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NUCLEAR REGULATORY COMMISSION

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OFFICE OF THE SECRETARY

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ALL EMPLOYEES MEETING

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AM SESSION

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1 SPEAKER: I just wanted to take a minute before we
2 start to point out that we have placed microphones. I think
3 you can see them. It will probably be very hard for the
4 Commissioners to hear your questions if they don't come from
5 the microphone. So if you could, just step to the nearest
6 microphone when you have a question, when we get to that
7 part of the session.

8 Back there behind that curtain is where we will be
9 receiving the calls from the regions and resident sites and
10 the technical training center. So people will be relaying
11 the questions using that microphone in the back there.

12 So I think we're ready to proceed now. We have
13 with us Chairman Selin, Commissioner Rogers and Commissioner
14 DePlanque. Mr. Chairman.

15 CHAIRMAN SELIN: Thank you very much, Pat. The
16 Commission is very happy to welcome you all to the, more or
17 less, annual meeting of the Commission with NRC employees.
18 This is the third one we've had in the last four years. The
19 meeting will be primarily in a question and answer format.
20 The regions are tied in by telephone. And this is an open
21 meeting. So there may be people here who are not NRC
22 employees and they're quite welcome, but I would ask them
23 not to ask questions, just to allow the NRC employees to ask
24 the questions.

25 I have a few remarks to make and then we'll get to

1 the Q&A. First, I'd like to start with a short report. In
2 1991, when I first came on board the Commission, I stated
3 the reactor objectives for the next few years as being
4 openness and then one-plus-four, for shorthand. The one is
5 the safety of operating reactors and the plus four were
6 waste storage and disposal, license renewal, certification
7 of advanced reactor designs, and then the fourth was the
8 single-step or the part 52 licensing.

9 Since then, a number of other major issues have
10 arisen; the question of whistleblowers, international
11 nuclear safety, fee and resource issues, and then a host of
12 materials management issues. As far as openness goes, our
13 basic principal is that we work for the general public, so
14 that we should give the public all the information they may
15 wish without making them ask. A reasonable shorthand line
16 is that if it's available under the Freedom of Information
17 Act, then we should give it out ourselves and not wait to be
18 pushed.

19 And as examples of openness that we've seen in the
20 last few years, we've had numerous workshops, both in
21 Washington and around the country, on a wide variety of
22 topics. We've just gone through up to the last stage of
23 enhanced participatory rulemaking on decommissioning
24 standards, which has been quite a successful experience.
25 We've expanded the use of internet electronic bulletin

1 boards and other electronic means to communicate with the
2 general public. We're coming to the end of a two-year
3 experiment with pilot open enforcement conferences, which
4 appears to have been quite successful.

5 Regional administrators now hold press conferences
6 every quarter. In general, we've made the NRC much more
7 available to the media than in the past. On a more
8 technical level, the final design approvals and
9 certifications of new designs must be based on non-
10 proprietary data. So that all the data that are used to
11 convince the staff that the designs are safe are available
12 to the general public and can be used for general
13 information or for challenging the designs during the
14 certification hearings.

15 As far as the safety of operating reactors goes,
16 it's pretty clear that safety performance overall is quite
17 good, as measured by our performance indicators,
18 availability figures, the good performance list, but the
19 improvements seem to be reaching a plateau. In the short
20 run, it seems unlikely that safety will be improved very
21 much by generic solutions; in other words, by trying to
22 raise the level of safety at all of the reactors across the
23 board. There are, of course, a few exceptions we come
24 across in areas like shutdown operations where improvements
25 are possible, but, in general, the challenge is to raise the

1 weaker performing plants to the level of top performers much
2 more than to raise the overall level.

3 Plant-specific problems are very often caused by
4 poor management and so we pay a lot of attention to the
5 management of reactor sites when we see problems. In fact,
6 we are starting to see a significant generic problem that
7 probably, under competitive pressure, management seems to be
8 focusing more and more on costs and production, even at the
9 expense of safety in a few plants. One example is what I
10 consider to be the abuse of limiting conditions of
11 operation. Plants, for instance, are allowed to take
12 certain safety-related components, if necessary, out of
13 operation for 24, 48 or 72 hours without closing down.

14 And we see more and more plants using these not
15 just for emergency situations or for preventive maintenance,
16 but to get more maintenance done outside of the outages so
17 the plants will be available more often, without really
18 considering the effect on safety. And this is an unhealthy
19 trend. I think we'll see some other trends if we don't put
20 some counter-pressure on as the plants react to a fierce
21 competitive situation in which they find themselves.

22 The NRC is taking measures for early
23 identification of declining performance at specific plants.
24 We're adding risk analysis to our original deterministic
25 approach. We are undergoing more comprehensive inspections

1 with diagnostic evaluation-like features and there are a
2 number of things that we're doing there.

3 As far as license renewal goes, I think there's a
4 success story. The proposed license renewal rule is
5 published for comment. I'd like to stress that we're not
6 talking about a new license, but the extension of the
7 existing license. So the question to be answered is if the
8 plant is safe at 39 years, what do we have to do to make
9 sure it will continue to be safe at 41 years as opposed to
10 saying would we build this plant today if it were a new
11 plant.

12 The reason we've been pretty successful with this
13 license renewal rule is that the focus has shifted. The
14 original rule said identify aging conditions for every plant
15 and see if they will be a problem and if they are a problem,
16 see if we can come up with a program to manage the aging-
17 related deterioration. So that meant a huge amount of
18 analysis. Instead, the rule now has shifted to say do we
19 have an effective program to handle aging, if there is
20 aging, and if the answer is yes, the licensee doesn't have
21 to go through all that analysis. So focus can be based on
22 the relatively small number of systems that are likely to be
23 subject to serious deterioration through aging which are not
24 taken care of through the normal maintenance program.

25 As far as advanced reactor certification is

1 concerned, the staff has issued two final design approvals
2 for evolutionary designs, for the General Electric advanced
3 boiling water reactor and for the Combustion Engineering
4 System 80+. Certification via rulemaking will start
5 eminently. We hope to see the certification process lead to
6 a rule by the end of 1995.

7 The two passive systems, however, have been slowed
8 down because of weaknesses in their test programs. And I'd
9 like to stress that the vendors consider the certification
10 to be of high value in itself whether or not it leads to the
11 construction of one of these plants in the United States in
12 the near future. Which brings me to the single-step
13 licensing issue, where I think all we can say is so far, so
14 good. We haven't found any fatal flaws in the process, but
15 the process hasn't really been tested and there aren't any
16 prospects for ordering of a new reactor in the near future.
17 So the process doesn't look as if it will be tested in the
18 next few years.

19 I would say that the public workshops we've held
20 on this process have been of inestimable value in working
21 out the implementation of the part 52 rule.

22 As far as waste disposal and storage are
23 concerned, on high level waste, there's a promising new
24 Department of Energy concept which was favorably reviewed by
25 the Advisory Committee on Nuclear Waste, but the concept is

1 still very incomplete. The one thing that's sure is that it
2 will require a host of changes in our regulatory work and a
3 lot of work for the high level waste branch of NMSS to come
4 out with and the outcome is uncertain. We're not sure that
5 this concept will, in fact, be viable and will lead to the
6 licensing of the Yucca Mountain repository.

7 On low level waste, we continue to work with the
8 states and the compacts on development of low level waste
9 disposal facilities. The process is slow. It's much to
10 expensive, but victory is in sight. I'm very confident that
11 within the next few years, there will be compacts well
12 underway to building low level waste sites adequate to
13 handle all of the low level waste generated in the United
14 States, mostly because there isn't that much waste. I mean,
15 really, one or two sites could handle all the waste if it
16 weren't for the politics.

17 And then there's the issue of interim spent fuel
18 storage. The Commission has taken an important step in the
19 last few months in expressing preference for dry storage
20 rather than wet storage for old fuel. The public is
21 concerned about what's going to happen to the fuel in 1998
22 or in the next few years and there is an unfortunate link
23 between interim and long-term storage in a repository. It's
24 very hard to get an interim facility built until a
25 satisfactory solution has been demonstrated for long-term

1 disposal, which is just the opposite of what good
2 engineering practice would call for.

3 On whistleblowers, I'd like to just say a few
4 words. The agency has done more in the past two years to
5 recognize the importance of whistleblowers, to try to
6 protect, encourage and reward them than we have in all of
7 our previous history. We're to the point where further
8 major improvements will require either Department of Labor
9 actions or statutory changes.

10 There is a little bit of superficial evidence to
11 suggest that the improvements have started to take hold. In
12 other words, the number of allegations that come to the NRC
13 is about the same as in the past few years, but fewer of
14 them are harassment and intimidation allegations. More of
15 them are technical allegations. So I would say that we can
16 be encouraged that whistleblowers probably feel a little more
17 protected now than they did a few years ago. But, still,
18 it's very, very tough to be a whistleblower. It's very
19 tough on the whistleblowers and, therefore, I plead to you
20 all to show some patience when they complain about the NRC
21 or they do silly things, like call for the resignation of
22 the Chairman or things like that.

23 It's a tough life for them. So we should be
24 patient and tolerant. They do a lot of good. They may be
25 hard to take every now and then, but, on balance, they're

1 really a great asset to us.

2 As far as the nuclear materials program is
3 concerned, there are some success stories in the making. We
4 have a pilot program underway to develop common performance
5 indicators that will cover materials programs more or less
6 analogously, whether they be in the NRC regulated states or
7 in the agreement states. We have a policy statement out for
8 comment on the agreement state -- questions of agreement
9 state adequacy and compatibility. In fact, I think there
10 have been quite marked improvements in the management of the
11 agreement states program overall.

12 We have a medical program management plan. We
13 have a National Academy of Sciences review of our program
14 and possible other options for regulating the medical use of
15 radionuclides. We have a site decommissioning management
16 plan, which has led to the decommissioning of four, five or
17 six of these really nasty old manufacturing sites that are
18 very hard to get cleaned up and freed for unrestricted use.
19 That is progress.

20 As I mentioned before, we have a rule on
21 decommissioning facilities. A proposed rule has been
22 published as a result of the participatory process. We are
23 really in quite good shape to take over the oversight of the
24 Uranium Enrichment Corporation.

25 Having said all that, there are a lot of holes in

1 the management program and a lot of improvements that are
2 called for. The challenge is how do we improve materials
3 management without raising the costs, because we can see a
4 lot of things that we should be doing, but as a 100 percent
5 fee agency, as we do these things, the materials licensees,
6 who already have costs that seem to all of us to be out of
7 line with the value that they get from these costs, will
8 just be looking forward to higher fees.

9 We are obligated to recover 100 percent of
10 expenses via fees. This is very tough to do and, in many
11 cases, it's unfair to some of the licensees. We have sought
12 for legislation to reduce this 100 percent recovery by
13 removing selected activities from the fee base, what we do
14 for the Department of Energy, our international assistance
15 program, the agreement states share of materials program
16 being the largest components. But that legislation doesn't
17 seem to be going anywhere very fast. So this 100 percent
18 fee recovery is really a problem for the agency.

19 On the other hand, I have to admit that being 100
20 percent fee recovery agency means that we don't make a net
21 contribution to the deficit and that has spared us from a
22 number of the arbitrary wholesale budget cuts unrelated to
23 requirements that many other agencies are suffering.

24 In order to continue to get this favorable
25 treatment from OMB and the Congress, we have to continue to

1 show discipline in the way we manage our own resources.
2 Every year our program has been slightly less expensive in
3 real terms than the year before. We continue to cut
4 positions at a slow basis, but significant. We expect that
5 we'll meet the President's goal of a 12 percent personnel
6 cut by fiscal year '99. We are quite sure we can do that
7 without layoffs and RIFs.

8 We have consolidated Region IV and Region V,
9 closed the ERFO office, made improvements in our
10 procurement. We're doing a host of things to reduce the
11 waste or the unnecessary expense in our program to do this.

12 One of the very important steps that we've taken
13 and which I've explained a number of times and which I think
14 is still misunderstood, which might lead one to conclude
15 that there's something wrong with the explanation, is to try
16 to reduce our supervisory ratio, reduce the management
17 overhead, while still keeping as many senior positions in
18 the agency percentage-wise as we've had before.

19 In other words, the shape of the agency, if you
20 think the SES and the 15s and the 14s, et cetera, is not
21 really a pyramid. It's -- what is this, a trapezoid with a
22 pretty broad angle. And we'll continue to keep the same
23 shape, but many of the senior positions or the SES positions
24 will be replaced by SLS positions, the positions that
25 recognize technical excellence and leverage, but don't

1 require supervision. So, yes, we will be cutting down on
2 the supervisory positions. Yes, we will be increasing the
3 ratio from supervisors, but, no, we will not be reducing the
4 percentage of positions in the senior grades or in the 15s.
5 It's just that we'll be shifting more of them to technical
6 and professional specialties away from supervision. So we
7 can both reduce the overhead and still keep the ratio of
8 possibilities for promotion that we have today.

9 I would mention that the relationship between the
10 agency management and union has really worked the way the
11 Vice President said it was supposed to work, something to my
12 surprise. We've restructured quite a few offices; not only
13 gotten union and employee participation, but ended up with
14 better restructuring plans, from management's point of view,
15 after the participation, certainly from the employees' point
16 of view.

17 On the international front, we've worked very hard
18 to improve reactor safety in the former Soviet Union and in
19 eastern Europe. I think safety in eastern Europe has
20 significantly improved. I think that's quite a success
21 story. But serious problems remain in the former Soviet
22 Union. We're engaged in the struggle to close Chernobyl and
23 to close three Russian production reactors. We have a major
24 project underway for the control of plutonium or weapons-
25 grade uranium in the former Soviet Union.

1 We've worked with all of these countries to
2 support the creation or the strengthening of their
3 regulatory agencies, to get a statutory basis for them and
4 adequate resources. But we haven't invested all of our
5 international time in the losers, if I might be so blunt.
6 We spent quite a bit of time with the new nuclear economies
7 of east Asia, the Pacific Rim countries, China, South Korea,
8 Taiwan, Indonesia and, if you read the papers today, North
9 Korea, on the theory that an ounce of prevention is worth a
10 pound of cure. So we're trying to help these economies
11 develop strong, safe nuclear programs before they've made
12 the mistakes that we've seen in eastern Europe.

13 As far as new appointments are concerned, the
14 President is nominating three individuals to the current and
15 anticipated Commission vacancies. I anticipate that the
16 Commission will be at its full complement by next spring.
17 And just in case you might be wondering, I expect to
18 complete my term as Chairman, which still has to years to
19 run.

20 At this point, I would like to open the floor to
21 questions. As Pat said, please use the microphones. You
22 may address a question to any Commissioner or to the
23 Commission as a whole. Pat is supposed to have planted the
24 first question. You know we need that to get started. Come
25 on. It can't be that we've answered all the questions at

1 this point. We're going to stay here till 12:00. So if
2 somebody doesn't ask a question, it's going to be a very
3 long silence down here. Please, would you go to one of the
4 microphones. You might have a loud voice, but they can't
5 hear you in Chicago and Philadelphia without the microphone.

6 MS. CORWIN: I'm Judy Corwin from the Division of
7 Contracts. Although you just said that you expect to be
8 able to comply with the Administration request to reduce
9 staff through attrition, I'm wondering if there is any talk
10 about reduction of FTEs and have you given any consideration
11 to the \$25,000 buyout incentive.

12 CHAIRMAN SELIN: I never said through attrition.
13 I said without RIFs. Many of these reductions come in the
14 later part of the decade. So it's hard to be quite precise.
15 It is possible that we might have to use some of the buyout
16 provisions. We wouldn't use them across the board, but we
17 don't just want to have 12 percent of the people leave.
18 There are particular areas where the workload will be
19 reduced more than other areas and, therefore, there are some
20 areas that are targeted for more reductions than other
21 areas. It's possible.

22 Obviously, we're going to try to encourage people
23 to stay at the agency to offer retraining, et cetera, but
24 it's possible that in particular offices, in order to get
25 down to figures that are consistent with the workload, we

1 might have to offer some buyout. I wouldn't see that across
2 the board, but the focused use of the buyout is unlikely,
3 but not out of the question.

4 It's always the people in the middle that have to
5 cross to get to the phone. Sorry about that.

6 SPEAKER: You've discussed some of the initiatives
7 for the agency, but still there's a lot of talk about the
8 decline of nuclear power. Do you feel that nuclear power is
9 still going to be on a decline and, if so, what do you see
10 the impact to NRC employees?

11 CHAIRMAN SELIN: Well, I think each of the
12 Commissioners might answer to that. I do believe that there
13 will be fewer power plants in the year 2000 than there are
14 today, although new plants are still being commissioned.
15 Comanche Peak 1 and 2 were commissioned in the last couple
16 of years and Watts Barr hopes to get its operating license
17 this year.

18 But the increase in electricity in the United
19 States is very, very slow. I mean, the country is awash in
20 electrical power and the nuclear plants that remain are
21 becoming more efficient. So I think it's pretty likely that
22 the 22 percent of electricity generated in the United States
23 through nuclear power will continue to stay at about 22
24 percent, at least for the next five or six years.

25 There is quite a bit of interest in the license

1 extension program. So I don't think the number of existing
2 plants will decrease very fast, even as their 40 years comes
3 up. In other words, I think nuclear electricity is likely
4 to stay at about the same level. If a large number of new
5 plants are built, the 22 percent might get up to 26 or 27
6 percent by the year 2010. If no new plants are built, the
7 22 percent might get down to 18 or 19 percent.

8 In other words, for the next 20 or 25 years, I
9 don't see a major change in the share of electricity coming
10 from nuclear power. It's 22 percent plus or minus five
11 percent. After that, it's really very hard to see what will
12 happen.

13 The other point I would make is that for the rest
14 of our lifetimes, no matter what happens with the new
15 plants, most of the nuclear electricity generated in the
16 United States will be generated from plants that are
17 operating today. So the attention that we pay to regulating
18 today's plants, to worry about license extension, to worry
19 about aging, to worry about operations in a competitive
20 environment will pay off not only for the next few years,
21 but for the indefinite future. Ken, did you want to say
22 something?

23 COMMISSIONER ROGERS: Well, just that I do think
24 that any predictions about the future of the electric
25 utility industry itself are very, very chancy today because

1 it is probably the most turbulent industry in the country.
2 The whole prospect of independent power producers being able
3 to offer electricity to consumers, even residential
4 consumers, in any part of the country, with required
5 transmission over existing utility lines, has thrown the
6 industry into quite a strong debate as to the advisability
7 of this and its likelihood of it taking place.

8 It's a little hard to predict just at the moment,
9 but so far, the trend seems to be towards a free and open
10 competition for electricity and it may even be that public
11 utilities, as we know them today, sometime in the next
12 decade or so will start to disappear, that they may simply
13 be transmitters and sellers of electricity to a local
14 consumer, but it may be very much like the situation with
15 your long distance telephone service, that you can order it
16 from whoever you want to.

17 That makes it very difficult to predict what will
18 happen in the electric utility industry and even more
19 difficult predict what might happen to generation of nuclear
20 power, of electricity by nuclear power. However, if it can
21 be demonstrated that a nuclear power plant is economically
22 competitive and superior to another mode of electricity
23 generation, I think nuclear will have a real role to play.
24 That will probably depend very much on the geography, just
25 exactly what part of the country you're talking about, what

1 the alternatives are. But I think that the motion has been
2 to reduce the costs of operation. As the Chairman
3 indicated, we have some concerns about how that's being
4 done, but I think that the utilities are learning how to run
5 their operations more economically and do a good job at the
6 same time.

7 So I think that the issue is really an economic
8 one rather than a safety one, in the minds of the public.
9 Our focus will always be on safety, of course, but I think
10 the decision of whether to generate electricity via nuclear
11 or not will be principally an economic rather than a safety-
12 based decision.

13 COMMISSIONER DePLANQUE: Well, I'll revert to my
14 favorite quote from Yogi Berra -- it's difficult to make
15 predictions, especially about the future. He said lots of
16 good things like that. I think there are some interesting
17 signs. I would basically agree with what the Chairman and
18 Commissioner Rogers have said. The interesting signs are an
19 interest in license renewal, the fact that the utilities are
20 supporting the design certifications. They must feel that
21 there's some worthiness in making this investment.

22 And I think as things straighten out economically,
23 they may also straighten out from an environmental point of
24 view, as people become more interested in comparing the
25 differences of the different types of generation. And one

1 would hope that in the next five years, six years, seven
2 years, we will see more of a solution to the waste problem,
3 which I see, in the minds of the public, as being the major
4 stumbling block to further use of nuclear power.

5 If that moves in a positive direction, I think
6 that negative will be taken away. And I would assume that
7 down the road, nuclear could very well look just as
8 competitive and just as viable as anything else. So I would
9 agree with the idea that for at least the next decade or
10 probably two decades, it will probably remain about the same
11 percentage of the mix and it's very difficult to tell when
12 the decisions will be needed for more power, probably at the
13 turn of the century or beyond, exactly what those choices
14 will be.

15 CHAIRMAN SELIN: Thank you.

16 SPEAKER: Mr. Chairman, I have a two-part
17 question. One, you mentioned USEC. I just wonder how you
18 view the progress being made on the certification of USEC
19 and the gaseous diffusion plants and whether there's any
20 particular issues or challenges there. The second part is
21 would you, even though it's difficult to predict the future,
22 see NRC being involved at all in the regulation of other
23 DOE-type facilities.

24 CHAIRMAN SELIN: Let me talk about the second
25 question first, just to be ornery. The Department of Energy

1 is under a lot of pressure from the Congress to have an
2 outside regulator, probably the NRC, regulate not only any
3 new facilities that DOE might build, but even the existing
4 facilities that they currently operate.

5 I think the observation that DOE's facilities
6 would have been a lot safer in the past had they been
7 subject to outside regulation is probably true, although the
8 Navy has done quite well without outside regulation.

9 DOE has a commission set up to look at that very
10 question. We've taken the position and taken it very
11 strongly that we very much do not want to be involved in
12 regulating existing DOE facilities, especially facilities
13 where the main job is to close them down and to clean them
14 up. The main tool that we have over licensees is to
15 threaten to take away a license and if they're trying to get
16 rid of their license and close the facilities, that's a real
17 Brer Rabbit kind of threat -- "Oh, no, no, no, please don't
18 throw me into the license patch" kind of thing. So we
19 really don't have much to add on the existing facilities.

20 On the new facilities, we might. It sort of
21 depends. The Commission would support being involved in the
22 regulation of new facilities provided that certain
23 conditions were made, especially that a bright line be kept
24 between the military and the civilian program. But I don't
25 see a lot of new DOE facilities being built, to tell the

1 truth.

2 As far as the USEC is concerned, I think the staff
3 has done something that is just absolutely extraordinary.
4 When the Congress passed the law that said that we would
5 have to certify the safety of the two enrichment facilities
6 at Portsmouth and Paduca, I had assumed and my colleagues
7 had assumed that the best we could do is try to say we don't
8 really know what the licensing basis is, but from here on
9 in, we don't see any deterioration in the safety regime.

10 But in spite of that sort of pessimistic view, the
11 staff has put together a set of regulations, drawn from
12 scratch, which have two virtues. They are a zero-based set
13 of regulations. They don't just take the status quo and try
14 to keep it going, and, yet, they don't require the USEC to
15 do a lot of things differently from what the contractors
16 have been doing in operating these two facilities.

17 So I think we've really pulled off an enormous
18 coup as far as getting these regulations written. I don't
19 believe there will be major problems in certifying the safe
20 operation, although I do expect there to be some very
21 complicated discussions between the USEC and the agency. I
22 would say that we are on schedule. We have published
23 regulations in time to be in a position to take over the
24 safety supervision of the plants by October 1st of this
25 year, which is what the law requires us to do, and that, as

1 I said before, is really an incredible achievement for the
2 part of the staff that's been involved in part 73.

3 SPEAKER: Yes. My question would be directed to
4 any of the Commissioners or for all of you collectively. I
5 recently attended a work session on something that was
6 related to the establishment of a values statement in the
7 agency. I don't know whether any of you are familiar with
8 it. But I was a little surprised to find out that one of
9 the foundations or impetus, if you will, for that statement
10 was a kind of a high degree of dissatisfaction among what
11 you might consider some of the lower paid and some of the
12 females or the minority workers in the agency.

13 I had always viewed this agency myself as being a
14 kind of highly dedicated professional group and I was
15 surprised to hear this. I was wondering if this project has
16 been brought to your attention and, if so, if there's some
17 kind of substance you're going to put behind it. Thank you.

18 CHAIRMAN SELIN: When I was in business, the
19 employees would always complain about the administrative
20 services, particularly the travel services we provided, and
21 I said, "Gee, I always get good service, I can't see what
22 the problem is." So the closer you are to the top, the more
23 likely you are to have a good opinion of the agency, because
24 it's easier to take care of the needs of the senior people
25 than of the more junior people who need some help, who are

1 more likely to be dissatisfied with their support and with
2 their provision of services.

3 There have been a lot of places where we've seen
4 some of this. A number of the secretaries have been quite
5 outspoken in their statement when they say they haven't
6 really been given the opportunity to prepare for or compete
7 for more advanced positions. In fact, one of the
8 secretaries, who left the agency, said that her supervisor
9 told her that if she weren't working at the agency, she
10 would have a better shot at the permanent position that she
11 was occupying temporarily than if she was trying to get it
12 from even having done the job on an acting basis for a
13 period of time.

14 I mean, that's terrible, it really is, and a lot
15 of work has to be done to rectify these problems. We are
16 aware of the project. I do not -- I have to admit I didn't
17 see a great value from the beginning in a value statement,
18 but when the staff itself or large numbers of the staff said
19 that they thought the value statement would be useful and
20 we're willing to take a first shot at doing something about
21 the value statement, that kind of initiative must be
22 recognized and must be rewarded, if possible. So the
23 Commission has taken a sort of supportive wait-and-see
24 attitude to see what comes out of the project.

25 We haven't been asked to do more than that and we

1 won't until we see what comes out of it. But as an
2 initiative, there's an attempt to solve some of the
3 knottiest problems that an agency can have. I think we all
4 welcome that considerably.

5 SPEAKER: I'd like to say a little bit about that.
6 I've followed this initiative a little bit, not terribly
7 closely, but I have been very interested in it because I at
8 first didn't understand what the objective was when we had a
9 set of principles of good regulation, particularly when I
10 looked at some of the values that were being discussed
11 because they overlapped the principles of good regulation.

12 And, yet, when I started to talk with the group of
13 people assembled, young SES and SES-to-be members, I guess,
14 I found a very positive view on their part of this whole
15 idea. I don't think that it solely came about from a need
16 to address dissatisfaction. I think it really came about
17 equally from a view that somehow there were personal values
18 that should be addressed that weren't necessarily included
19 in the institutional values that were embodied in the
20 principles of good regulation.

21 And I talked with the team of folks in back of
22 this on several occasions and I must say I found it a very
23 positive initiative on their part. I think that the values
24 statement that's emerged, I don't know exactly where it
25 stands with respect to its finality, but I'm very

1 comfortable with it. I feel it complements the principles
2 of good regulation. It really, in a sense, represents a
3 statement of values that, as individuals, we should think
4 about in interacting with each other within the agency
5 principally.

6 The principles of good regulation really apply not
7 just outside the agency. They apply to how we conduct our
8 agency activities. But the values statement somewhat
9 relates to how we interact and view each other as working
10 associates. And I think those two activities really
11 complement each other very nicely and I feel, from my
12 perspective, I see it as a very positive addition to our
13 basic principles of work at NRC and I'm quite high on them.
14 I think they've done a excellent job.

15 SPEAKER: Mr. Chairman, this question comes from
16 Region III. Recently, spent fuel has been received from
17 Europe at DOE's Savannah facility. Why can't DOE expedite
18 the storage of spent fuel from U.S. reactors at a U.S.
19 repository?

20 CHAIRMAN SELIN: Did you all hear the question?
21 Yes, no? Yes. Okay. There are at least three parts to the
22 answer to that question. First of all, a very small amount
23 of spent fuel is being accepted by DOE. The United States
24 has an obligation to a number of countries to whom we sold
25 the fuel in the first place to take the fuel back. This is

1 fuel for research reactors. In many cases, it's highly
2 enriched uranium fuel from research reactors that have
3 agreed to a program of substituting low enriched uranium for
4 HEU.

5 A very small number of countries, I think it's
6 two, are shipping fuel to the United States right now
7 because based on these assurances, they have no way to save
8 the fuel, they have no way to protect the fuel, and it's a
9 very small amount of fuel compared to DOE's obligation to
10 the power stations.

11 In the longer term, DOE has to do an environmental
12 impact statement before it will accept the rest of the fuel
13 back for which the United States does have an obligation to
14 take.

15 The second thing is that just from a strict legal
16 point of view, DOE will argue they have more of an
17 obligation to these countries than they do to the U.S.
18 reactors. I will not comment on whether I agree with that
19 conclusion or not, but it is DOE's position. And the third,
20 which is really the practical problem, is we're talking
21 about much, much more fuel coming from U.S. reactors. DOE
22 doesn't have the capacity of taking -- you know, you're
23 basically talking about 20 tons of fuel per thousand
24 megawatts per year, and DOE doesn't have that kind of
25 capacity on an interim basis, certain not on a final basis

1 to take the fuel off the hands of the power plants, whereas
2 the power plants do have the capability to provide storage.

3 There is a lot of discussion between DOE, the
4 utilities and their economic regulators about providing some
5 kind of financial consideration for DOE's not being able to
6 take possession of the fuel in 1998, since the utilities
7 are, in effect, paying twice. They're paying a one mil per
8 kilowatt hour contribution to the high level waste fund and,
9 in many cases, they're also having to provide supplementary
10 storage on-site because DOE cannot take the fuel. It's a
11 really serious problem for DOE, but I don't think it's
12 affected much one way or another by their taking such a
13 small amount of fuel from other countries.

14 I assume you don't want to add to that. Please.

15 SPEAKER: Over the period of the next five years
16 or so, do you see significant shifts in the relative numbers
17 of staff among the principal program offices, like NMSS and
18 NRR, in particular?

19 CHAIRMAN SELIN: There is a plan and it shows NMSS
20 increasing slightly. The NRR will probably have, in
21 absolute terms, the largest number of decrease in positions,
22 although overall it's not going to be a major number of
23 positions. NRR and Research will be reduced somewhat over
24 time. The intent is, through efficiencies and also having
25 put the major efforts of certification and some of the new

1 reactors behind them, a slight reduction in workload.

2 NMSS will increase slightly in spite of the
3 attempts as we seek programs that just inevitably need
4 somewhat more resources to get up to a standard that's
5 acceptable to the agency. And then the rest of the agency
6 will take what amounts to compatible percentage cuts in
7 personnel. There will be a slight shift away from reactors
8 towards materials, but not really very noticeable. It will
9 be noticeable on the materials side, but since materials
10 resources are only about 20 percent of the total agency in
11 terms of percent of agency resources shifted that way, it
12 will be on the order of one percent or so.

13 So there will be a little more emphasis on
14 materials and the need to find somewhat more efficiencies in
15 reactors, whether it's in licensing and regulation or it's
16 in the research to support the reactors and everybody else
17 coming down a little bit in proportion with this overall 12
18 percent goal over six years.

19 Somebody's pointing to someone, but I don't think
20 -- oh, sorry. Ron, thank you.

21 SPEAKER: Mr. Chairman, the following question
22 comes from Region III. Over the last three to five years,
23 the senior management has placed a more significant workload
24 on regional first-line supervisors; for example, the
25 requirement for them to visit sites at least monthly. With

1 the move to a higher worker-to-supervisor ratio, the
2 workload will increase significantly. What is the agency
3 going to do to address this problem?

4 CHAIRMAN SELIN: Well, I think the workload is
5 going to increase in the regions in general. We are not
6 only putting more reliance and more pressure on the first-
7 line supervisors, we're starting with the inspectors. We
8 expect a lot more of the inspectors in the next five years
9 than we have -- the resident inspectors I'm talking about -
10 - than we have expected in the last five years.

11 The inspectors are first line of inspection.
12 That's sort of obvious. And everything that we've said in
13 general about the challenges of inspection in an era of
14 competition, handling some of the more technical things that
15 come out of headquarters, the shift away from compliance
16 monitoring toward health and safety monitoring -- well,
17 we've always been interested in health and safety, but we
18 are more seriously trying to rid ourselves of the kind of
19 easy inspection where you just check off the box and say do
20 they or don't they comply with the regulation and put much
21 more emphasis on safety issues, particularly on seeing
22 safety problems before they become obvious.

23 Most of the pressure will fall not on the first-
24 line supervisors in the regional offices, I think it will
25 fall on the residents. So the first thing we have to do is

1 provide more support, more training, more preparation for
2 the residents, make these, in general, slightly more senior
3 positions, make it clear that not only first-line managers,
4 but that promotion to senior positions, at least on the
5 reactor side, will be significantly improved by having
6 served a tour in the regions, especially a tour as a
7 resident inspector.

8 As far as the first-line supervisors go, it's not
9 a fixed workload. It's not that there are so many plants
10 that have to be revisited and, therefore, if more plants --
11 I mean, if there are fewer first-line supervisors, they have
12 to visit more plants themselves. There's a general feeling
13 that the first-line supervisors just have to get more time
14 in the field. If their numbers do get reduced, and they
15 won't be reduced significantly in the regions, but if they
16 do get reduced, then we expect that the workload will be
17 moderated according to the number of people there are to
18 carry out this workload.

19 I really think the stress shouldn't be so much
20 that they're getting out in the field. I think that the
21 stress should be that when we're trying to do more
22 comprehensive inspections, when we're trying to not be in a
23 position that we have to do a diagnostic evaluation team
24 before we figure out what really makes these plants tick,
25 that's just going to put a lot more responsibility on the

1 shoulders of all the regional people that are involved in
2 reactor regulation.

3 So what am I answering? The answer is we're not
4 going to help you, but we're going to make your job even
5 harder than you think we're going to make it. So you can
6 take that up with Mr. Taylor at the next meeting. Sue?

7 SPEAKER: Mr. Chairman, this question comes from
8 Region I. There are conflicting new reports concerning the
9 outbreak of thyroid cancer in the region around Chernobyl.
10 Could you comment? Are the BEIRV predictions holding up?

11 SPEAKER: There seems to be a fair amount of
12 confusion in the literature that I've seen and it's not
13 clear to me yet that the story is really straight. We've
14 just signed an agreement with the Ukraine to do a joint
15 study on the thyroid cases there and we're hoping that that
16 will help to illuminate the situation. I think it's much
17 too early to really tell exactly what's going on.

18 CHAIRMAN SELIN: I can definitively say that the
19 rumor that Chernobyl has become part of Region I is false,
20 however.

21 SPEAKER: You know, you always have the problem of
22 after an event, there's an increase in the investigation of
23 cases like this and sometimes it's hard to sort out. So you
24 truly have to see what's radiation-caused, what's not
25 radiation-caused, and I think a lot more study is still

1 needed before the results are really definitive.

2 CHAIRMAN SELIN: By the way, I saw an
3 extraordinary claim. I don't know that there are studies
4 behind this, but people in the nuclear area in Moscow are
5 claiming that something on the order of 20 percent of the
6 people that were involved in fighting the fire at Chernobyl
7 or the other parts of the emergency have committed suicide
8 since that time. I don't know that this is true, but if
9 it's true, it's absolutely extraordinary. I mean, whether
10 it's depression about their own future prospects or what
11 they went through, I don't know, but it's something that
12 we're interested in and we're trying to look into.

13 SPEAKER: This question comes from Region IV, Mr.
14 Chairman. Given the high level of sensitivity surrounding
15 license fees, has any consideration been given to re-
16 engineering our efforts in this functional area? For
17 example, could we not rethink how we do business to improve
18 our accountability and more directly link bills with the
19 services rendered?

20 CHAIRMAN SELIN: There's been a lot of thought
21 going on for that, but, actually, my own feelings are sort
22 of in the opposite direction. I mean, first of all, as I
23 tried to point out in my opening remarks, we are trying to
24 reduce our overall costs and the best way to reduce the fees
25 is to reduce our costs or to keep them below the rate of

1 increase of inflation. The second best is to allocate them
2 fairly.

3 Now, we've had a fairly thorough study done,
4 really quite a thorough study done by the controller on
5 license fees and when it comes to reactors, it turns out
6 that there's, at the most, about a three percent difference
7 between the highest fees and the lowest fees. So we go to a
8 lot of accounting and a lot of trouble to try to do service-
9 related part -- is it 170 that's the variable and 171 that's
10 the license or is it the other way around? Under part 170
11 of the Energy Reorganization Act, we have to collect fees
12 for services that we provide.

13 It seems to be a waste of money to do this much
14 accounting. I think we could actually reduce the overall
15 costs if we just charged a flat fee based on the number of
16 reactors and, to some degree, the size of the reactors and
17 didn't try to keep track of the individual costs, partly
18 because the licensees don't ask for this service. It's not
19 as if we're trying to use large fees to reduce the demand
20 for our services. The demand could hardly be lower than it
21 is today. And partly because there just doesn't seem to be
22 a very big difference between the inspection costs for one
23 plant and another plant and we could actually save some
24 money, at least half-a-million dollars and, by some
25 estimates, a million-and-a-half dollars a year by not doing

1 that accounting.

2 On the materials side, on the other hand, there's
3 a lot to be said for spending a lot more time trying to
4 figure out what are homogenous groups of licensees; in other
5 words, over what universe should which costs be spread. Our
6 current accounting system only has two categories. We have
7 activity-specific expense, licensee-specific expense, and we
8 have overhead, and we really need to have three categories.
9 We need to have an overhead pool which applies to a class of
10 licensees. You can't distinguish among them if it doesn't
11 apply to other licensees, and that's one of the things we're
12 trying to do with the new system.

13 So that on the materials side, we can keep track
14 of the overhead which isn't specific to a licensee, but is
15 specific to a program or a class of licensees and try to
16 allocate those costs more fairly. But the main problem is
17 the fees are too high, not that they're unfair. We do get
18 an occasional case where we've done something silly and we
19 get an appeal and we look at it, but the main thing is to
20 keep the overall fees down, mostly by being more efficient;
21 secondly, by getting some legislative relief, as I mentioned
22 earlier, so that those costs, which are clearly not a cost
23 to be spread among licensees, like international support for
24 the former Soviet Union or the agreement states' share of
25 the overhead of the materials program, so that we don't have

1 to put those costs into the fee base and they could be
2 handled just by direct appropriation.

3 That adds up to 20 to \$30 million a year, which is
4 about a half of one percent of our overall budget. Sue.

5 SPEAKER: Mr. Chairman, this question comes from
6 Region III. In one of your earlier addresses, I believe you
7 indicated that the agency needed to improve in the
8 affirmative action area. How do you view the agency's
9 accomplishments in the EEO and affirmative action area over
10 the past three years?

11 CHAIRMAN SELIN: Well, I think the agency has done
12 a terrific job, but there's a lot more to go. Reducing the
13 number of positions certainly doesn't make affirmative
14 action easier. We are hiring additional people. We are not
15 standing absolutely pat, but we would be hiring more people
16 if we weren't under the pressure to reduce our number of
17 positions. So although we can rectify some of the problems
18 through decisions on where we do recruiting, the main thing
19 that we have to do is do what we're already doing, but do
20 more of it and continue to do that, and that is offer better
21 training opportunities, better career advancement as opposed
22 to recruiting opportunities for minorities or for groups
23 that are under-represented.

24 It turns out that some of the minorities are just
25 under-represented in the agency as a whole, but many of the

1 minorities are not under-represented, but they're under-
2 graded, so to speak. With women in particular, the overall
3 percentage of women in the agency is not that low, but the
4 percentage in the senior grades is lower than it is in the
5 junior grades. So a lot of that can be handled through
6 patience and very good training, career advancement and
7 personnel counseling, none of which have been NRC's
8 strengths in the past. But I think we're making
9 improvements, but it's certainly going to take some time to
10 have a truly representative agency at all levels, not just
11 in terms of gross figures.

12 SPEAKER: Mr. Chairman, when you came in, you
13 indicated there were two roles -- one to assure safety and
14 the other one to communicate that assurance. What can we do
15 -- I think we've done enough, in your mind, in ensuring
16 safety. What can we do, in addition to what we've done so
17 far, to communicate that assurance?

18 CHAIRMAN SELIN: Well, I believe that what's
19 needed above all is to continue the change, the
20 revolutionary change in the culture of the NRC. I started
21 work on July 1st, 1991, which seems like a long time ago
22 now, and I made my first site visit on July 8th and somebody
23 took a photograph of me with one of the NRC staff with me
24 and when they asked that staff person his name, he said
25 "It's none of your business."

1 So we've had to work hard on changing that
2 attitude and I believe that the main thing is not specific
3 programs, although Bill Beecher is full of ideas on good
4 specific programs. The main thing is just to get across the
5 idea that we work for the public and we have to meet with
6 them. I've encouraged resident inspectors to talk to the
7 local Kawanis group or Rotary group or whatever group, since
8 what most people are interested in is what's going on in
9 their neighborhood rather than national programs.

10 I do think that the weight of communicating more
11 with interested parts of the public falls most heavily on
12 our regional people and especially on our residents. We
13 just have to keep talking to people who are interested,
14 offering ourselves as speakers, speaking to the press.

15 I'll tell you. The one thing that really burns me
16 up is when I see a line attributed to an anonymous NRC
17 source. I mean, anything that we say to the press, almost
18 everything that we know is fair game for the media, and if
19 it's not fair game to do it by attribution, we shouldn't be
20 doing it at all. But most of what we know should be
21 available on the record when asked and we should be going
22 out of our way to explaining what we do.

23 We don't need to sell a line of goods. We just
24 need to explain to people what we do.

25 SPEAKER: I'd like to take the opportunity to

1 commend the staff and everyone on the staff who has
2 participated in some of the educational programs that we
3 have. This is largely done through volunteer effort and
4 I've really been impressed with some of the things that
5 we've been doing with the local schools and the local
6 communities.

7 I got meet-and-greet duty yesterday. I had about
8 three groups I met and greeted and one of them was one of
9 the local schools that's doing a project on how you
10 establish decommission standards, essentially, and I thought
11 this was absolutely wonderful. These are the kinds of
12 decisions that we face at the very top of the agency and
13 this gives students an opportunity to learn how to make
14 those difficult decisions, which they'll have to do in the
15 society of the future.

16 I also have had some discussions with Bill Beecher
17 and his staff and they're increasing some of the public
18 information brochures and bringing them up-to-date and I
19 really commend that effort. I personally would like to see
20 us do more of this. I realize there's always the fine line
21 between promotion and regulation, but I think that education
22 is in there somewhere and I think we have a responsibility
23 to do as much of that as we can without stepping over that
24 line.

25 But I really do want to commend the efforts of the

1 staff that are done, especially in the headquarters area.
2 I'm sure there's some done in the regions, as well, and
3 maybe it would be good for us to all know about some of
4 those activities.

5 I'd like to find a way that some of these
6 volunteer efforts didn't always need to be done on people's
7 free time. I'm not sure how that can be done. It's a
8 personnel issue that I guess needs to be looked at. But I
9 see these activities as beneficial to the staff, as well as
10 beneficial to those who are the recipients. It's not a one-
11 way street. It gives us all of the opportunity to find out
12 how people are thinking, what their questions are on nuclear
13 issues, and helps us to better communicate with the public.

14 SPEAKER: Chairman Selin, you mentioned in your
15 opening comment about progress made over the last two years
16 in the area of whistleblowing. I was wondering what types
17 of efforts are underway to ensure that NRC employees are
18 afforded and actually encouraged to have the same
19 opportunity in presenting opposing views, whether it be
20 through an informal process of just talking with their
21 management about an alternate view or through the more
22 formal process of a DPO, which many employees, for a variety
23 of reasons, may not consider right now to be a very viable
24 option.

25 CHAIRMAN SELIN: That's a very hard question. We

1 do have machinery. You did mention the DPO. I doubt that
2 people think that they increase their popularity by taking
3 advantage of that often. But there are differing
4 professional opinions that come up.

5 I can just recount a couple of specific cases.
6 I've had -- I don't know. I must have had a hundred people
7 cycle through my office in the three years as technical
8 assistant to me. I am delighted to have a rotational base
9 and to have employees come through, technical people and
10 legal people, on assignments. Some of these are short as a
11 month, but usually they're for three to four months.

12 And it's true that the first thing -- I've gotten
13 terrific staff support, but the first thing I have to do
14 with every new assistant that comes up is to really convince
15 them that I want to hear their opinion when it differs from
16 mine, not just when it agrees with what I'm saying, and it's
17 hard to get that opinion across. We do have something of a
18 hierarchical organization. I don't believe we communicate
19 to people up and down the line. We certainly communicate
20 that we value them as people and as professionals, but we
21 don't communicate as often that we value their opinions on
22 topics other than their assignments.

23 I don't know what to do other than to keep saying
24 that this is important and trying to reward people that come
25 up with additional ideas. I would be very happy to hear

1 other suggestions from the staff. A little bit like my
2 travel anecdote. You know, our program looks, to me sitting
3 at the top, as a pretty good program, but I'm sure it looks
4 quite different from the point of view of people that are at
5 the other end of the cycle.

6 If we knew what else to do, we would do it. So if
7 people have suggestions on how to open up our technical
8 issues more to staff participation, I'd be very happy to
9 hear them now or through an "Ask the Chairman" letter, any
10 kind of communication that makes sense.

11 SPEAKER: I have a comment to make. It addresses
12 an earlier comment that was made by a gentleman over to my
13 right side. And that deals with minorities and women in the
14 NRC. I think it's imperative that based on the work force
15 that we currently hold, we have a very senior work force on
16 the NRC. I have heard the statement been made that the
17 median age in the NRC is 50, which is great. It means you
18 have a very competent senior staff at the NRC that is
19 competent enough to address the issues within headquarters
20 and the regions.

21 However, my concern is that when you talk ten, 20
22 years down the road, those very competent senior people will
23 no longer be around, but will probably be in retirement.
24 Therefore, it is imperative, and I see this happening now
25 and I am very pleased to see it, that we train our junior

1 staff within the NRC in order that they can take on the
2 management levels in the future.

3 Also, we need to take and we have taken a very
4 affirmative action in hiring women and minorities. The
5 percentages are greater than the national averages. But we
6 have to go even further. Women are as intelligent as any
7 man and minorities are intelligent, but they need to be
8 trained and they need to be given the opportunities to show
9 their intelligence and they need support. And I am very
10 pleased to see that the NRC is taking an assertive effort to
11 have a daycare center to help these mothers and that they
12 have flex time and job sharing and initiatives like that so
13 that we can utilize the brain power of the intelligent women
14 of the NRC.

15 I personally am very pleased with what I see the
16 NRC is doing with women and minorities, but we have to keep
17 working and we have to keep working forward and we have to
18 get prepared to -- I think this is one of the best
19 organizations in the federal government, but it has to
20 maintain that excellence. Thank you.

21 CHAIRMAN SELIN: I don't really have anything to
22 add to that.

23 SPEAKER: I would just like to reenforce your
24 comments, particularly with respect to looking ahead, as to
25 our ability to maintain our technical knowledge base,

1 because I think the sources that we've been able to turn to
2 in the past for experienced people are drying up, the
3 sources outside of NRC.

4 University programs in nuclear engineering are
5 gradually shrinking. Research reactors are gradually
6 disappearing, which are important places for people to get a
7 hands-on experience with the use of radioactive materials
8 and controlling potentially dangerous instrumentation of
9 various kinds.

10 The nuclear Navy is shrinking. It may not be the
11 same kind of a source of highly trained, experienced and
12 disciplined people that we could turn to in the past. And
13 it seems to me that it is very important that we look to the
14 future in a way that allows us to use our own current
15 expertise to educate the next generation of NRC experts.

16 That will have to take place essentially in-house
17 and I think that it is a very, very important challenge. I
18 know that people are worrying about it and it is getting
19 some thought, but I think that it can't get too much thought
20 and it can't get too much attention, because it's going to
21 take time to be able to develop alternatives to those
22 sources of experience that we've been able to turn to in the
23 past. And I think this is something I feel we need to spend
24 even more effort and time on.

25 CHAIRMAN SELIN: I guess I do want to add

1 something, and that's to give a little plug to the Vice
2 President, that reinventing government at first plants
3 basically looks like reducing positions. But, in fact,
4 there have been some very concrete improvements that will
5 benefit everybody at the NRC.

6 The law has been changed now so that we can use
7 training and educational funds to prepare people for
8 promotions and new careers and not just to do their existing
9 job better, and this is absolutely essential. I mean, to be
10 blunt about it, we've hired heavily from the military
11 because we get a lot of experience and you don't find a lot
12 of black women in the military doing nuclear work. So if
13 we're going to deal with minorities and especially if we're
14 going to deal with women, we have to bend over further to
15 compensate for the fact that the pools we are drawing from
16 tend to be much more heavily oriented towards white males
17 than to a more diverse group.

18 So we need to hire from a broader pool, which
19 means not necessarily expecting as much nuclear experience
20 at the beginning as we have been able to get in the past.
21 We need to use the training funds to make up for some of
22 this lack of specialized knowledge and, as the young woman
23 said, to work with the people we now have, because these are
24 most of the employees that we're going to have for the next
25 20 years.

1 Furthermore, there have been other changes in the
2 personnel system that make it much easier to get the people
3 we need and to move people around more effectively than has
4 been the case in the past. So a lot of the reinventing
5 government has to do with removing some of these barriers
6 towards advancement and towards diversification and we
7 certainly intend to take full advantage of that.

8 SPEAKER: The woman before me was talking about
9 all the opportunities NRC offers for working mothers, like
10 flex time and job share. I'm just wondering why they don't
11 accept children part-time in our nursery school and our
12 daycare.

13 CHAIRMAN SELIN: I have no idea what the answer is
14 to that, but I will get you an answer to that.

15 SPEAKER: Yes, Mr. Chairman. Two years ago, if
16 not longer, there was a survey that was taken that dealt
17 with secretaries and non-technical professionals with
18 degrees. I'm aware that you received a letter from a
19 secretary who has just left the agency because of false
20 prophecies when she came in. What is being done to ensure
21 that more secretaries with degrees won't follow suit?

22 CHAIRMAN SELIN: Well, actually, I wouldn't even
23 qualify it to secretaries with degrees. I mean, the largest
24 number of secretaries are in NRR and NRR has started a
25 program to at least talk to their own secretaries and find

1 out what the situation is at looks from the secretaries'
2 point of view. I expect the other offices will follow
3 fairly quickly.

4 What the agency is going to do is wait until we've
5 had a number of these meetings, which are more focused kind
6 of a survey than the one that we took two years ago, and try
7 to shape out what kind of a problem do we have. I suspect
8 that a large amount of the problem is cultural and attitude
9 rather than structural. I think we've made the changes in
10 our rules that would allow us to do more than we are now
11 doing in terms of providing opportunities for advancement
12 for a whole lot of people who feel that they are in careers
13 which may be rewarding now, but don't have the opportunities
14 for advancement that they deserve.

15 I have to admit that until I got the first of four
16 or five letters from secretaries, I wasn't really sensitive
17 to this problem, therefore, and not as prepared as I should
18 be three years into the job to answer your question, but I
19 will, in the near future. That I assure you. Yes.

20 SPEAKER: Mr. Chairman.

21 CHAIRMAN SELIN: You'll either have to get taller
22 or pull the microphone down.

23 SPEAKER: Thank you. I'm sorry. We've been
24 talking about opportunities for women and it seems to me
25 we've been focusing on, the last conversation, about lower

1 level women and perhaps people, again, with degrees, but
2 perhaps the wrong degree, and that's one problem. But we
3 also have technical women in the 14, 13, 14, 15, great
4 range, not so many 15s. And in my -- I've been with the
5 agency for 15 years.

6 There is not -- I have not seen a difference
7 perhaps in supervisor women in management across the board
8 at the agency. I see it in individual branches. A branch
9 in my own division has a very good record, but I don't
10 necessarily see it in other areas of the agency. And is
11 this being given some attention?

12 CHAIRMAN SELIN: In fact, that's the problem
13 that's got the most attention. And I would like to stress
14 once again that one of the problems that you have when all
15 your senior positions are SES is the chicken-and-egg
16 problem. In order to be a manager, you have to have been a
17 manager or done things years ago that make it easier for you
18 to take on these responsibilities now.

19 Well, we are trying very hard to look at the pool
20 of 13s and 14s to make sure that women and minorities are
21 getting at least reasonable, if not more than proportional
22 opportunities for rotational jobs, for SES candidate school,
23 a course, et cetera. But I would like to stress that
24 management and seniority should not mean the same thing and
25 that the increase in the SLS positions will make it much

1 easier for people that have plenty of good experience, but,
2 for whatever reasons, fear or otherwise, have not had a lot
3 of management exposure to get into the senior ranks without
4 having to become something that they haven't been all that
5 time.

6 Now, I'm not proposing that the SLS be a kind of a
7 ghetto, populated entirely by women and minorities and men
8 be the only SES'ers, but I do think that there are
9 opportunities in the SLS for women and minorities to make
10 more short-term progress than would otherwise be the case.
11 So the structure of the senior positions will open
12 opportunities where they're based more on talent and less on
13 what your last assignment or your assignment two or three
14 times ago was.

15 We have put a lot of effort and continue to put a
16 lot of effort on spotting women and minorities for the 13s
17 and 14s and the 15 positions. Quite frankly, five years
18 from now, I think we'll have done much better there than we
19 will have done in the recruitment into lower grades, because
20 you're talking about smaller numbers of people, where
21 individual heroic efforts by the current managers can make
22 really, percentage-wise, quite sizeable changes, and those
23 are relatively easy to affect. It's much harder to work
24 with a larger number of people that are less well known to
25 management in the lower levels, to make sure that we find

1 the talent and that we advance it.

2 So I feel more comfortable with what we're doing
3 with the problem that you addressed than with the problem
4 that was addressed two persons ago.

5 SPEAKER: I'd like to add one thing with respect
6 to secretaries. I've seen this problem for many, many
7 years. There's a mindset problem and that secretaries are
8 put in a pigeon hole of being secretaries and it's difficult
9 for others to view them as having potential for something
10 else and it's sometimes it's difficult for they themselves
11 to view them as having potential for something else.

12 So I think it's a two-way street. The rules have
13 certainly loosened quite a bit, as the Chairman said, in
14 terms of training opportunities that are now available. So
15 I think both the managers and secretaries, in particular,
16 have to look at this as a new opportunity and be courageous
17 and start to think about other options and opportunities
18 that may be out there and work towards it.

19 I think both parties have to work hard to make
20 this happen and not be shy about it. View it as a huge
21 opportunity and try to imagine things for the future that
22 you thought were not there before.

23 At the higher levels, there always is the pipeline
24 problem and there are very few. But, again, I would
25 encourage you to hang in there. I think we have seen

1 reasonably good progress if you actually look at the
2 statistics and the numbers, but it is going to take more
3 time.

4 One thing that I would like to encourage is more
5 management training. As I look around the agency, I'm not
6 sure that we get as much management training as is available
7 perhaps in other agencies. I see the technical training
8 opportunities being extremely good, but I think these are
9 areas that might be useful for everybody and especially for
10 the women and minorities who might not have had management
11 opportunities -- not so much training, but opportunities, so
12 that the training might provide same useful background.

13 And I would say, again, it's a two-way street. If
14 you're interested in doing something like this, then don't
15 be shy about requesting it.

16 SPEAKER: I wanted to thank you for the
17 opportunity to meet with you today and I think everybody
18 here appreciates the comfort with which we are able to sit
19 given the cold weather outside and the tent and even being
20 able to see you all.

21 I just wanted to ask you if you could tell us how
22 the costs of this setup compare with money that was spent
23 for the meeting at the Holiday Inn and for the meeting you
24 had downtown.

25 CHAIRMAN SELIN: Sure. The actual out-of-pocket

1 cost is about ten percent or 15 percent less than the
2 meetings. The cost of the tent is probably 20 percent less
3 than renting the room that we go to. But we don't have any
4 transportation costs, we don't have any time lost in
5 transit. We trap a few people who think they're taking a
6 shortcut to the cafeteria at 11:00. We've saved a little
7 money, probably about \$3,000, would be my guess. But
8 overall, it's just, I think, a much more comfortable
9 arrangement.

10 Next year, we're thinking of serving hot dogs in
11 the back of the tent, which would -- that would be the end
12 of the savings, but it might make it even a little more
13 homely an atmosphere.

14 SPEAKER: Thank you.

15 CHAIRMAN SELIN: Sue.

16 SPEAKER: This question comes from Region I. The
17 NRC has placed increased emphasis on celebrating our various
18 cultural heritages, which is good. However, the agency
19 appears to have ignored National Military History Month,
20 celebrating those men and women who have enabled us to have
21 these various heritages.

22 Would the agency consider participating in 1995?

23 CHAIRMAN SELIN: I, quite frankly, am surprised to
24 see that we've missed any month, to tell you the truth. But
25 yes we would. Anything that employees care about, if they

1 bring it up with me, we'll take a look at participating in
2 the other activities, as well. I do have a standard speech.
3 I'd have to adapt it quite a bit for National Employees
4 Month, but we could probably do it.

5 SPEAKER: Mr. Chairman, a staff member asks.
6 Yesterday's Washington Post reports that Maine Yankee
7 stopped plant visits because of exposure. Are there any
8 updates?

9 CHAIRMAN SELIN: That's sort of a complicated
10 question. There are at least three parts -- every major
11 question in the western world has three parts to it. So
12 that won't surprise you. But there are at least three parts
13 to it. One is we're surprised we didn't hear from Maine
14 Yankee earlier than we did about the event. We're not very
15 happy about that.

16 The second is that some fellow in western
17 Pennsylvania is so smart he doesn't need any facts to come
18 to an opinion. He made some statement that was really
19 relevant to strontium-90 and the kind of strontium that you
20 would get out of the gas would be strontium-88, which would
21 be quite different. So, you know, we're not -- we're sort
22 of resigned to the fact that no event will happen that is so
23 minor that some pundit around the country will not see the
24 opportunity to comment.

25 But as far as the facts -- I mean, those were sort

1 of extraneous. We really do not know as much as we want to
2 know about why there was any exposure to radioactivity at
3 all, whether it was within the limits or not. And, Jim, I
4 guess what we should do is when we have people who are
5 interested, when we have more of a story, we should put it
6 in the NRNC or something like that. So we will do that when
7 we have the whole story.

8 There's somebody else that I don't see.

9 SPEAKER: Mr. Chairman, I wonder if you'd care to
10 comment about the philosophy and/or bias of the nominees
11 that are now up for new Commission, their chances for
12 confirmation, and what view you would have that their
13 influence would have on the Commission's current policies in
14 areas of emphasis.

15 CHAIRMAN SELIN: I would be delighted to comment
16 on all of these, except I'm severely hampered by lack of
17 information on a couple of the questions. First of all,
18 it's almost certain that the three will be confirmed as a
19 slate. I mean, they will be nominated as a slate and they
20 will be confirmed as a slate. And as you might expect,
21 there's been a lot of discussion to which the Commissioners
22 have not been privy, but between the White House and the
23 Committee of Jurisdiction as to the acceptability of the
24 slate.

25 So I believe that the phrase is market tested. I

1 think this slate of candidates has been market tested and is
2 unlikely to have any problems with confirmation.

3 As far as when this would happen, the Senate comes
4 back in January. I have no reason to expect that they will
5 take heroic actions with respect to this particular set of
6 vacancies, since there are many others in the government and
7 a lot of other things that have to be done. So maybe as
8 early as February, maybe as late as April, we would see the
9 slate nominated and the two Commissioners that are being
10 appointed to terms that are already vacant would take their
11 positions around that time.

12 As far as their views go, you know, I like to
13 believe in the charismatic leader in all that, but I really
14 don't think the personality of the Commission has an
15 enormous impact on the policies. We don't change
16 Commissioners very fast. Most of the policies are rooted in
17 objective fact rather than Commissioners' style. They're
18 driven as much by outside considerations and certainly by
19 what the staff thinks ought to be done.

20 So without commenting on the views of these
21 particular Commissioners, I just don't think any new set of
22 Commissioners, even with two vacancies at the same time, is
23 going to change the philosophy or policy of the agency very
24 fast.

25 So I can't predict what their views will be, but I

1 could predict that they're not likely to -- I mean, there
2 will be specific issues that would be changed, but are not
3 likely to change the overall disposition of the Commission
4 very much; just on the grounds that there's a lot of inertia
5 in what we do and a lot of sort of common sense based on
6 real facts, which won't be much affected by personalities of
7 individual Commissioners.

8 I don't know -- I did not know -- except for Mr.
9 Berkowitz, I did not personally know either of the other two
10 Commissioners before they were discussed for nomination. I
11 spent a lot of time on the phone with both of them and I'm
12 sure they'll be affable people that will not affect the
13 collegiality of the Commission and will add to the breadth
14 of knowledge and experience that we have. So I have to
15 believe that a five-person Commission should be a little
16 more worldly or diverse and, therefore, open to more views
17 than a three-person Commission. But other than that, I wish
18 I could answer your question, but I can't.

19 SPEAKER: I could just say that one of the
20 nominees I know very well, Dr. Shirley Jackson, and I would
21 say I have a very high opinion of her. I've worked
22 personally with her over a period of about five years in New
23 Jersey. She's a first-rate professional, a very careful
24 person, excellent educational credentials, fine knowledge of
25 research, excellent exposure to the U.S. utility -- nuclear

1 utility industry. And I would say that she will be a really
2 excellent addition to the Commission.

3 I, again, would say, though, that I don't see her
4 changing or even perhaps very much wanting to change the
5 general course of evolution of the Commission, as we've seen
6 it. Of course, only time will tell on that score, but I
7 would say we will see in Dr. Jackson a first-rate
8 Commissioner that I think will give additional visibility to
9 the Commission and very good visibility.

10 SPEAKER: I think for those who like to look at
11 statistics, you might look at a victory here. The
12 Commission is now 33-and-a-third percent female. For at
13 least a brief period of time, it will be 40 percent and 20
14 percent minority. So for those looking at the numbers, in
15 view of our previous conversation, count that among the
16 victories.

17 CHAIRMAN SELIN: I have X chromosomes as well as Y
18 chromosomes. It's not so open and shut that way. Bill, did
19 you have a question or two?

20 SPEAKER: It's just not the same.

21 CHAIRMAN SELIN: We are desperate for a new
22 question at this point. Are there any more questions?

23 SPEAKER: Can I ask another question?

24 CHAIRMAN SELIN: Yes, of course. You can even ask
25 the same question, if you'd like. See if you'll get the

1 same answer.

2 SPEAKER: I had an opportunity earlier this year
3 to go down to TTC and they gave me the tour and I was very
4 impressed with the simulators. I came from an agency that
5 spent a lot of money on educational -- I don't know what you
6 call it -- selling themselves by having a visitor center and
7 trailers that go around the country selling their mission at
8 the lowest, youngest level in grade schools.

9 And so I suggested that we've got a lot of room up
10 here and maybe we should take one of those simulators and
11 bring it up here and open up a visitor center and let
12 everybody learn about the peaceful uses of nuclear power and
13 sell our mission to these youngsters.

14 But I was advised that you can't do that, that
15 there's something in our charter that doesn't allow us to
16 sell ourselves, I guess. I wonder how much they were
17 telling me that was true or just that they don't want to be
18 bothered.

19 CHAIRMAN SELIN: I would consider that as
20 promoting atomic energy and that's clearly not our business.

21 SPEAKER: You do?

22 CHAIRMAN SELIN: Our business is to explain what
23 atomic energy is and really to explain what the safety
24 questions are and what role we play in assuring those and
25 what role we don't play. There are plenty of -- I mean,

1 that's the generic answer.

2 The more specific answer is there are plenty of
3 nuclear power plants around the country and every one of
4 them has a good to excellent visitor center for doing more
5 specific questions of introducing people to atomic energy.
6 You know, it's hard to explain what you do when most of the
7 time you spend behind a desk or in a hardhat tramping
8 through the mud at a construction site or at a power site.

9 So the best thing that we can do, I think, as
10 Commissioner DePlanque said, we don't have particularly good
11 materials introducing the agency to the public. We need
12 some work on that. But the best thing we can do is to talk
13 to the people who care about what we can do, which is
14 generally people who live near licensed facilities, and to
15 try to explain over and over what we do. Did that answer
16 your question? Sue.

17 SPEAKER: Mr. Chairman, this is not a regional
18 question, but I'll ask it on behalf of a lot of NRC
19 employees. Most employees recognize that pre-selection is
20 alive and well at NRC, in spite of numerous laws. In many
21 cases, jobs are posted that are someone's promotion. In the
22 interest of efficient use of limited staff resources, why do
23 we continue to bother to post jobs that other people know
24 are already wired? You would eliminate the time wasted by
25 the applicants, the supervisor, the rating panels and office

1 of personnel.

2 CHAIRMAN SELIN: Well, you know, I just -- I mean,
3 that's fine, except I --

4 [Applause.]

5 CHAIRMAN SELIN: I gather what I'm going to say is
6 not very popular. I a hundred percent disagree with the
7 hypothesis of that question. I mean, they are not wired.
8 The problem is that there are people who know a heck of a
9 lot more about the job than other people because the posting
10 was late or we don't give people the proper training and,
11 therefore, they're able to present themselves much more
12 effectively.

13 I don't pretend that the opportunities of people
14 who have given some notice and some training would otherwise
15 be equally qualified are not equally distributed, but the
16 jobs are not wired and the personnel people don't have a
17 particular name in mind. And it would be foolish to give up
18 the struggle because sometimes it works better and sometimes
19 it works less. I mean, the emphasis should be on making
20 these postings more equal, more fair, where it's not just
21 opportunity, but informed opportunity that's available to
22 the staff, and that's what we're trying to do.

23 Now, if we stop posting these jobs, we'd just be
24 throwing in the towel and giving up the battle. The problem
25 is not what happens after the applications go in. The

1 problem is what happens or hasn't happened before the
2 applications go in and that's where the management is trying
3 to put its attention. But I don't -- I mean, don't think I
4 feel strongly about this or anything like that. I just
5 think that's a complete misunderstanding of what the
6 situation is.

7 SPEAKER: I'm not saying that personnel people,
8 office of personnel has pre-selected names. I'm saying the
9 supervisor, the person that's posting the job, and from the
10 response from the people --

11 CHAIRMAN SELIN: There's a lot of that, yes.

12 SPEAKER: -- there's a lot of people that think
13 they are.

14 CHAIRMAN SELIN: There's a lot of that, because a
15 supervisor goes around and says to Jones, says "It's not
16 posted yet, but there's a job coming up next week and it
17 would be very good if you applied for the job." I mean,
18 there's a lot of stuff that happens before the job is posted
19 that needs a lot of work. It's not that the applications
20 are wired once the job is posted. I have very high
21 confidence that the selection process works pretty well
22 among the pool and I have very high confidence that people
23 who get into the pool are not there entirely by random, and
24 that's where most of the effort has to go.

25 But we post more and more jobs, senior jobs. We

1 don't advertise for Commissioners. That's true. But just
2 about every other job in the agency, we advertise for. And
3 we're going to do more and more of that, not less and less
4 of it. What we need to do is continue to work on the
5 process so that there isn't some kind of a -- I wouldn't say
6 it's a -- it's not that the supervisor can force a
7 particular person through the selection. It's just to get
8 the right people with the right background into the
9 selection pot before the applications close, and that's what
10 we're trying to do.

11 SPEAKER: I've been concerned about that problem
12 in the agency because I think in the past, a lot of
13 positions that could have been competed were not. But I
14 think we're making a lot of progress in this area. And,
15 again, I don't think we should be too discouraged because
16 some of them may be wired, but there may be a lingering
17 perception that they're wired. So I don't think we should
18 throw out the baby with the bath water. I'd like to see as
19 many of these positions as possible be competed and be truly
20 competed.

21 And in moving in that direction, you're going to
22 have a mindset problem, as well, where the problems of the
23 past may still be perceived as being there. But hopefully
24 we're moving in a position where more of them will be
25 competed and be truly open.

1 CHAIRMAN SELIN: I guess I should say not all the
2 senior jobs in the agency should be competed. I mean, there
3 are a number of jobs where the EDO or the people just make a
4 selection, where people have been groomed for certain jobs,
5 they've gotten certain training. I don't think that's
6 wrong.

7 What I do think is wrong is where those decisions
8 are made too early or without adequate consideration of who
9 the other people are. So posting more jobs is a step in the
10 right direction. We certainly should continue to do that.
11 But the main thing is to emphasize the candidates for the
12 jobs and make sure that more -- a larger pool is available
13 for the jobs.

14 SPEAKER: Earlier there was some talk about the
15 sources of NRC staff. I was at the Department of Energy for
16 some years and there there's a great deal of personnel
17 exchanged between the department and the national labs. I
18 realize that the national labs don't have exactly the same
19 relation to the Commission as they do to the Department of
20 Energy, but they do represent a very large pool of people
21 with nuclear expertise.

22 I'm wondering if there's a reason why there seems
23 to be so very few people at the Commission who have worked
24 in a national lab and then come here.

25 CHAIRMAN SELIN: I don't know the answer to that,

1 but I would like to say that there's a conflict between
2 trying to get people with more nuclear expertise and trying
3 to get more women and minorities into the agency, and, in
4 part, the nuclear expertise ourselves, especially when the
5 hiring is in relatively small numbers.

6 I personally think that we have to go more towards
7 the second than to the first, because otherwise all we do is
8 we confirm and corroborate all of the sort of unfair
9 selection processes that we have in our society that go down
10 to very low levels. We're not hiring that many people and
11 that has to be our main source of future diversity is to
12 really be an affirmative action, not just an equal
13 opportunity, hire.

14 Now, that doesn't mean that we'd take an
15 unqualified woman over a qualified man, but we don't put
16 into the specification too much about specialized nuclear
17 background. We're looking more for general ability and
18 general background and then, in part, to specialize things
19 ourselves. Otherwise, the NRC of 20 years from now will
20 look exactly like the NRC of today, which would otherwise
21 look like the NRC of 20 years ago. I guess that's a
22 question of values and judgments, not how to have a more
23 efficient agency.

24 SPEAKER: I guess I would like to continue on the
25 comments that I made earlier, and that is that I agree with

1 the Chairman. In a selection process, every woman and every
2 minority wants to be hired because they are competent. I
3 have never met a woman nor a minority who wanted a position
4 because they were a woman or a minority.

5 They wanted the position because they were the
6 most competent person for the position. I agree with the
7 Chairman. There are very few women and minorities in the
8 nuclear field. When I graduated in 1978 with a degree in
9 nuclear engineering from Georgia Tech, there were about 30
10 men in my graduating class and I was the only woman. So I
11 agree with the Chairman.

12 Also, there is a higher turnover rate for women
13 and minorities. So, therefore, if you get one woman out of
14 a class of 30 or 35 men in 1978, is that woman still going
15 to be around 20 years later? Well, this is 1994 and this
16 woman is still around. However, we have to be selected on
17 competence. We have more barriers to overcome. We need
18 support. In our society, women and minorities are certainly
19 portrayed in a certain image and it is difficult for us to
20 get to higher levels.

21 But we will overcome those barriers and we will
22 succeed. I guess where I was coming from is that, yes, we
23 have competent women and we have competent minorities. We
24 are in a smaller percentage, but give us the opportunities,
25 give us the training to succeed. Don't put up the barriers.

1 CHAIRMAN SELIN: It's 12:00. We'll take one more
2 question and then we'll break. Ron. We don't discriminate
3 against regions, either. I mean, we have a lot of things we
4 don't discriminate against. So you get the last question.

5 SPEAKER: This question comes from Region III, Mr.
6 Chairman. You have stated today that the number of SLS
7 positions will increase as management positions decrease.
8 Regions are expected to move toward an eight-to-one
9 employee-supervisor ratio.

10 Currently there are no SLS positions in Region
11 III. Do you anticipate SLS positions will be established in
12 the regions?

13 CHAIRMAN SELIN: The answer is we don't expect
14 just SES positions to be converted to SLS positions. First
15 of all, also, the reductions in supervision will be at the
16 15 level, not at the senior grades. The largest number of
17 positions that will be replaced by more technical positions
18 will be 15s. It's not SLS for SES. I don't really know
19 what the actual structure will be or where the SLSs will be,
20 but I don't expect the regions to have a more junior profile
21 after the change than they have today.

22 It doesn't mean that each SES position will be
23 replaced by an SLS or each supervisory 15 will be replaced
24 by a technical 15. But I expect that the overall look of a
25 region will be very similar to what it is today. And I

1 didn't say the positions wouldn't be reduced. I said the
2 percentage compared to the overall size will stay pretty
3 much the same, but the agency is expected to come down in
4 size from 1993 to 1999 by 12 percent and I would expect the
5 senior positions to come down in the same percentage.

6 Sounds like an arcane difference, but it really
7 means fewer senior positions as there are fewer junior
8 positions, as well. I think we'll call back. If you're
9 really so interested, you can sneak in with the 1:30 crowd
10 and get the sequel to this presentation. Thank you very
11 much.

12 [Applause.]

13 [End of a.m. meeting.]

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