



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

April 10, 1997

CHAIRMAN

Dr. Vojin Joksimovich
President, Accident Prevention Group
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Escondido, California 92029-6827

Dear Dr. Joksimovich:

I am responding to your letter to me of February 18, 1997, in which you expressed concern about the ability of the U.S. Nuclear Regulatory Commission (NRC) to regulate the safety of nuclear power plants. In your letter, you questioned the NRC's emphasis on compliance with its regulations. Let me briefly explain my views on that very important subject.

NRC's focus on safety inevitably produces certain expectations of licensee performance, as well as a strong emphasis on regulatory oversight. There is a real danger in being ensnared by false distinctions between safety and compliance with NRC's regulatory program. In fact, the concepts are bound tightly together. It is the licensee's responsibility to operate a safe nuclear plant, and to respond to any event, including resolution of its safety consequences. The responsibility of the NRC is to lay out clear safety requirements as well as to provide oversight to ensure that its licensees are complying with NRC regulations and operating safely. A licensee's compliance with NRC's regulations and license conditions is fundamental to NRC's confidence in the safety of licensed activities. This relationship was clear at the beginning of nuclear regulation, and it remains so today. The credibility of the nuclear regulator is tied inextricably to the credibility of the industry it regulates and that industry's demonstration that it is operating within regulatory requirements, including the licensing basis. The assurance that a licensed facility is operating within its design and licensing bases and complying with regulatory requirements is of critical importance as NRC moves to more risk-informed, performance-oriented regulatory approaches.

As a prerequisite to issuance of an operating license, the Commission must find that the facility will be operated in conformance with the application, the provisions of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's regulations. The Act also requires that a license applicant agree to observe such safety standards to protect public health and to minimize danger to life or property as the Commission may by rule establish. Since the days of the U.S. Atomic Energy Commission, the foundation for adequate protection of public health and safety has been compliance with applicable safety requirements-regulations and license conditions.

At times, the NRC may be required to take additional steps, such as issuance of orders, to help assure public health and safety. In other instances, relief from a requirement may be warranted and provisions for seeking relief

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from current regulatory requirements are provided in the Commission's regulations. However, it is untenable for a regulatory agency or a licensee to suggest that specific regulatory requirements simply can be ignored. Moreover, the NRC must not rely on routine exemptions and enforcement discretion to dispense with nagging glitches in the regulations or license conditions. If requirements are on the books that are not required for safety or that need to be adjusted, the NRC should fix them or remove them through the well-established processes for making such changes.

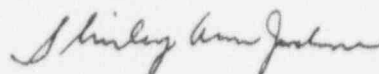
The NRC and the nuclear industry have been working together to identify and remove unnecessary regulatory requirements through various programs, such as conversion to improved Standard Technical Specifications, marginal-to-safety rule changes, implementation of recommendations of the Regulatory Review Group, and expedited review of cost-beneficial licensing actions. The continued move toward more flexibility in regulatory requirements rests on the discipline of compliance and a continued focus on safety in operations. That has been the standard to which licensees always have been obligated to adhere, and that standard always has been within their power to achieve.

In September 1995, I recognized the need for critical evaluation of the NRC's regulatory activities and initiated a Strategic Assessment and Rebaselining Initiative. One of the areas of discussion was the level and extent of independent technical oversight required for the Commission's regulations. The Advisory Committee for Reactor Safeguards was established by statute in 1954 to provide independent advice to the Commission on potential hazards of proposed existing reactor facilities and the adequacy of proposed safety standards. The ACRS membership is drawn from scientific and engineering disciplines including probabilistic risk analysis. The ACRS meets monthly to review issues within its purview and provides recommendations. The ACRS recently advised the Executive Director for Operations that increased emphasis is warranted in development of a Human Performance Policy and Program Plan which is related to your comments about the importance of organizational culture in a shifting environment.

As an agency with limited resources and staff, the NRC must make informed choices in applying its resources to safety-significant activities and challenges requiring special oversight. These goals drive the importance of a risk-informed approach to regulation. The NRC staff has, as appropriate, in enforcement actions, taken into consideration the safety significance of the issue and the licensee's overall performance. By focusing its resources on those significant issues and maintaining high expectations for licensees' adherence to existing requirements, the NRC will strengthen the quality of its oversight and public confidence in it as well.

I trust this response clarifies the NRC's position on the important issues you raised in your letter and helps you understand why we do not believe the external review group you recommend is necessary at this time.

Sincerely,



Shirley Ann Jackson