COMMISSIONER MCGAFFIGAN: Could I ask, the DSI we
14 just discussed and the next three are among the more
15 resource intensive of the DSIs. Was there any sense among
16 the commenters of limits or where, if we were going to need
17 to -- there are also -- many of the commenters presumably
18 are bill payers. Were they comfortable with spending
19 additional resources -- and maybe this is a question for the
20 next three papers as well -- to pursue these preliminary
21 views?

22 MR. MIRAGLIA: I think there were concerns
23 throughout the conference on many of the DSIs about the
24 cost. I think the perception that -- I'll give you my
25 perception and an overview assessment of the comments.

1 The industry and the feepayers, be they reactors
2 or materials, feel that this risk-informed approach, where
3 it would lead to less burden and commensurate with risk, has
4 a benefit.

5 And I think a simple way of expressing it is, it's
6 worth that increased cost to develop that because the
7 paybacks over the longer term may be beneficial. I think
8 that would be a broad overview.

9 Perhaps Themis can speak to that to some degree
10 when he talks about the risk-informed. But I think that
11 would be a simplistic or simplified overview of how they
12 looked at that. It's something that needs to be done. It
13 has up-front costs and -- but the benefit would be coming in
14 the future with regulations that are more risk-informed.

15 MR. SPEIS: The next DSI deals with risk-informed,
16 performance-based regulation. The DSI states: What
17 criteria should NRC use in expanding the scope in applying a
18 risk-informed, performance-based approach to rulemaking,
19 licensing, inspection, and enforcement?

20 The next DSI summarizes the Commission's
21 preliminary views. Higher risk activities should be the
22 primary focus of agency efforts and resources, which can be
23 accomplished by building up the PRA concepts to the extent
24 they're applicable.

25 Staff should continue the current efforts, which

1 is Option 1, on the pilot programs and continue to evaluate
2 the performance data from operational experience as it
3 becomes available.

4 These activities as they're scheduled are
5 presently captured in the PRA implementation plan.

6 Staff -- in addition to Option 1, the Commission's
7 views were that the staff should proceed in the direction of
8 enhancing the PRA implementation plan. This is kind of
9 moving cautiously towards implementing elements of Option 3.

10 And on the next viewgraph, staff should perform a
11 thorough review of the basis for nuclear materials
12 regulations and processes to identify and prioritize those
13 areas that may be amenable to a risk-informed, performance-
14 based approach. This assessment should lead to a framework
15 similar to that that we have developed for commercial
16 reactors.

17 There was also another point which is not listed
18 in the viewgraph, that the staff should evaluate and clarify
19 any technical and/or administrative issues associated with
20 performance-based approaches during regulation such as
21 inspection activities and enforcement.

22 And the next viewgraph summarizes the significant
23 comments -- the more significant comments. There were 49
24 written comments and 23 oral comments, and of course there's
25 some overlap between them, as John mentioned earlier.

1 The majority of the comments were implementation
2 type of comments. I don't see that any comments would
3 affect the Commission's preliminary views.

4 Almost all commenters supported the Commission's
5 view that, in general, the NRC should focus on higher risk
6 activities and, consequently, most commenters supported a
7 transition towards more risk-informed, performance-based
8 regulatory approaches.

9 But although most commenters supported the concept
10 of risk-informed, performance-based regulation, there was
11 not, in general, agreement on the approach. And we tried to
12 summarize all the comments into four categories. These
13 categories are the following.

14 I want to make sure that we recognize and
15 understand the distinction between risk-informed and
16 performance-based. For example, some commenters used this
17 distinction to urge caution in moving towards performance-
18 based aspects of risk-informed, performance-based
19 regulation. Others urged us to pursue more aggressively the
20 risk-informed part, for example, in our inspection
21 activities.

22 The next category of comments I listed,
23 demonstrating a commitment to change the regulatory
24 environment and to establish a new strategic direction.
25 There are many issues that the Commission will have to

1 decide, for example, one of them being if PRA is to be
2 useful, the NRC and the industry must decide or reach an
3 agreement on what areas they are able to be applied on.

4 The other one, I put them under fostering public
5 confidence and ensuring public understanding of the process.
6 For example, some suggested that a transition to a risk-
7 informed, performance-based regulation could be seen by the
8 public as a relaxation of our current regulations or
9 requirements, and possibly this would decrease the public's
10 perception of NRC's credibility.

11 And finally, the other category, they urged the
12 Commission to establish an objective standard for protection
13 of public health and safety, for example, set an objective
14 standard for what is adequate health and safety. That's a
15 good one for the lawyers.

16 Also, they want us, especially the industry, to
17 start using the safety goals.

18 So basically, these are some of the most important
19 components.

20 MR. JORDAN: Comments? Okay, Stu.

21 MR. RUBIN: Good morning. My name is Stu Rubin.
22 The first DSI I discuss is DSI 13, the role of industry.

23 [Slide.]

24 MR. RUBIN: As shown on the next slide, the DSI
25 asks the question: In performing its regulatory

1 responsibilities, what consideration should the NRC give to
2 industry activities?

3 Next slide, please.

4 [Slide.]

5 MR. RUBIN: The issue paper included five
6 different options or strategies for interacting with
7 industry as shown in the slide. The Commission in its
8 preliminary views had a preference for two of those options
9 and indicated some limited interest in a third.

10 Regarding the preferred options, the Commission
11 stated that the staff should move forward as rapidly as
12 possible within our budget to evaluate on a case-by-case
13 basis current and any future proposed initiatives that would
14 further the NRC's reliance on industry's activities as an
15 alternative to our own regulatory actions. And to
16 accomplish this, the Commission indicated that the staff
17 should also develop guidance on how we would go about
18 evaluating such proposals.

19 As shown in the second item, the Commission also
20 gave its preliminary endorsement of the fourth option, which
21 involved increasing NRC interaction with industry groups and
22 professional societies in order to develop new national
23 consensus codes and standards and guidance documents as a
24 means of strengthening the quality and the rigor of NRC's
25 regulatory framework, and to support more efficient and

1 effective consistent compliance with that framework.

2 The Commission also indicated that any
3 implementation of Option 4, the staff should focus its
4 initial efforts on working with industry to develop
5 standards and guidance for the application of PRA methods
6 and to develop such standards for the medical use area as
7 well.

8 Finally, the Commission had a preliminary view
9 that, although it was not a preferred option at this time,
10 the designated industry representative folks might have some
11 potential application to large, broad-scope materials
12 licensees in cases where NRC's on-site inspections were
13 conducted relatively infrequently.

14 Turn to the next slide.

15 [Slide.]

16 MR. RUBIN: In all, there were 31 written
17 stakeholder comments and 18 oral comments on DSI 13. With
18 regard to those significant comments first, there was very
19 broad consensus among -- within the nuclear power industry
20 that the NRC should in fact move forward expeditiously with
21 the current program to evaluate initiatives proposing
22 increased NRC reliance on industry activities.

23 Power reactor commenters indicated that the agency
24 actions within the current framework was more appropriate
25 than to go with the more aggressive pursuit of a broad-

1 based expansion of industry's role, a more proactive
2 framework that was defined in the second option.

3 There was also a broad desire within the nuclear
4 materials community for NRC placing increased reliance on
5 material licensing, self-oversight activities, and self-
6 assessment was specifically identified as an area that they
7 thought additional reliance should be placed there.

8 CHAIRMAN JACKSON: Let me make sure I understood
9 something. In the power reactor comments, did you say that
10 those commenters essentially preferred the status quo?

11 MR. RUBIN: An aggressive, expeditious pursuit of
12 the current program or approach, that's correct. Other
13 commenters, such as the ASME, Public Service, also endorsed
14 the Commission's preliminary view favoring Option 1, saying
15 it was responsive to the current environment challenge.

16 Even so, as shown in the second bullet, there was
17 a note of caution expressed by some of the commenters,
18 including Public Citizen, that if NRC were, in fact, to
19 place additional reliance on industry self-oversight, it was
20 our view it would lead to some loss of public confidence in
21 the agency as an effective and objective regulator.

22 And finally, as shown in the last item on this
23 slide, there was also very broad stakeholder support for the
24 Commission's preliminary view that the NRC go ahead and
25 increase its interaction with industry groups and

1 professional societies in order to develop new codes and
2 standards and guidance documents for more rigorous and
3 consistent licensing compliance with our framework.

4 I should also mention, although it's not on the
5 slide, there were a number of stakeholders in the materials
6 program especially who favored NRC increasing its support
7 for accreditation and certification as a means for both
8 improving materials licensing, safety performance, and
9 providing a positive basis for NRC reducing its regulatory
10 oversight activities and the radiation safety officer
11 position was cited as an example where certification
12 programs were viewed as one that would improve the
13 performance among licensees in that area.

14 CHAIRMAN JACKSON: What were the numbers again?

15 MR. RUBIN: We did have 31 written comments and 18
16 oral comments.

17 CHAIRMAN JACKSON: That's what I thought, okay.

18 COMMISSIONER DIAZ: Is there any other
19 information, any agency, any role model we can look at in
20 determining how strong can interaction be with industry
21 without interfering with the agency's mandate and its
22 relationship with industry, how many people are doing it in
23 the government and what stage are they?

24 You know, what is the --

25 MR. RUBIN: Well, within the context of this

1 particular DSI, I don't recall that there were any comments
2 made. But within the context of DSI 23, enhancing
3 regulatory excellence, there were some commenters that
4 suggested that there be a comparative analysis between NRC's
5 approach to regulation and -- in excellence and other
6 agencies, such as FAA and EPA, that sort of thing.

7 COMMISSIONER DIAZ: In other words, are we leading
8 the pack or is somebody running at the same pace as we are
9 regarding industry involvement?

10 CHAIRMAN JACKSON: FAA in fact has specific
11 industry involvement already and the various forms it takes.
12 I think it's a good suggestion for us to understand where
13 other agencies are and what the judgment is about the
14 effectiveness of those approaches -- of those uses and how
15 that has affected the -- both the judgment as to impact on
16 the mission, the effectiveness in carrying it out, as well
17 as any resource questions and public perception.

18 There's a lot to learn, I think, and so I'm saying
19 that the FAA at least already has things that have been part
20 of how they do things all the time, but I think it's a fair
21 question relative to other agencies also.

22 MR. JORDAN: Okay, next is DSI 14. Larry.

23 MR. CHANDLER: DSI 14 poses the issue of: What
24 approach should NRC take to optimize its communications with
25 the public?

1 In its preliminary views, the Commission suggested
2 principally Option 2, which would call for placing a
3 priority on early identification of public concerns and
4 methods for public interaction.

5 The Commission suggested that the term "public" be
6 interpreted in its broadest possible sense. It would
7 include, then, not simply members of the public as we
8 traditionally use it, but members of industry, other
9 affected organizations, as well as the public, that both
10 bilateral formal and informal communications be covered,
11 that the use and reliance, advancement of technology should
12 be carefully examined before it's used to assure that there
13 is appropriate planning and coordination for public
14 involvement with the centralized focus, some integration
15 before the fact, but recognizing that implementation should
16 still be the function of the various program offices.

17 The Commission also suggested that the staff give
18 consideration to Option 1A, which requires further
19 consideration on maximizing the effectiveness and economy of
20 the methods of communication that are being used to assure
21 that we have a consistent methodology and coordinated
22 planning of these activities, that we give due consideration
23 and examination of the highest cost activities that we
24 perform, and that we perform assessments of the improvements
25 that we take into consideration before they, in fact, are

1 implemented.

2 In terms of the significant comments that were
3 received, and there were some 34 written comments,
4 approximately 16 -- excuse me, 34 written and about 16 oral
5 comments provided, most commenters preferred a combination
6 of options. Option 2, even as augmented with Option 1A, was
7 not enough.

8 The Commission's preliminary views were actually
9 supported only by three of the commenters, that being
10 Illinois, Texas, and Oregon.

11 A number of commenters provided suggestions to
12 improve the current process: better public meetings, the
13 language that's being used, the formality of the structure
14 that often is employed at these meetings, transcripts. The
15 use of the term "stakeholders" John Craig alluded to at the
16 outside has an effect of turning people off in some events.

17 Early involvement, anticipating better, as the
18 Commission had suggested, the need to involve the public,
19 again, the public in the broadest sense, in these
20 activities.

21 There were also suggestions for independent
22 reviews of the 2.206 petitions. A number of commenters
23 addressed both the formality of the hearing process and some
24 of the formalities still existing in the 2.206 process,
25 although some of the concerns I think raised have already

1 been dealt with in some recent suggestions by the Commission
2 for improvements in the 2.206 review process, this comment
3 referring to the suggestion that people not previously
4 associated with the issue be involved in reviewing the
5 comment, the issues raised in the 2.206 petition.

6 A number of commenters stated that the NRC should
7 first decide what it hopes to achieve in its public
8 communications. Is it interested in informing the public,
9 involving the public, soliciting the views and thoughts of
10 the public, then choosing the best option for achieving that
11 goal?

12 Commenters suggest the NRC should establish
13 specific goals to assess the effectiveness of its programs
14 and look to the experiences of both private sector, state,
15 and other organizations for guidance.

16 It's been suggested, for example, that the folks
17 in Colorado, the state as well as Public Service of
18 Colorado, have had very successful programs in connection
19 with Fort St. Vrain. And EPA also has had good success in
20 some of its activities related to Superfund sites that
21 should be considered in our process.

22 Responding to Commissioner McGaffigan's question
23 earlier regarding the resource implications, I don't really
24 think that any of the commenters specifically focused on the
25 resource implications. In fact, some of the numbers I think

1 that you've gotten are thinking about -- were really
2 developed after the fact in these cases.

3 Interestingly enough, a large number of the
4 commenters here favored more emphasis on Option 3, which
5 would have a more proactive involvement, more of an
6 educational and up-front involvement than is suggested by
7 the other options.

8 And clearly, that option, I think, would have the
9 greatest resource implications, that probably beyond --
10 likely beyond those which the staff has already been
11 considering.

12 COMMISSIONER ROGERS: Just before you leave this
13 independent review of 2.206, I just wanted to understand
14 that. That's still within NRC, though; we're not suggesting
15 anybody else?

16 MR. CHANDLER: No. There were a couple of
17 thoughts raised on the 2.206 process. First of all, the
18 thought that you have other staff people than were involved
19 in the original issue review the 2.206 petition that's
20 submitted; and two, even consider the use of someone like
21 CRG or ACRS to look at some of the issues that are raised.

22 COMMISSIONER DIAZ: How strong was the support for
23 Option 3 expanding?

24 MR. CHANDLER: It's hard to say how strong it was.
25 There were a lot of diverse and diffused comments suggesting

1 greater NRC involvement in the educational process would
2 have a benefit in terms of assuring some greater
3 credibility, perhaps, that it would take some of the burden
4 off the industry in the sense of showing a more independent
5 assessment of what the issues are than the industry can
6 credibly put forward in some instances.

7 I would say it was a relatively strong comment,
8 but again, very diffused.

9 COMMISSIONER DIAZ: Any other comments?

10 MR. JORDAN: I just would comment that the process
11 that the committee has just gone through is relevant to
12 this, that we've, I think, been more proactive in obtaining
13 public comment and sort of fits in with the tone of this.

14 DSI 20. Jim.

15 MR. SHEA: Yes. DSI 20 considered the question of
16 NRC's appropriate role with regard to international
17 activities.

18 [Slide.]

19 MR. SHEA: The next slide shows the Commission's
20 preliminary views on DSI 20 in which the Commission selected
21 Option 4 in which NRC would conduct international activities
22 of importance and benefit to its domestic mission or U.S.
23 national interests, both of those, rather than just focusing
24 on its domestic mission.

25 And the remainder of the slide indicates the --

1 what that would involve, more specifically, that we would
2 participate in international policy and priority
3 formulation, perform our current role in export-import
4 licensing and related matters, in particular, international
5 safeguard issues, perform our current and prospective role
6 in implementing treaties, participate in international
7 exchange activities that would benefit our domestic program
8 for U.S. national interests -- these would be mutual benefit
9 exchanges -- and continue to provide, as we do now, a wide
10 but carefully selected range of international safety and
11 safeguards assistance.

12 I might note that research was not included,
13 international research. There's a separate paper on that.
14 That does not include DSI 20.

15 [Slide.]

16 MR. SHEA: The next slide continues with the
17 Commission's preliminary views. At the same time as Option
18 4, the Commission stated that the NRC will examine the
19 budget and priority of individual activities in the
20 international area and develop a plan to prioritize those
21 activities, and this would include research, drawing on work
22 in DSI 22, so the Commission could look at possible
23 reductions or expansions in programs in a systematic way
24 with an eye on the budget.

25 And the Commission also noted that since we are

1 licensee-fee based, we would have to look closely at how
2 these activities related to our mission as we do that study.

3 The comments that came in numbered 37 written and
4 nine oral submissions, mostly domestic, although some came
5 from abroad. We found that most of the commenters supported
6 the Commission's preliminary view on Option 4, both the
7 Commission's choice of the option and also the Commission's
8 emphasis on prioritizing NRC's international activities.
9 There were specific comments on that.

10 This support included industry, particularly NEI,
11 with their view that this would help avoid foreign
12 accidents, but at the same time, they noted that they felt
13 others beyond the nuclear industry should pay for activities
14 that do not directly benefit licensees.

15 Several commenters noted that there were safety
16 benefits that resulted from NRC's international activities
17 and encouraged a continuing NRC leadership role in this
18 area.

19 There were several that suggested that we should
20 improve coordination of safety assistance with public and
21 private groups to improve the effectiveness and efficiency.
22 This would be more, I think, in the implementation phase
23 that this would be carried out.

24 While most supported Option 4, the OAS and most
25 state regulators supported Option 3. They noted that -- and

1 this Option 3, by the way, would be NRC conducting
2 activities of benefit just to our domestic mission.

3 They noted that this would free up money that's
4 now spent for international activities that could be used
5 instead for purposes such as Agreement State training. That
6 was the main reason they cited for supporting Option 3,
7 although we did have one comment asking why NRC should give
8 assistance to countries that are not buying U.S. reactors,
9 for example.

10 There were some that supported Option 5, which is
11 to expand our international activities, such as the State
12 Department and ABB and some of the state regulators. And
13 that was, I guess, about the sum of the comments, if there
14 are any questions you might have.

15 COMMISSIONER DIAZ: This phrase, "commenters
16 suggested that increased coordination of safety assistance,"
17 were any comments from any of the other agencies regarding
18 increased coordination of activities that were in the
19 international arena?

20 MR. SHEA: From the other government agencies?
21 No, I didn't see any of that. The State Department did say
22 that there should be a systematic review of safety
23 assistance, as was proposed in the DSI 20 paper, because it
24 was timely and there had been some successes, but also some
25 problems in implementing assistance.

1 The comments that we received in this area were
2 mainly from the private sector saying we should look at WANO
3 and coordinating more closely with DOE, for example.

4 COMMISSIONER DIAZ: Some of those comments refer
5 to increased coordination with other agencies?

6 MR. SHEA: Yes, that's right, particularly DOE.

7 COMMISSIONER DIAZ: Particularly DOE?

8 MR. SHEA: Yes, and that was noted in DSI 20 as
9 well.

10 MR. JORDAN: Any other comments?

11 Jesse.

12 MR. FUNCHES: DSI 21 involved implementation of
13 the requirement to recover 100 percent of the NRC's budget
14 by assessed fees. There were two questions associated with
15 the DSI. The first one is the broader issue of: To what
16 extent should fees be considered in making a decision about
17 what activities the NRC should perform in support of its
18 mission?

19 Four options were evaluated and they ranged from
20 no consideration fees to considering fees for all NRC
21 activity.

22 A second part of the DSI had to do with
23 alternative ways to fund NRC's activities. The question
24 that was posed was, what funding mechanism should NRC pursue
25 to fund activities not required to be funded through

1 appropriations?

2 Next chart, please.

3 The Commission's preliminary view was to adopt
4 Option 2 with respect to the broader issue of considering
5 fees and decision. The preliminary view was that
6 programmatic decisions in response to NRC mandates would not
7 be driven by fees but would be based on their contribution
8 to public health and safety.

9 The Commission also noted that in addressing new
10 activities, they would request that fees be addressed as
11 part of their decision to add new activities to NRC.

12 With respect to the funding mechanism, the
13 preliminary view was to support alternative 2, which would
14 continue to fund approximately 100 percent of the
15 appropriated budget through fees. Reimbursable agreements
16 would be used to fund those activities that we're not
17 mandated to perform.

18 As a subpart of that, the Commission's preliminary
19 view would also support working with OMB to look at
20 alternative ways to remove the FTE's constraint associated
21 with reimbursable work.

22 There were 33 written comments on the DSI. Of
23 those 33, approximately 50 percent were from our Agreement
24 States or an organization associated with Agreement States.

25 There were eight commenters at the three

1 stakeholder meetings. There was general support for both
2 Option 2 and the funding mechanism, that is, the Commission
3 preliminary views; however, several of the industry
4 commenters supported funding mechanism number 1.

5 Under that alternative, we would include from the
6 fee base costs that serve the collective interests of the
7 public, and that would be approximately 10 percent of the
8 NRC's budget.

9 They also encouraged the use of a reimbursable
10 agreement to avoid costs that do not benefit licensees.

11 Several state commenters also supported assessing
12 fees to federal agencies for specific services. This would
13 be funding mechanism number 3. This was -- this was similar
14 to what they do for state agencies that they regulate.

15 Some commenters were concerned about the future of
16 fees. Specifically, they were concerned about potential
17 factors that could increase fees in the future.

18 One particular area they were concerned about was
19 the possibility of early reactor shutdown and
20 decommissioning and more states becoming Agreement States.
21 The concern there is that if you reduce the number of fee-
22 paying licensees, those costs that the NRC incur that are
23 not a function of the licensee, therefore, would have to be
24 spread to a smaller base.

25 Another concern that was expressed as it relates

1 to future fees was the impact of fees as you enter into
2 restructuring of the industry. Their concern there was that
3 fees would become a higher percentage of the profit margin
4 or the -- that they might receive.

5 There were two commenters that supported funding
6 mechanism number 4. That basically says, go to Congress and
7 request that no fees be assessed.

8 CHAIRMAN JACKSON: Any comments or questions? Can
9 I ask you to ask folks to talk faster?

10 MR. JORDAN: Yes.

11 MR. SPEIS: The next DSI addresses the future role
12 and scope of NRC's research program. The next viewgraph
13 shows the Commission's preliminary views. The Commission
14 initially supported a combination of options that were seven
15 to start with.

16 First they said that we should have a research
17 program. We should include both -- elements of both
18 confirmatory and exploratory research -- that's Option 4 --
19 and they should be balanced in such a way that both current
20 as well as potentially emerging issues are being addressed,
21 and the Office of Research, in consultation with the other
22 program offices, should develop criteria for determining
23 what the core research program should be which will be able
24 to respond to both programmatic needs as well as anticipate
25 future needs, and the Office of Research should work with

1 the other offices to develop criteria and provide it to the
2 Commission for their approval prior to the development of
3 these core research programs.

4 Continuing with the preliminary views, the next
5 viewgraph, the staff should continue to support the
6 educational grant program, Option 6, but this program should
7 be reevaluated at least every two years.

8 And also, the staff should continue to support
9 active participation in international safety programs which
10 should be prioritized and appropriately integrated with
11 NRC's research efforts and also considered in the
12 establishment and maintenance of the core research
13 capability.

14 And, also, the Commission wants us to address a
15 number of specific questions which were raised in the DSI
16 paper.

17 Getting to the significant comments, there were 29
18 written comments and nine oral ones, half a dozen NRC staff
19 persons that provided -- also provided comments to this DSI.

20 In both the written comments and those provided at
21 the stakeholders' meeting, there was general agreement that
22 the NRC should continue to support the research program
23 which involves both confirmatory and exploratory research.

24 One commenter suggested a more aggressive research
25 program is appropriate but without explicitly specifying

1 whether the program should be more exploratory or
2 confirmatory. That commenter was the ACRS, by the way.

3 Several industry commenters suggested that
4 cooperative research with industry is an option that should
5 also be considered. The paper itself addresses cooperative
6 research with international, but there is no explicit
7 mention of cooperative research internally in the United
8 States with our industries.

9 A number of commenters also raised concerns about
10 the lack of openness of the NRC's research program, and here
11 they referred mostly to the process, being active
12 participants from the initial phases from the definition all
13 the way to carrying the program itself, instead of giving
14 the results at the end.

15 CHAIRMAN JACKSON: Any comments or questions?

16 Thank you.

17 MR. RUBIN: Okay. The next DSI is DSI 23,
18 enhancing regulatory excellence.

19 [Slide.]

20 MR. RUBIN: Shown on this first slide is DSI as it
21 was originally cast, is very narrowly defined, and asked the
22 question: How can the NRC achieve regulatory excellence by
23 improving its regulatory standards, rules, and requirements?

24 The paper itself is much broader in scoping
25 regulatory excellence to apply to all of the NRC's

1 regulatory programs, not just to the rules and regulations
2 phase.

3 The paper provided two strategies for achieving
4 regulatory excellence. The first was, continue the current
5 program, which is often reactive. The second was to take a
6 substantially more proactive approach to regulatory
7 improvement.

8 Next slide, please.

9 [Slide.]

10 MR. RUBIN: The Commission in its preliminary view
11 favored the more proactive approach to improvement embodied
12 in the second option.

13 And as shown in the first item, the Commission
14 indicated that the proactive improvement campaign should be
15 designed to improve our own internal effectiveness and we
16 should set for ourselves a goal of excellence in the
17 performance of both our staff and our internal processes.

18 Moving down to the second item, the Commission
19 also indicated that the focus of the more proactive
20 improvement approach should not be limited to just the
21 agency's regulatory functions and programs, but should also
22 be broadly applied across all the agency's activities,
23 including its management and support functions and
24 activities.

25 Next page, please.

1 Total of 32 written stakeholder comments were
2 received and 21 oral comments from the public meeting on DSI
3 23.

4 First, there was extremely broad support for the
5 Commission's preliminary view that the NRC embark on a more
6 proactive approach to improving regulatory effectiveness.
7 Support for this strategy came from the stakeholders in both
8 the power reactors area as well as materials program area
9 and was generally favored by the agency's own internal staff
10 who had comments on this issue.

11 But within the broad consensus favoring the
12 proactive option, there was considerable diversity of the
13 ideas as to the appropriate focus and emphasis and the
14 priorities for improvement, as well as the appropriate
15 process and the pace that the agencies should employ in
16 pursuing excellence.

17 For example, many stakeholders equated enhancing
18 regulatory excellence with the NRC replacing its
19 prescriptive framework of regulations, standards and
20 guidance with a more risk-informed and performance-based
21 regulatory approach, or with NRC modifying or eliminating
22 requirements with marginal safety.

23 However, even so, Public Citizen did remark that
24 they believed that the recent changes that were made in
25 connection with the marginal safety program amounted to what

1 they call in the industry deregulation, rather than pursuit
2 of regulatory excellence.

3 Also, NEI and OAS indicated that enhancing
4 regulatory excellence for them meant, for example, that NRC
5 would strive to proportion its resource expenditures to the
6 risk significant or safety issues involved.

7 Nonetheless, despite the diversity of the comments
8 and the views on priorities as noted in the next to the last
9 bullet, the stakeholders broadly, generally agreed that --
10 with the Commission's view that this proactive approach
11 should be broadly applied to all the agency's functions, not
12 just to regulatory programs, emphasizing the issue paper.

13 A number of commentators also urged that external
14 stakeholders be brought in to participate in the agency's
15 internal review processes that would be initiated as part of
16 this more proactive approach.

17 And finally, as was mentioned just briefly before,
18 a power reactor industry group, NEI, indicated that the NRC
19 ought to consider having another federal agency, such as EPA
20 and FAA, conduct a peer review evaluation of NRC's processes
21 as an alternative additional means of enhancing regulatory
22 excellence.

23 CHAIRMAN JACKSON: Thank you.

24 Any comments or questions?

25 MR. JORDAN: The last one.

1 MR. MIRAGLIA: DSI 24: What should the NRC
2 strategy be for regulating decommissioning activities at
3 power reactors?

4 Preliminary views of the Commission was to
5 continue the current direction, approach, and to explore
6 some innovative approaches.

7 The Commission, in its preliminary view, gave some
8 examples of approaches that should be considered. And
9 consistent with the Commission guidance, we sought comment
10 on those approaches, transfer of the power plants to
11 Agreement States after fuel had been put into dry storage
12 and putting the resident inspectors in all phases of
13 decommissioning, or only in specific phases or not at all,
14 and having a performance-oriented approach for radiological
15 assessment of the site that's to be released.

16 The options were to continue the program at its
17 current pace or to be more aggressive. Significant
18 comments, there were 28 written comments, 19 oral comments
19 at the three meetings.

20 Strong support for being more aggressive,
21 particularly in context with developing the site release
22 radiological criteria. That seemed to be the center. They
23 recognized that the current approach had a series of
24 rulemakings, but those rulemakings couldn't proceed until
25 there was a good understanding of what the goals for

1 decommissioning were going to be. So there was strong
2 support for being aggressive in that area.

3 There was one group of commenters that supported
4 Option 3 and -- which was the one to slow down because a
5 concern was expressed that perhaps there couldn't be a good
6 agreement between NRC and the EPA with respect to the site
7 radiological and they would prefer us to have that role.
8 So, again, I would look at that as a -- in terms of Option
9 2.

10 They raised questions. Also, commenters were --
11 indicated that the impacts of deregulation on
12 decommissioning funding, recognizing that there is an
13 activity there, but again, there's a linkage to keep the
14 process moving at a fast pace.

15 With respect to the three approaches that were
16 discussed, there was little support, particularly from the
17 Agreement States, for taking the authority for the sites
18 after they had been decommissioned.

19 With respect to the resident, the preferred option
20 of the three approaches there is that the current practice
21 of having inspection available during major phases of
22 decommissioning seemed to be the preferred approach with
23 respect to that issue, and certainly, having a performance-
24 based radiological assessment of the site was preferred, but
25 again recognizing one needed to have specific criteria to

1 shoot for, and that's how you do the site decommissioning
2 rule, and that summarizes the comments on DSI 24.

3 CHAIRMAN JACKSON: Very good. Any --

4 MR. JORDAN: I have a closing remark to make at
5 this point, and I think it's important that we not only
6 recognize the staff work, but the responses that we got from
7 stakeholders, internal and external. Stakeholder
8 involvement was, I thought, excellent.

9 The committee entered that process with some
10 feeling of risk or impending problems, but it worked out
11 very well and the stakeholders were very, very thoughtful
12 and constructive, and the committee finds that it was a
13 positive experience and perhaps a model we would utilize
14 again in a future exchange.

15 CHAIRMAN JACKSON: Thank you.

16 Following on that, you have presented and provided
17 and shared with us a significant amount of information and
18 insight gained as a result of your interactions with the
19 stakeholders, and stakeholders is not being used in a
20 pejorative sense here.

21 I know that this approach of sharing the
22 Commission's views on policy with our stakeholders,
23 including our own employees, licensees, as well as members
24 of the public before the Commission reaches a final policy
25 decision is new.

1 Can you tell me, beyond the specific input, some
2 of what you've shared with us today? What do you think
3 we've learned from this process that will be useful going
4 forward?

5 MR. JORDAN: Well, I think the facilitation of
6 comments -- the preliminary -- the sequence of preliminary
7 decision, that is, there's some direction and thought been
8 given based on staff proposal, and the staff proposals were
9 not, except for the one I was involved in, biased towards a
10 particular outcome, a particular option, but they were
11 options presented with a discussion and not a recommendation
12 for selecting an option.

13 The Commission selected from among the options and
14 then offered that for comment. I think that's a very good
15 model, and the public and our own staff viewed it as a
16 positive approach.

17 CHAIRMAN JACKSON: Did it present any particular
18 difficulties for you?

19 MR. JORDAN: The only anxiety is at the front end.
20 There was a great deal of -- there was an investment of time
21 and there is a -- then a calendar effect that no one
22 believes that they've had sufficient time to comment, ever.

23 CHAIRMAN JACKSON: Well, that's true anyway.

24 MR. JORDAN: That's correct. And so there was a
25 -- in fact, in this case, we did provide a two-week

1 extension for those that did have further comments and still
2 we got substantive comments after that time frame. So that
3 affects the calendar that one can do things.

4 But in terms of the benefits, I think the benefits
5 outweighed the effect on the calendar and the risks.

6 MR. MIRAGLIA: I just would like to share an
7 observation. I think the rest of the committee would also
8 agree with the observation that it was unique in that it was
9 decisions in many areas -- usually when we have public
10 outreaches, it's focused on one area. We had a whole range
11 of activities.

12 And one observation that hit me is that this is a
13 unique experience in that many of our licensees, from small
14 materials to large reactors, were interacting at the same
15 time, and the full breadth and scope of the agency's
16 responsibilities and role were at least exposed to all.

17 I'm not sure they were understood by all, but the
18 complete range of activities, and that was unique in terms
19 of having everyone see what's on the agency's plate and what
20 roles it plays and the various things, and that was a very
21 unique aspect of this particular set of meetings.

22 I just thought I'd share that.

23 MR. JORDAN: That's an excellent point. And in
24 fact the stakeholders commented in several of the meetings
25 that they enjoyed the opportunity to interact among

1 different types of licensees and with the public and with
2 industry groups.

3 CHAIRMAN JACKSON: So you're saying we facilitated
4 that process?

5 MR. JORDAN: We facilitated that interaction, and
6 we had a potential for failing to do that because, had we
7 compartmentalized these in such a way that you didn't have
8 the mix of materials and reactors and states and utilities
9 and industry, we would have failed to have that crossing of
10 interests. And so that was fortuitous, but it worked out
11 right.

12 CHAIRMAN JACKSON: I'd like to get comments from
13 the other two.

14 Ms. Silber.

15 MS. SILBER: Well, to follow on --

16 CHAIRMAN JACKSON: Three.

17 MS. SILBER: -- with what was made, we did observe
18 through the meetings that we found it very interesting that
19 we were drawing from a wide group of individuals and we
20 found that individuals particularly, I think we anticipated
21 the licensees, the large groups that deal with us, to have
22 an interest in these meetings.

23 But we were quite surprised by some of the
24 individuals who, at their own expense, and in some cases
25 taking leave from their jobs and traveling some significant

1 distances, attended the meetings and also gave us some very
2 valuable input that gave us a different perspective on a
3 number of the issues.

4 CHAIRMAN JACKSON: Mr. Craig.

5 MR. CRAIG: Well, I just had one other
6 perspective. It goes back to a point raised by Commissioner
7 Diaz I believe earlier, and it is from the discussion of the
8 stakeholders from the different individual perspectives.

9 I think they learned a great deal, not just about
10 us, but about each other. I think as a result of that, the
11 comments and the discussions and issues were much more
12 beneficial to the staff and it was's very positive
13 interaction to all the stakeholder meetings.

14 As Mr. Jordan noted, there was some apprehension
15 before the first one, but after the first one, there was
16 enthusiasm. It was a very positive experience for us and
17 the stakeholders.

18 CHAIRMAN JACKSON: Mr. Chandler.

19 MR. CHANDLER: I would agree. It was a very
20 positive exchange from both perspectives. One of the points
21 that was pointed out that I think we need to bear in mind,
22 it came up in the context of the DSI I spoke to on public
23 communication, that was the way in which we present these
24 issues, the language we use.

25 In fact, someone commented that the issue papers

1 require 20 years of formal education to fully appreciate --

2 CHAIRMAN JACKSON: Is that all?

3 MR. CHANDLER: There was a good lesson in that. I
4 think we need to be mindful of not only the technology we
5 use to communicate with people, but the language we use as
6 well.

7 CHAIRMAN JACKSON: Absolutely. Any follow-on
8 comments or questions?

9 Commissioner Rogers.

10 COMMISSIONER ROGERS: Well, I noticed that NEI's
11 comments, they set up a format to make their comments in and
12 the first point of the format was what, if any, important
13 considerations have been omitted? And I think they had some
14 very interesting things they thought ought to be thought
15 about here.

16 I'm just wondering if you had any other groups
17 commenting that they thought there ought to be things in
18 there that we've left out and just how we might, in some way
19 or another, in cleaning these things up sweep those into the
20 process.

21 MR. JORDAN: That there were, and that was one of
22 the formal questions that we posed in the Federal Register
23 notice, that people should identify missions. And so that
24 was -- that was in fact a useful way to identify.

25 CHAIRMAN JACKSON: Commissioner Dicus.

1 COMMISSIONER DICUS: No.

2 CHAIRMAN JACKSON: Commissioner Diaz.

3 COMMISSIONER DIAZ: Yes, I have one concern, maybe
4 a suggestion.

5 This thing is getting closer and closer to being
6 put together and maybe seeing the trees inside of the
7 forest. I've got a concern how we are going to assign
8 resources to carry out the, quote, mandate or programs of
9 the strategic plan. Specifically, I'm concerned how we're
10 going to develop our human resources to be able to tackle
11 the different issues and be prepared to assume different
12 roles of higher responsibility.

13 MR. JORDAN: Yes, and I won't try to answer that.
14 I accept it as a concern that we all must have.

15 CHAIRMAN JACKSON: Well, I think it is obviously
16 the long-range concern, and it has to do with long-range
17 implementation as well as any renormalizations of our
18 regulatory program.

19 That is something that I think Mr. Callan and the
20 whole team of new managers know that they have to address
21 head-on in terms of looking, overall, at core competencies
22 and what we need to do, both in terms of responding to
23 specific Commission direction coming out of this, but more
24 broadly, positioning ourselves for any new responsibility.
25 That's a big part of what the management team's job really

1 is.

2 Commissioner McGaffigan.

3 COMMISSIONER MCGAFFIGAN: The question I asked
4 earlier was really a concern. I think that perhaps we would
5 have been better off if everybody knew how much all these
6 options were going to cost when they were talking about
7 them, and I am concerned just -- it's a resource issue,
8 whether we're going to be able to either go in for
9 significant additional resources or find other parts of our
10 budget that we can cut back to pursue options, but there's a
11 process for doing that.

12 The stakeholder comments might have been more on
13 point to the process -- we're going to have to go through
14 the next several months -- if they had -- if they had
15 realized that some of these things weren't free.

16 CHAIRMAN JACKSON: I think everybody knows they're
17 not and I guess I'd say yes and no. I would say when you're
18 considering a plethora of options, there are always
19 different ways the process can be handled, but a way to
20 begin to give some focus that allows the staff to put some
21 flesh on the bones in terms of what the resource
22 implications are is to have the preliminary views.

23 In the end, we're going to have to determine what
24 that prioritization is, given the understanding we have of
25 our various stakeholders' concerns. But in terms of, you

1 know, making the hard-core marriage between the resources
2 and the choices is really our job to do.

3 Well, the Commission would like to thank the
4 members and staff of the Strategic Assessment and
5 Rebaselining Steering Committee for a very informative and
6 full briefing on this Stakeholder Interaction Report and
7 related issues, and so I commend you for seeking a wide
8 stakeholder input and participation.

9 You provided the Commission and I believe the
10 public with a well-organized effort. The effort of
11 information will be of great assistance to the Commission as
12 we consider and make final decisions on the Direction
13 Setting Issues.

14 The Commission in this meeting would like to thank
15 the many organizations, licensees, NRC employees,
16 individuals, and all who participated in the public meetings
17 and/or who provided written comments. The Commission in
18 fact values very much this input and will consider it in
19 developing our final decisions on the direction of the NRC,
20 and so unless there are any further comments for my full
21 Commissioners, we stand adjourned.

22 We do have an affirmation for the Commissioners.

23 [Whereupon, at 11:48 a.m., the briefing was
24 adjourned.]

25

CERTIFICATE

This is to certify that the attached description of a meeting of the U.S. Nuclear Regulatory Commission entitled:

TITLE OF MEETING: BRIEFING ON NRC STRATEGIC ASSESSMENT -
PUBLIC MEETING

PLACE OF MEETING: Rockville, Maryland

DATE OF MEETING: Monday, January 13, 1997

was held as herein appears, is a true and accurate record of the meeting, and that this is the original transcript thereof taken stenographically by me, thereafter reduced to typewriting by me or under the direction of the court reporting company

Transcriber: Jody Goettlich

Reporter: Jody Goettlich



**STRATEGIC ASSESSMENT AND
REBASELINING**

PHASE II

STAKEHOLDER INTERACTION REPORT

January 1997

AGENDA

- **Description of Interaction Process**
- **Comments on Direction Setting Issue Papers**

**DSI 2: SHOULD NRC SEEK TO EXPAND
ITS REGULATORY AUTHORITY
AND RESPONSIBILITIES TO
INCLUDE DOE FACILITIES?**

DSI 2 COMMISSION'S PRELIMINARY VIEWS

- **The NRC would not take a position on accepting broad responsibility for DOE Facilities (Option 4). NRC would neither encourage nor oppose legislation giving it broader authority over DOE nuclear facilities.**
- **Given adequate resources and a reasonable time schedule to develop and initiate a regulatory program, the NRC could provide adequate regulatory oversight of DOE, if asked.**
- **If NRC were to be given added regulatory oversight of DOE facilities, the Commission would prefer that the regulatory responsibilities be placed on the NRC on an incremental basis and that some type of prioritization methodology be used to determine the types of DOE facilities that, if subject to NRC oversight, would provide the greatest potential benefit to public health and safety.**

DSI 2 SIGNIFICANT COMMENTS

- **Most commenters felt that NRC should take a position regarding regulation of the Department of Energy.**
- **Several commenters strongly encouraged the Commission to aggressively pursue external regulation of DOE under Option 1B. This option would divide regulatory responsibility for DOE among Federal and State agencies in the same way it now occurs for commercial facilities.**

**DSI 4: WHAT SHOULD BE NRC'S
STRATEGY REGARDING STATES
BECOMING AND REMAINING
AGREEMENT STATES?**

DSI 4 COMMISSION'S PRELIMINARY VIEWS

- **Continue the Current Program, Including Adopting Current Initiatives (Option 3)**
- **Encourage More States to Become and Remain Agreement States, Primarily Through Non-Monetary Incentives**
- **Explore Providing “Seed Money” and/or Financial Grants to Encourage States to Seek Agreement State Status**
- **Provide Training to Agreement States Without Charge on a “Space Available” Basis. Funding for Travel and Technical Assistance Would be Borne by the Agreement States**

DSI 4 SIGNIFICANT COMMENTS

- **Agreement States and some other commenters felt very strongly that the NRC should reinstate funding of Agreement State training, travel and technical assistance.**
- **Although some licensees opposed reinstatement of funding, opposition was limited.**
- **Commenters considered that a significant benefit of NRC-sponsored training is enhanced consistency and compatibility and suggested that NRC reinstate funding to support this end.**

**DSI 5: WHAT SHOULD BE THE ROLE
AND SCOPE OF THE NRC'S
LOW-LEVEL RADIOACTIVE
WASTE PROGRAM?**

DSI 5 COMMISSION'S PRELIMINARY VIEWS

- **Assume a Strong Regulatory Role in the National Program (Option 2). This Option Would Encompass All of the Activities That Were Performed Before the Recent Reductions in the Low-Level Waste Program.**

DSI 5 SIGNIFICANT COMMENTS

- **Many Agreement State commenters opposed the Commission's preliminary view that the current LLW program be expanded.**
- **Agreement State commenters preferred an option between Option 3, Continue Current Program and Option 4, Recognize Progress and Reduce Program.**

**DSI 6: IN RECOGNITION OF CURRENT
UNCERTAINTIES, HOW SHOULD
NRC APPROACH THE PRESENT
HIGH-LEVEL WASTE SITUATION?**

DSI 6 COMMISSION'S PRELIMINARY VIEWS

- **Maintain NRC's Existing HLW Program (Option 3).**
- **The Commission Would Like to Explore Taking a More Active Role in Resolving Issues in the National HLW Program, Consistent With NRC's Mission.**

DSI 6 SIGNIFICANT COMMENTS

- **Support for the Commission's preliminary view as stated was limited, with most commenters calling for some modification of the preliminary view.**
- **Overall, the commenters were divided in their support of the various options.**
- **The Department of Energy and the State of Nevada supported the Commission's preliminary view.**

**DSI 7: WHAT SHOULD BE THE FUTURE
ROLE AND SCOPE OF NRC'S
NUCLEAR MATERIALS PROGRAM,
AND IN PARTICULAR, NRC'S
REGULATION OF THE MEDICAL
USE OF NUCLEAR MATERIAL?**

DSI 7 COMMISSION'S PRELIMINARY VIEWS

- **Continue the Ongoing Program With Improvements (Option 2) and;**
- **Decrease Oversight of Low-Risk Activities With Continued Emphasis of High-Risk Activities (Option 3).**
- **In Implementing Option 3, the NRC Would Utilize the Risk-Informed Performance-Based Approach to Determine Which Activities in the Materials Area, and Specifically in the Medical Area, Are Low-Risk Activities.**

DSI 7 SIGNIFICANT COMMENTS

- **Most commenters supported the Commissioner's preliminary views. In particular, several licensee and professional organizations changed their position from an earlier endorsement of the National Academy of Sciences recommendation.**
- **Commenters also strongly supported a single federal agency being responsible for regulation of all radiation sources, including Naturally Occurring and Accelerator Produced radioactive material (NARM).**

**DSI 9: WHAT SHOULD BE NRC'S
STRATEGY TO TAKE ADVANTAGE
OF NEW AND DIFFERENT
APPROACHES TO OPTIMIZE SITE
REMEDIATION OF THE SITE
DECOMMISSIONING
MANAGEMENT PLAN AND OTHER
PROBLEM SITES?**

DSI 9 COMMISSION'S PRELIMINARY VIEWS

- **A combination of options were selected that would place appropriate responsibility on licensees to remediate their sites while giving NRC appropriate tools to deal with problem sites and licensees.**
 - **Change the decommissioning review process (Option 2);**
 - **Focus on decommissioning cases in which progress can be made and transfer stalled sites to EPA (Option 6);**
 - **Take an aggressive position to develop regulatory frameworks for lower cost decommissioning waste disposal (Option 7); and**
 - **Develop a Strong Litigation Strategy (Option 8);**
 - **Option 2 should be tested on a pilot scale for a few selected materials licensees to determine the potential success and effectiveness of this option if it were to be adopted on a broader scale.**

DSI 9 COMMISSION'S PRELIMINARY VIEWS (CONT.)

- **The pilot program participants should be volunteers that are found to be suitable for participating in the pilot program by the NRC.**
- **With regard to Option 6, the staff should also examine the level of risk associated with each site and focus on better progress and risk in making determinations on the disposition of sites.**
- **Determinations on whether to send to EPA's Superfund Program a stalled, high-risk site or a low-risk site where progress is being made, should be made on a case-by-case basis.**
- **The implementation process for Option 6 should not preclude the Commission from reviewing a low-risk, stalled site if conditions warrant, nor should the process automatically send the site to EPA's Superfund Program.**

DSI 9 SIGNIFICANT COMMENTS

- **There was broad support for the options identified in the Commission's preliminary view and for taking serious steps to reduce the burden and intrusiveness of regulations in areas where the risk does not justify it.**
- **Most commenters called for close coordination with them in any systematic review of and revisions to the regulations.**

**DSI 10: GIVEN THE CURRENT
ENVIRONMENT, WHAT SHOULD
THE COMMISSION'S POLICY BE
ON FUTURE REACTORS?**

DSI 10 COMMISSION'S PRELIMINARY VIEWS

- **Recognized that fundamental economic decisions by license applicants will determine level of necessary support.**
- **NRC should continue to give priority for reviewing standard and advanced reactor designs, early site approvals, and licensing for new reactor license applicants.**

DSI 10 COMMISSION'S “PRELIMINARY VIEWS (CONT.)

- **Staff should develop implementation guidance for the following:**
 - **Address maintenance of the utility requirements document and the certified designs through first-of-a-kind engineering**
 - **Address orderly closeout of all activities and document the work performed (e.g., SBWR, MHTGR)**
 - **Evaluate design certification process following completion of current applications for lessons learned**

DSI 10 SIGNIFICANT COMMENTS

- **Several commenters supported the elements of Option 2 and the Commission's preliminary views with some modification.**
- **One commenter stated that the NRC should be more specific on issues related to this DSI and begin to address major generic issues associated with the siting and licensing aspects of Part 52.**
- **Several commenters endorsed Option 3 and noted that the economic and political environment will preclude new nuclear plants in the U.S. for many years.**

**DSI 11: GIVEN THE CHANGES IN THE
EXTERNAL/INTERNAL
ENVIRONMENT, WHAT ARE THE
IMPLICATIONS FOR THE CURRENT
STRATEGIES FOR THE OPERATING
REACTOR PROGRAM?**

DSI 11 COMMISSION'S PRELIMINARY VIEWS

- **Option 1**
 - **Continue ongoing comprehensive review**
 - **Include systematic reexamination of the reactor oversight program**
- **Option 2**
 - **Encourage industry to develop generic guidelines that can be endorsed by the NRC and carried out by the industry**
 - **Provide increased opportunities for public involvement**
 - **Expand use of technology to improve efficiency**
 - **Increase flexibility in staffing multiple-unit sites**
 - **Improve effectiveness and understanding of performance assessment process**

DSI 11 COMMISSION'S PRELIMINARY VIEWS (CONT.)

- **Option 3**
 - **Consider work process re-engineering methods to improve various aspects of the reactor oversight program**
 - **Identify for Commission review and approval areas that could benefit**
 - **Consider “best-practices” from other regulatory agencies (foreign and domestic, nuclear and non-nuclear)**

DSI 11 SIGNIFICANT COMMENTS

- **One commenter noted a public perception that industry's increased role in setting regulations and acting as NRC's partner reduces NRC's credibility.**
- **Many commenters supported Option 3, but to differing degrees. Several suggested that the effectiveness of the Resident Inspector be included in the BPR.**
- **One commenter stated that the effectiveness of the enforcement policy should have been included in the issue paper.**

**DSI 12: WHAT CRITERIA SHOULD NRC
USE IN EXPANDING THE SCOPE
IN APPLYING A RISK-INFORMED,
PERFORMANCE-BASED
APPROACH TO RULEMAKING,
LICENSING, INSPECTION AND
ENFORCEMENT?**

DSI 12 COMMISSION'S PRELIMINARY VIEWS

- **Higher risk activities should be the primary focus of agency efforts and resources**
- **Staff should continue current efforts (Option 1) on pilot programs and continue to evaluate performance data as it becomes available**
- **Staff should proceed in the direction of enhancing the PRA Implementation Plan (some elements of Option 3)**

DSI 12 COMMISSION'S PRELIMINARY VIEWS (CONT.)

- **Staff should perform a thorough review of the basis for nuclear materials regulations and processes to identify and prioritize those areas that may be amendable to risk-informed, performance-based approach. This assessment should lead to a framework for applying PRA to nuclear material uses**

DSI 12 SIGNIFICANT COMMENTS

- **Almost all commenters support the view that in general NRC should focus on higher risk activities.**
- **Most commenters supported a transition toward more risk-informed, performance-based regulatory approaches.**
- **Although most commenters supported the concept of risk-informed, performance-based regulation, there was not, in general, agreement on the approach.**
- **Four general areas of commenter concern:**
 - **Recognizing the distinction and defining the relationship between “risk-informed” and “performance-based”**
 - **Demonstrating a commitment to change the regulatory environment and to establish a new strategic direction**
 - **Fostering public confidence and ensuring public understanding of the process**
 - **Establishing an objective standard for protection of public health and safety.**

**DSI 13: IN PERFORMING ITS
REGULATORY
RESPONSIBILITIES, WHAT
CONSIDERATION SHOULD NRC
GIVE TO INDUSTRY ACTIVITIES?**

DSI 13 COMMISSION'S PRELIMINARY VIEWS

- **NRC should move as expeditiously as possible, within budget constraints, to evaluate on a case-by-case basis, initiatives proposing further NRC reliance on industry activities as an alternative for NRC regulatory activities**
- **NRC should increase its focus and emphasis on interacting with both industry groups and professional societies and technical institutes to develop new codes, standards, and guides needed to support efficient, effective, and consistent performance of industry activities important to safety**

DSI 13 COMMISSION'S PRELIMINARY VIEWS (CONT.)

- Initial activities should focus on standards development in probabilistic risk assessment and the medical use area**
- Although not a preferred option at this time, the use of a designated industry representative may have some potential use for large broad scope materials licensees where NRC oversight through inspection is not frequent**

DSI 13 SIGNIFICANT COMMENTS

- **Industry commenters support expeditious action for further reliance on industry activities.**
- **Several commenters cautioned that further reliance on industry activities would cast doubts on NRC's creditability as an effective regulator.**
- **There was broad support for NRC to increase its interactions to develop new codes and standards and guides.**

**DSI 14: WHAT APPROACH SHOULD
NRC TAKE TO OPTIMIZE
ITS COMMUNICATION WITH
THE PUBLIC?**

DSI 14 COMMISSION'S PRELIMINARY VIEWS

- **Priority on early identification of public concerns and methods for public interaction**
 - **The term “public” to be interpreted in broadest sense**
 - **Bilateral formal & informal communications covered**
 - **The role of technology should be carefully examined**
 - **Planning & coordination for public involvement should have a central focus**
 - **Implementation is responsibility of program offices**

DSI 14 COMMISSION'S PRELIMINARY VIEWS (CONT.)

- **Maximize Effectiveness and Economy**
 - **NRC should have a consistent methodology and coordinated planning**
 - **Focus on examination of the highest cost activities**
 - **Perform better assessments of proposed improvements**

DSI 14 SIGNIFICANT COMMENTS

- **Most commenters preferred a combination of options; Option 2 is not enough.**
- **Several commenters provided suggestions that would improve the current process.**
 - **Better Public Meetings**
 - **Early Involvement**
 - **Independent Review of 2.206 Petitions**
- **Several commenters stated that the NRC should first identify its fundamental objective in public communication and then choose an option.**
- **Commenters suggested NRC should establish specific goals to help assess the effectiveness of its program and look to the experiences of the private sector and other public agencies for guidance.**

**DSI 20: WHAT IS THE APPROPRIATE
ROLE OF THE NRC IN THE
DEVELOPMENT AND
IMPLEMENTATION OF POLICIES
ON INTERNATIONAL NUCLEAR
MATTERS?**

DSI 20 COMMISSION'S PRELIMINARY VIEWS

- **It is desirable for NRC to conduct international activities of importance and benefit to its domestic mission or U.S. national interests**
- **Under this approach the agency would:**
 - **Participate in international policy and priority formulation**
 - **Perform its current role in export-import licensing and related matters**
 - **Perform its current and prospective role in treaty implementation**
 - **Participate in exchange activities of benefit to its domestic responsibilities or U.S. national interests, and**
 - **Provide a wide but carefully selected range of safety and safeguards assistance**

DSI 20 COMMISSION'S PRELIMINARY VIEWS (CONT.)

- **NRC will examine the budget and priority of individual activities and develop a plan, with criteria, for prioritizing NRC's international activities, including research, to assist the Commission in determining appropriate expansions or reductions of programs, depending on future budget constraints.**
- **Since NRC is licensee-fee based, the primacy of international activities to NRC's mission will be an important consideration.**

DSI 20 SIGNIFICANT COMMENTS

- **Most commenters support the Commission's preliminary view (Option 4).**
- **Several commenters noted the safety benefits resulting from NRC's international activities.**
- **Several commenters suggested that increased coordination of safety assistance would improve effectiveness and efficiency.**
- **State commenters supported Option 3.**
- **Several commenters supported Option 5.**

**DSI 21: IN MAKING DECISIONS ABOUT
WHAT ACTIVITIES THE NRC
SHOULD PERFORM IN SUPPORT
OF ITS MISSION, TO WHAT
EXTENT SHOULD FEES BE
CONSIDERED?**

DSI 21 COMMISSION'S PRELIMINARY VIEWS

- **Programmatic decisions in response to NRC mandates will not be driven by fees and should be based on their contribution to public health and safety.**
- **Continue agency current approach whereby applicants and licensees continue to pay for approximately 100 percent of the appropriated budget authority. Reimbursable agreements would be used to fund non-mandated activities.**
 - **FTE consideration - support removing FTEs associated with reimbursable work from the NRC ceiling.**

DSI 21 SIGNIFICANT COMMENTS

- **There was general support for Option 2 and Funding Mechanism 2.**
- **Several industry commenters supported Funding Mechanism 1 and the use of reimbursable agreements to avoid costs that do not benefit NRC licensees.**
- **Several State commenters supported assessment of fees to Federal agencies for specific services (Funding Mechanism 3).**
- **Several commenters noted that fee increases to licensees will be the result of early reactor shutdown and decommissioning, and as more states become Agreement States.**
- **Two commenters supported Option 4.**

**DSI 22: WHAT SHOULD BE THE FUTURE
ROLE AND SCOPE OF NRC'S
RESEARCH PROGRAM?**

DSI 22 COMMISSION'S PRELIMINARY VIEWS

- **Continue the research program which should include elements of both confirmatory and exploratory research (Option 4), balanced in such a way that both current as well as potentially emerging issues are being addressed**
- **The Office of Research in consultation with the other program offices should develop criteria for determining Core research capabilities (Option 5) for Commission approval prior to going forward**

DSI 22 COMMISSION'S PRELIMINARY VIEWS (CONT.)

- **The staff should continue to support the Educational Grant Program (Option 6), but this program should be re-evaluated at least every two years**
- **The staff should continue to support active participation in International Safety Programs (Option 7) which should be prioritized and appropriately integrated with NRC's research efforts and also considered in the establishment and maintenance of Core research capability**

DSI 22 COMMISSION'S PRELIMINARY VIEWS (CONT.)

- **Addressing a number of specific questions raised in the DSI paper, especially under B. Technical Expertise (page 12) and under III. Discussion of the Direction-Setting Issue (page 16)**

DSI 22 SIGNIFICANT COMMENTS

- **There was general agreement that NRC should continue to support a research program.**
- **One commenter suggested a more aggressive research program is appropriate.**
- **Several industry commenters suggested cooperative research with industry as an option that should also be considered.**
- **A number of commenters raised concerns about the lack of openness of the NRC's research program.**

**DSI 23: HOW CAN NRC ENHANCE
REGULATORY EXCELLENCE
THROUGH MAINTENANCE OF
REGULATORY STANDARDS,
RULES, AND REQUIREMENTS?**

DSI 23 COMMISSION'S PRELIMINARY VIEWS

- **NRC should develop and implement strategies designed to improve its own internal performance and proactively pursue making its people and processes function with a goal of excellence**
- **A more proactive approach to improvement should be broadly applied to all NRC activities in support of NRC's mission**

DSI 23 SIGNIFICANT COMMENTS

- **Comments reflected broad support for NRC to take a more proactive approach to improve its regulatory effectiveness with a goal of excellence (Option 2).**
- **Considerable range of comments on the focus, priority, process and timing of actions which would be included in a proactive approach.**
 - **Use of Risk Insights vs Deregulation**
 - **Streamlining and Efficiency of Actions vs Safety Vigilance**
- **Activities should include a broad range of areas.**
- **Have another Federal agency review NRC's processes.**

**DSI 24: WHAT SHOULD BE NRC'S
STRATEGY FOR REGULATING
DECOMMISSIONING ACTIVITIES
AT POWER REACTOR SITES?**

DSI 24 COMMISSION'S PRELIMINARY VIEWS

- **Continue the current direction and approach, is the recommended option. Implementation guidance in pursuing this option should be expanded to explore more innovative approaches in line with the current Commission strategy in this area.**
- **In pursuing the current pace of rulemaking, the staff should consider new and innovative regulatory approaches. Examples of possible approaches that might be considered are:**
 - **Transfer of nuclear power plants to Agreement State control after fuel has been put into dry storage or has been removed from the Part 50 site.**

DSI 24 COMMISSION PRELIMINARY VIEWS (CONT.)

- Placing a resident site inspector during all phases of decommissioning, only during specific phases of decommissioning, or not at all.**
- Having NRC take an enhanced performance-oriented approach by reducing oversight and performing a radiological assessment of the site when it is ready to be released.**

DSI 24 SIGNIFICANT COMMENTS

- **Little commenter support for Option 1.**
- **Strong support for Option 2.**
- **While few commenters supported Option 3, one group of commenters supported Option 3 and suggested that NRC slowdown the current rulemaking for site release criteria.**
- **Several commenters raised questions related to the impacts of deregulation on decommissioning funding.**

BACKUP SLIDES

STAKEHOLDER INTERACTIONS

Date

Activities

September 1996

- Press Release
- Documents Distributed
- Agency-Wide Announcement
- Initial Mailing to
External Stakeholders
- Annual Agreement State
Regulators' Conference

October 1996

- Steering Committee Meetings
with NRC Managers

STAKEHOLDER INTERACTIONS (CONT.)

<u>Date</u>	<u>Activities</u>
October 1996	<ul style="list-style-type: none">– Regional Meetings with NRC Staff– Federal Register Notice– Agency Partnership Briefing– ACRS Briefing– Mailing to External Stakeholders– 3 Press Releases for Stakeholder Conferences– Annual State Liaison Officers Meeting– ACNW Briefing– Stakeholder Meeting, Washington, DC

STAKEHOLDER INTERACTIONS (CONT.)

<u>Date</u>	<u>Activities</u>
October 31- November 1, 1996	– Stakeholder Meeting, Colorado Springs, Colorado
November 1996	– Stakeholder Meeting, Chicago, Illinois
December 1996	– Comment Period Ends

STAKEHOLDER MEETING PROGRAM AGENDA

THURSDAY

8:00-9:00 am
Opening Remarks

9:15-11:30 am
**STRATEGIC ARENA: Building Public
Trust and Confidence**
 DSI-14
 DSI-13
 DSI-23

1:00-4:30 pm
**STRATEGIC ARENA: Assuring the
Safe Use and Handling of Nuclear
Materials**
 DSI-2
 DSI-4
 DSI-7

1:00-2:30 pm
**STRATEGIC ARENA: Providing
Research Expertise**
 DSI-22

2:45-4:30 pm
**STRATEGIC ARENA: Supporting
NRC Domestic Mission and National
Objectives in the International Area**
 DSI-20

STAKEHOLDER MEETING PROGRAM AGENDA

FRIDAY

8:00-11:30 am

**STRATEGIC ARENA: Assuring Safe
Operation of Nuclear Reactors**

DSI-10

DSI-11

DSI-12

DSI-24

1:00-4:30 pm

**STRATEGIC ARENA: Assuring Safe
Management of Nuclear Waste**

DSI-5

DSI-6

DSI-9

1:00-2:30 pm

**STRATEGIC ARENA: Managing
NRC Finances**

DSI-21

4:30-5:00 pm

Closing/Wrap-Up

DSI 2 OPTIONS

- OPTION 1: SUPPORT BROAD RESPONSIBILITY
FOR NRC REGULATION OF DOE**
- OPTION 2: SUPPORT BROAD RESPONSIBILITY
FOR REGULATING CERTAIN TYPES OF
DOE FACILITIES**
- OPTION 3: OPPOSE BROAD NRC RESPONSIBILITY
FOR REGULATING DOE**
- OPTION 4: TAKE NO POSITION ON BROAD NRC
RESPONSIBILITY FOR DOE FACILITIES**

DSI 4 OPTIONS

- Option 1: Turn the Agreement States Program Over to the Environmental Protection Agency**
- Option 2: Strongly Encourage States to Become Agreement States**
- Option 3: Continue the Current Agreement States Program, Including Adopting Current Initiatives**
- Option 4: Treat Agreement States as Co-Regulators**
- Option 5: Devolve Regulation of Atomic Energy Act Section 274 Materials to the States**

DSI 5 OPTIONS

OPTION 1: Assume a Greater Leadership Role

**OPTION 2: Assume a Strong Regulatory Role in
the National LLW Program**

OPTION 3: Retain Current Program

**OPTION 4: Recognize Progress and Reduce
Program**

OPTION 5: Transfer LLW Program to EPA

OPTION 6: Accept Assured Long-Term Storage

DSI 6 OPTIONS

- Option 1: Approach Congress and the Administration to Refocus the National Program**
- Option 2: Reduce Uncertainty by Modifying NRC's Program**
- Option 3: Maintain NRC's Existing HLW Repository Program**
- Option 4: Take a minimal approach to NRC's HLW Repository Program**
- Option 5: Take a Position on the Storage of Spent Fuel**

DSI 7 OPTIONS

**OPTION 1: INCREASE REGULATORY
RESPONSIBILITY WITH ADDITION OF
X-RAY, ACCELERATORS, AND NARM**

**OPTION 2: CONTINUE ONGOING PROGRAM
(WITH IMPROVEMENTS)**

**OPTION 3: DECREASE OVERSIGHT OF LOW-
RISK ACTIVITIES WITH CONTINUED
EMPHASIS OF HIGH-RISK ACTIVITIES**

DSI 7 OPTIONS (CONT.)

**OPTION 4: DISCONTINUE REGULATION OF ALL
MEDICAL ACTIVITIES EXCEPT NRC
OVERSIGHT OF DEVICES AND
MANUFACTURERS (NATIONAL
ACADEMY OF SCIENCES
RECOMMENDATION)**

OPTION 5: DISCONTINUE MATERIALS PROGRAM

DSI 9 OPTIONS

OPTION 1: CONTINUE EXISTING PROGRAM

**OPTION 2: CHANGE THE DECOMMISSIONING
REVIEW PROCESS**

**OPTION 3: CHANGE RESIDUAL CONTAMINATION
CRITERIA AND REVIEW STANDARDS**

**OPTION 4: ADOPT THE U.S. ENVIRONMENTAL
PROTECTION AGENCY SUPERFUND
APPROACH**

**OPTION 5: REGULATE SOURCE MATERIAL
CONSISTENTLY WITH NATURALLY
OCCURRING AND ACCELERATOR-
PRODUCED RADIOACTIVE MATERIALS**

DSI 9 OPTIONS (CONT.)

**OPTION 6: FOCUS ON DECOMMISSIONING CASES
IN WHICH PROGRESS CAN BE MADE;
TRANSFER STALLED SITES TO THE
ENVIRONMENTAL PROTECTION
AGENCY'S SUPERFUND PROGRAM**

**OPTION 7: TAKE AN AGGRESSIVE POSITION TO
DEVELOP REGULATORY
FRAMEWORKS FOR LOWER COST
DECOMMISSIONING WASTE DISPOSAL
OPTIONS**

**OPTION 8: DEVELOP A STRONG LITIGATIVE
STRATEGY**

OPTION 9: SEEK SUPERFUND AUTHORITY

DSI 10 OPTIONS

- **Reassess-Reprioritize**
- **Sustained Responsiveness**
- **Refocus**
- **Single Solution**

DSI 11 OPTIONS

**OPTION 1: PURSUE MORE AGGRESSIVELY
CURRENT PROGRAM DIRECTION AND
SEEK NEW APPROACHES**

**OPTION 2: REVERSE DIRECTION OR PROCEED
MORE SLOWLY IN IMPLEMENTING
CURRENT APPROACHES**

**OPTION 3: CONTINUE CURRENT DIRECTION AND
APPROACHES**

DSI 12 OPTIONS

OPTION 1: CONTINUE CURRENT PROCESS

**OPTION 2: MORE RIGOROUSLY ASSESS
RELATIONSHIP TO PUBLIC HEALTH
AND SAFETY**

**OPTION 3: PERFORM A COMPREHENSIVE
ASSESSMENT OF NRC REGULATORY
APPROACHES**

**OPTION 4: CONSIDER RISK-INFORMED,
PERFORMANCE-BASED APPROACHES
PRIMARILY IN RESPONSE TO
STAKEHOLDER INITIATIVES**

DSI 13 OPTIONS

- **CONTINUE THE CURRENT PROGRAM**
- **EXPAND THE ROLE OF INDUSTRY**
- **INCREASE ACCREDITATION AND
CERTIFICATION OF LICENSEE ACTIVITIES**
- **INCREASE COOPERATION WITH INDUSTRY
AND PROFESSIONAL GROUPS**
- **USE A “DESIGNATED INDUSTRY
REPRESENTATIVE”**

DSI 14 OPTIONS

OPTION 1: CONTINUE EXISTING APPROACH

**OPTION 1a: FOCUS ON MAXIMIZING
EFFECTIVENESS AND ECONOMY**

**OPTION 2: PLACE A PRIORITY ON EARLY
IDENTIFICATION OF PUBLIC
CONCERNS AND METHODS FOR
PUBLIC INTERACTION**

**OPTION 3: PLACE A PRIORITY ON EXPANDING
GENERAL PUBLIC OUTREACH**

DSI 20 OPTIONS

- **SEEK TO REDUCE NRC'S INTERNATIONAL ROLE TO A MINIMUM**
- **PERFORM NRC'S STATUTORY ROLE AND LIMIT OTHER INTERNATIONAL ACTIVITY TO A MINIMUM**
- **CONDUCT ACTIVITIES OF BENEFIT TO NRC'S DOMESTIC MISSION**
- **CONDUCT ACTIVITIES OF BENEFIT TO NRC'S DOMESTIC MISSION OR US INTERESTS**
- **EXPAND ACTIVITIES**

DSI 21 OPTIONS

- **Continue existing approach:**
 - Not consider fees in making decisions about most activities performed in response to external mandates.
 - Consider fees for all non-mandated activities.
- **No consideration of fees for mandated activities:**
 - Do not consider fees in making decisions about any activities performed in response to external mandates.
 - Consider fees for all non-mandated activities.

DSI 21 OPTIONS (CONT.)

- **No consideration of fees:**
 - **Do not consider fees in making decisions about any activities (mandated or non-mandated).**
- **Fee for service:**
 - **Consider fees in making decisions about all activities performed.**

DSI 21 SECOND ISSUE

- **Second issue to be addressed independent of which of the four options chosen is the question of how to recover NRC costs in a fair and equitable manner. That is:**
 - **What funding mechanisms should the NRC pursue, in addition to annual appropriations with fee recovery, to fund activities that are not required to be funded through appropriations, for example, certain international activities?**
 - **In performing reimbursable work, how should NRC address the full-time equivalent (FTE) constraints that limit the number of NRC staff?**

DSI 22 OPTIONS

A. Role of NRC's Research Program

Option 1: Discontinue NRC's Research Program

- **Difficulty in anticipating problems and issues**
- **Erosion of the staff's technical competence**
- **More conservative and likely more contentious technical judgments**

Option 2: Conduct Only Confirmatory Research

- **Restriction of the scope of inquiry**
- **Lessens NRC's ability to anticipate problems**

DSI 22 OPTIONS (CONT.)

Option 3: Conduct Only Exploratory Research

- **Loss of perspective and relevance by not working on real ongoing issues**

Option 4: Conduct Both Confirmatory and Exploratory Research

- **Approximates current approach**
- **Allows for maintenance of NRC skill base**
- **Need to have more flexibility to initiate exploratory programs (i.e., beyond the current approximate 80/20 allocation to confirmatory/ exploratory research respectively)**

DSI 22 OPTIONS (CONT.)

B. Scope of NRC's Research Program

Option 5: Maintain Only Core Research Capabilities

- **Maintain only essential core research capabilities**
- **Narrower technical focus; difficulties in adding to it when need arises**
- **Determine core capability via criteria to be approved by Commission (see examples of such criteria)**

Option 6: Continue to Support The Educational Grant Program

- **Mechanism to augment exploratory research**
- **Useful benefits for the research program in certain areas**

DSI 22 OPTIONS (CONT.)

Option 7: Continue to Actively Participate in International Safety Programs

- **Obtain information/data through foreign cooperative programs**
- **Facilitates international consensus on key technical issues**

DSI 23 OPTIONS

- **CONTINUE THE CURRENT APPROACH**
- **INITIATE A MORE PROACTIVE APPROACH TO IMPROVEMENT**

DSI 24 OPTIONS

OPTION 1: CONTINUE CURRENT DIRECTION AND APPROACHES

OPTION 2: PURSUE CURRENT DIRECTION AND APPROACHES MORE AGGRESSIVELY

OPTION 3: PROCEED MORE SLOWLY IMPLEMENTING CURRENT DIRECTION AND APPROACHES