



NRC NEWS

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The Honorable Gregory B. Jaczko
Chairman
U.S. Nuclear Regulatory Commission
Remarks as Prepared for Delivery
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“Addressing the Demands of Today, Preparing for the Challenges of Tomorrow”

Thank you for inviting me to speak to you today. I understand that the conference will be focusing on the role that various energy technologies, including nuclear power, can play in reducing carbon emissions and achieving energy independence.

Many of the issues that you will discuss fall outside of my perspective as an independent safety regulator. It is not the role of the Nuclear Regulatory Commission (NRC) to promote or discourage the use of nuclear power. The NRC’s mission is clear: “to ensure adequate protection of public health and safety, promote the common defense and security, and protect the environment.”

Decisions about the growth or contraction of nuclear power are for the public to make through the actions of the private sector, the Administration, and the Congress. It is my role to ensure that the NRC continues to be an effective regulator – a regulator that acts firmly and decisively, a regulator that acts openly and transparently, a regulator that produces results and elicits public confidence through those results. And to understand what I mean by results, you need look no further than that concise and powerful statement of the NRC’s mission that I shared with you just a minute ago – public health and safety, common defense and security, and the protection of the environment.

Benjamin Franklin once said “it takes many good deeds to build a good reputation, and only one bad one to lose it.” The NRC has done many good deeds – recruited, developed, and retained top-notch staff, developed strong regulatory, inspection, and enforcement programs, and many others that I will discuss later this morning – to build its good reputation. But Ben Franklin’s insight about one bad deed has particular resonance in the nuclear field. Few civilian technologies – if any – have the ability of nuclear energy to attract public attention and elicit public concerns. As a nuclear safety regulator, I am sensitive to the fact that a single accident or lapse can significantly harm public health and safety and undermine public confidence in the agency in a lasting way.

The NRC has to be a firm, decisive, and effective regulator to fulfill its important safety mission and to maintain public confidence. At its core, that means keeping the agency focused on the bread and butter of what it's always done – ensuring that the operating fleet continues to be safe, secure, and adequately protective of the environment. But in recent years with the renewed interest in nuclear power, what it means for the NRC to be a firm, decisive, and effective regulator has evolved to include additional responsibilities in reviewing new reactor applications to ensure that any new plants are built and operated in line with our high safety, security, and environmental standards.

Just 15 years ago, a lot of people were thinking about the increasing attention that the agency would have to focus on decommissioning aging facilities. Ten years ago, few people inside or outside the NRC would have foreseen any significant increase in new reactor applications. And just five years ago, the outlook for receiving new applications still remained uncertain. But once a flood of applications became a realistic possibility, the NRC as a firm, decisive, and effective regulator took several steps to prepare for this development because, as Ben Franklin also observed, “by failing to prepare, you prepare to fail.”

These steps have included a reform of our licensing procedures, budgeting enough resources to develop the needed infrastructure, the hiring and training of large numbers of new staff, and the creation of a new office to focus specifically on new reactor issues. The reform of the licensing process was the first of these steps. The traditional licensing method involved getting a permit to build the plant and then applying for a license to operate that plant after it was constructed. The old process was like buying a car for your kids before they passed their driver's license test, or a building an addition to your house before having the zoning permit approved. Now utilities have the option of a new process through which they can apply for a license to operate a nuclear power plant and then make a subsequent decision about building it. Since the cost of preparing a paper license application is dramatically less than actually pouring concrete and constructing the facility, the COL process has taken some of the financial uncertainty out of the decision to build a plant.

Anticipating the strain that new applications could place on the agency, the Commission began several years ago to secure more budget resources and hire more staff to ensure that its oversight of the existing fleet would remain as strong as ever. The budget and staff ramp-up has been dramatic. Just during my five years on the Commission, the agency's budget has seen more than a 50 percent increase and the number of NRC employees we have on board has gone up by more than 25 percent. This presents both opportunities and challenges for the NRC – to take full advantage of the talents and fresh perspectives of the new staff, while not losing the benefits of past experience. Toward that end, the NRC has initiated a knowledge management program to ensure that we never forget the lessons learned from past experience, even as long-serving staff retire.

The NRC has a strong track record on licensing review. We have repeatedly shown that we can complete licensing reviews in an efficient and predictable manner, while always focusing on protecting public health, safety and security, and protecting the environment. You need look no further than our existing licenses process to see that. We complete approximately 1500 licensing

actions and tasks per year – 90 percent of them within twelve months. And with the steps we have taken in recent years, the NRC is well-prepared to maintain its strong track record on licensing review.

As Chairman, I intend to keep the staff focused on providing clear guidance and expectations for the review of new applications to ensure that this process proceeds efficiently and predictably. This is a challenge in the ever-evolving area of the environmental analysis required by the National Environmental Policy Act (NEPA). In keeping with NEPA's mandate, the NRC has always tried to fully consider the environmental consequences of our licensing actions and kept the public informed about those consequences. But there are areas in which the Commission can provide greater clarity and consistency to the staff and applicants. For example, the Commission needs to continue to provide clarity on what information applicants need to provide to meet NEPA's requirements, especially in the emerging area of climate change.

Reactor issues are very important, as I hope my discussion has demonstrated. But we can't lose sight of the fact that the resurgence of interest in nuclear power has regulatory impacts throughout the entire fuel cycle. We can't miss the forest for the trees, even if the tree – as in the case of reactors – is the size of a Sequoia. A nuclear reactor is only part of the life-cycle of nuclear power – a cycle which begins with the mining, recovery, and enrichment of uranium.

Given the increased interest in new reactors, it should not be surprising that the NRC in recent years also has received several new licensing applications for fuel cycle facilities. As with our reactor applications, the agency has been working hard to review the new applications in an efficient, predictable, and thorough manner.

One facility in nearby New Mexico received its license from the NRC in June 2006 and has been under construction since late 2006. In the anticipation of the possibility that other applicants will receive their license, begin construction, and enter eventual operation, the NRC will continue working to ensure that our fuel cycle oversight program effectively monitors their compliance with our safety, security, and environmental standards.

The NRC also has been expecting several new applications for in situ recovery (ISR) facilities – a type of uranium recovery and processing. In hopes of minimizing redundancies in the review process, the NRC has prepared a Generic Environmental Impact Statement (GEIS) to serve as a starting point for the site-specific environmental review of license applications for new facilities. By addressing common environmental issues associated with ISR facilities, the GEIS keeps the staff from having to reinvent the wheel on every application and helps ensure that the agency's resources stay focused on conducting comprehensive, thorough site-specific reviews.

As my remarks today suggest, the renewed interest in nuclear power has led to a lot of changes at the NRC in recent years. But we should never forget that the focus of the NRC must remain on its core mission – ensuring that the existing facilities are operating in a manner that is safe, secure, and adequately protective of the environment. That means heading off potential issues as well as making sure we follow through on long-standing initiatives. I'll share a couple examples from the environmental area to illustrate each point.

In recent years, the NRC has discovered several instances of leaks in buried pipes that have revealed elevated levels of tritium. The leaks have not resulted in offsite releases to the environment beyond the regulatory limits or exposure to the public, nor have they interfered with safety functions. The NRC staff, however, continues to review how plants dealing with these leaks are using monitoring programs to ensure that there are not any significant health, safety, or environmental effects. In addition to the staff's ongoing incident-specific efforts, I also tasked the staff last year to review the NRC's general approach for overseeing buried pipes to make sure that the industry remains pro-active on this issue. Although the staff believes that our current regulatory efforts are adequate, the agency will remain focused on this issue to ensure that leaks don't create significant problems in the future at aging facilities. Toward that end, the agency is participating on a buried piping task force – organized by NACE International, formerly the National Association of Corrosion Engineers – to evaluate the need for specific corrosion protection standards that could be implemented at nuclear power plant facilities.

Our environmental work begins with the licensing review. It continues with the type of oversight and monitoring programs that I just discussed. But it doesn't end until a site is decommissioned decades later. Following through on our commitment to ensure that sites are appropriately decommissioned so that future communities are not unnecessarily limited in the future use of these locations is a key part of our environmental mission. It is also important in maintaining public confidence in the NRC. Cleaning these sites and returning them to public use should be accomplished efficiently and effectively.

The decommissioning process at some licensee sites, however, has been delayed due to the failure of having adequate cleanup funds even though there are no insurmountable technical challenges standing in the way of cleanup. In light of this, I believe that the NRC should require more detailed reporting by licensees and place tighter NRC control over certain financial instruments that are set aside to cover eventual decommissioning costs. I recognize, however, that in some instances waste disposal options may not be available due to lack of disposal sites; therefore, it may not be possible to fully clean up and return decommissioning sites to green fields. This is not acceptable to many of the communities where these facilities exist. Developing alternatives to deal with this challenge will take a concerted effort to communicate and listen to the public in communities around the nation.

I hope my remarks today have given you confidence that the NRC always strives to be a firm, decisive, and effective regulator – one that stays focused on its core mission of maintaining the safety of the existing fleet while ensuring that it is always prepared to meet new issues and challenges. That has been my focus during my time on the Commission, and will continue to be throughout my tenure as Chairman.

Thank you.