

January 25, 2018

MEMORANDUM TO: Transformation Team

FROM: Victor M. McCree */RA/*  
Executive Director for Operations

SUBJECT: FORMATION OF NRC TRANSFORMATION TEAM

In my [January 4, 2018](#) message on *Innovation and Transformation at the NRC*, I indicated that success in fulfilling our safety and security mission is enabled by the NRC Principles of Good Regulation. Our principles help to guide us in making decisions to ensure safety and security, while appropriately considering the interests of NRC stakeholders. The principles have also inspired and supported our decisions to implement a number of innovative changes that improved the effectiveness and efficiency of NRC's regulatory infrastructure. The ability to proactively innovate, along with our commitment to continuous improvement, are essential qualities that will facilitate our long term success in ensuring the safe and secure use of nuclear materials in the 21<sup>st</sup> century.

However, the nuclear industry has indicated plans to introduce new and novel technologies, such as accident tolerant fuel, small modular reactors, and advanced non-light water reactor designs. Because the use of such new nuclear technologies would challenge our current regulatory framework, we must not only innovate, but also identify and implement transformative change. Transformation of our regulatory infrastructure will be evidenced by significantly different ways to regulate and marked enhancements in our effectiveness, efficiency and agility as we fulfill our mission.

Accordingly, the purpose of this memorandum is to form a Transformation Team to identify potential transformative changes to NRC's regulatory framework, culture, and infrastructure.

The Transformation Team is specifically tasked with the following:

1. Harvest innovation techniques, ideas, and methodologies to successfully implement transformation, including strategies to enhance and sustain a transformative organizational culture. In completing this task, the Transformation Team is encouraged to engage a variety of sources both internal and external to the NRC, including: the nuclear industry; non-governmental organizations; public organizations; private companies; and federal agencies such as the Department of Transportation and the National Aeronautics and Space Administration.
2. Develop and recommend a specific area(s) to initiate transformative change within NRC.

3. Develop a strategy to promote the success of the specific area(s) recommended for transformation. The strategy should include a communications plan(s) for each area and a change management plan to foster and sustain (both innovation and) transformation as a characteristic of the NRC's organizational culture.
4. Develop a Commission paper that describes the merits of transformation. The paper should include sufficient information on each recommended transformation initiative to support a Commission decision on whether, why, and how staff should proceed with detailed development and implementation. The paper should also estimate the approach, schedule, and resources required to refine and implement each initiative, if approved by the Commission.

In carrying out its activities, the Transformation Team should remain focused on transformation that enables the safe and secure use of new technologies. This team will be guided and supported by the [CXO Board](#).

The tasking is due within 90 days of the establishment of the Transformation Team.

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