

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

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ALL HANDS MEETING

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THURSDAY

SEPTEMBER 15, 2014

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ROCKVILLE, MARYLAND

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The All Employees Meeting commenced at 1:30 p.m., in the Marriott Bethesda North Hotel and Conference Center, 5701 Marinelli Road, Rockville, Maryland.

NRC COMMISSIONERS:

ALLISON M. MACFARLANE, Chairman

WILLIAM C. OSTENDORFF, Commissioner

KRISTINE L. SVINICKI, Commissioner

P R O C E E D I N G S

1:33 p.m.

MR. SATORIUS: Good afternoon. If everybody could kind of move on in. Plenty of seats right up here in the front. Those of you that are kind of hanging in the back, why don't you come on down up front here or find a seat, please, so that we can get started? We're a few minutes into our appointed time.

I'm Mark Satorius. I'm the Executive Director for Operations. And it was good to take a few minutes to roam up and down the aisles and reacquaint myself with some familiar faces and some that I wish were more familiar, but I don't get out and around as much as I used to.

But welcome, everybody, to today's annual meeting. This meeting is public between the staff and the Commission. The way it's going to work, I'll just -- if everybody would make sure your phones are off so we don't get any interruptions as we go through the meeting. I'll be introducing the Chairman here in just a second. I think she's going to provide some comments from her seat, and then her colleagues will provide comments, as well, from the seats up here on the platform.

The way it's going to work is there should be cards on all the seats. And if you need cards, more

cards, there's people walking up and down that will collect any questions that you have after the Chairman and her colleagues have had a chance to address the staff. They'll just move right into questions at that point in time.

So I'm going to introduce the Chairman and have a seat in the audience. So if you would all welcome Chairman MACFARLANE here, the Chairman of the NRC for about two years and three months. Chairman.

CHAIRMAN MACFARLANE: Good afternoon. How is everybody today? I read this is the best week of weather of the year, so I hope you go outside at lunchtime and soak up some of those rays.

So it's great to see so many of you here in the audience, and there are lots of empty seats on this side if you guys want to fill in over there. So I'd like to welcome our staff, all of you here from headquarters. I'd also like to welcome our regional staff and staff at all the sites where we have resident inspectors and the TTC, who are joining us this afternoon.

So let me first start by extending my deepest thanks to all of you for all your hard work in every aspect of our mission. I get to meet a number of you when you come to my office for briefings, and I recognize that each briefing that you do for me takes a substantial part of your time. And I just want you

to know that I appreciate that very much, and I appreciate all your efforts. And I enjoy hearing from you. I enjoy our debates when we get a chance to discuss.

So, you know, after being here for now over two years, I have to say that I think the NRC's talented staff is our greatest resource. It's our greatest strength. And I think my colleagues and I continue to be impressed with the expertise and professionalism you all bring to your work. So thank you for all of that.

And speaking of my colleagues, let me thank Commissioner Svinicki and Commissioner Ostendorff for their work and their support of our mission and for our collaboration on many issues. And I think all three of us also gratefully acknowledge the contributions of Commissioners Apostolakis and Magwood.

So this was yet another busy year. I think I arrived at the NRC just at the right time. There's lots to do, and it's all really interesting. So I guess that's the norm around here, or at least it is now.

So I think we've had a number of important accomplishments over the past year. So let me take a few minutes and reflect on some of those accomplishments. I'll start by highlighting some numbers from this year's Information Digest -- thank you, Eliot and your staff -- that I found particularly

impressive.

The work that I'm going to highlight, this is work that makes up the bread and butter of our agency. And so in the last fiscal year, there were an average of 6,600 inspection hours per plant. We had oversight of 2,900 materials licenses and coordination on agreement states with an additional 21,000 licenses.

There were 16,000 thousand hours of ensuring that security is appropriate at power plants and fuel fabrication facilities in terms of inspections and force-on-force activities. There were 600 allegations investigations. There were 1,115 public meetings and 18 new International Research Agreements.

So these are just a few, a very few examples of your work throughout the year. And in addition to our day-to-day work, we've tackled and continue to address some specific issues. So let me talk about those for a second.

Let me first acknowledge the Waste Confidence Directorate and everyone who worked to complete the continued storage rule and generic environmental impact statement. I think this was a substantial achievement. We truly appreciate all of your hard work to complete this effort. Even with the federal shutdown, you completed it in two years. I think that's very well done, so congratulations.

We also continue to make significant progress in our post-Fukushima work, and I know many of you are well aware of that. We're continuing to work to comply with the DC Circuit Court's direction to resume our Yucca Mountain licensing work. We're continuing construction oversight at Watts Bar 2, Vogtle, and Summer plants. And we're now overseeing decommissioning at SONGS, Kewaunee, Crystal River, and soon-to-be Vermont Yankee.

We're continuing to work closely with our agreement state partners on a variety of issues, including radioactive source security. Last month, we announced that we were taking the State of Georgia off probation, which is a substantial accomplishment for the state and for our staff who assisted them.

I'd also like to thank you for your strength and efforts to demonstrate that we've placed a lot of value on external input from the public, from industry, government, non-governmental organizations, and international counterparts. I note that a range of improvements occurred in this area, from the staff's commitment to communicate in plain language -- always appreciated by me, personally -- and to the EDO convening a communications team charged with enhancing the effectiveness of public meetings. I think these perspectives are critical to the quality of our

regulations and oversight, and effective engagement builds the public confidence in our important work.

Closer to home, I'd also like to recognize the Two White Flint prospectus team whose tireless efforts have resulted in us being able to continue consolidating our headquarters staff into one campus. That's the goal: one campus. We look forward to Research's return to the White Flint campus in March 2015, and then we will be complete again.

In addition, we opened and then, of course, re-opened our new state-of-the-art Emergency Operations Center, and we've kept up the pace of emergency exercises and other important training events there.

So now let me turn to the future. We've done a lot during the year. I think that's quite a list, and it's, by no means, comprehensive. But in the coming months we anticipate we'll have to continue a number of activities that I just mentioned, and we'll have more on our plate. But I think you're all aware that the NRC is now facing a different future than we imagined ten years ago, and we now know the future doesn't always materialize exactly the way we predicted. So we have to be ready for whatever lies ahead.

As a regulator, the NRC doesn't make energy or economic policy decisions. We ensure the facilities

are safe and secure. For this reason, we need to remain agile and able to adapt when external policy or economic conditions change and impact the way we work or the industry had previously forecasted. Through its direction on Project Aim, the Commission has emphasized the importance of preparing our agency to handle any number of futures and to enhance our ability to plan and execute not only effectively, but also efficiently in a dynamic environment. So we've directed the staff to anticipate a variety of scenarios, a variety of futures, and determine how to respond accordingly with appropriate resource levels and skill sets.

And this effort, I think you're all aware, is underway. We had Mike Weber, who is leading Project Aim, greeting you all as you walked in. For those of you who didn't get that opportunity, that's what happened. And so we've directed -- this effort is now underway, and we're looking forward to the results. The Commission is going to get a briefing on this this week. Tomorrow? Yes, okay. This is a very busy week.

Your involvement in input in this process in Project Aim will be critical to the project's success. So I thank all of you who are participating in focus groups and other activities. While the staff undertakes this project, the agency is already taking steps to identify and improve efficiencies. For

example, in the next few weeks, I think you're all aware that FSME and NMSS will merge back into one office. The Commission believes this merger will be a positive change for the agency. It will enable the staff to more effectively organize and oversee materials and waste activities, and I think it will improve our manager-to-staff ratio.

So that's a bit about the future. And also I think we're going to be celebrating in the next couple of months the NRC's 40th anniversary. For the past four decades, we've effectively and independently overseen the safe and secure operation of civilian nuclear facilities in the United States. Our strength is in our independence, and I think we should all take pride in that. And throughout that time we've continued to reinvent ourselves, to build on our past successes, learn from past challenges, and continually strengthen our programs.

Each of these changes that we've experienced has contributed to what the agency is today. It's a continual process. But I think it's important to emphasize this today as we reflect on what the future holds in the next five years and beyond. It may feel a bit uncertain, but we hope that the effort will result in an NRC that's strong, effective, and flexible for many years to come. That's what we're going through.

So I thought I'd take this time and this opportunity to share with you some of my own priorities as Chairman for the years ahead. So I have I think about eight priorities that I just want to highlight, and then I'll turn it over to my colleagues.

So number one: obviously, the first and foremost should be continuing to perform our important safety and security missions. That's the top of the list, as ever.

Number two: my colleagues and I look forward to welcoming two new commissioners. You're all aware of that. I remain committed to continuing to foster a collegial and collaborative relationship with each of my colleagues, so I think you'll see the Commission continue to operate in such a manner.

Number three: I believe we also need to look at whether the NRC's decommissioning regulations remain appropriate. I think you've heard some discussion about that in the Commission.

Number four: we need to remain committed to public engagement and a strong internal and external communication focus. I believe the staff's efforts on the Continued Storage rulemaking set the stage for how the NRC should endeavor to conduct future high-profile rulemakings. You guys did a great job there. I know that all of you take pride in working for the NRC and

believe strongly in our mission, so I'd like to ask something of you. I think it's important that, in all of our engagement, whether it's with licensees, with members of Congress or other government agencies, the public, international partners, that we represent our agency and our mission well. In particular, we have an important role to play in ensuring that everyone understands what the NRC does.

All right. Number five: I'd also like to stress the importance of continuing the momentum on our post-Fukushima activities. This is no time to rest on our laurels. We've made steady progress and have already accomplished a great deal, but I think it's important that we and the industry remain committed to addressing the remaining tasks.

Number six: further, as I indicated last year, I think it's important that we ensure that we're cultivating a diverse group of future agency leaders and also that we work to continue to support a healthy work-life balance, something I know about quite personally.

Number seven: I also want to emphasize the importance of continuing to cultivate a work environment where staff and management alike feel free to express their views openly. I believe our non-concurrence and differing professional opinion

processes have great value, and I continue to encourage the staff to take advantage of these programs. As many of you know, I've tasked the EDO and OCHCO with identifying ways to make these tools more effective and encourage the staff to use them without fear of reprisal. In this context, I have also directed staff to describe how agency senior managers, managers, supervisors, and team leaders are held accountable for sustaining a positive work climate and safety culture. Enhancements to this process will be put in place for the upcoming fiscal year.

And number eight, finally: we should continue to strengthen our cooperation with international partners and cultivate and maintain effective working relationships with colleagues across the U.S. government. This is a great agency with an essential mission. It's important that peers, both inside and outside of our government, understand who we are and what we do.

So let me conclude. I'm proud of each of you, each and every one of you. And I'm proud of our agency. I'm grateful to have had the opportunity to meet and work with more of you during the past year, and I look forward in the next year, in the next years to meeting more of you and working with more of you.

I have full confidence that our agency can tackle

effectively all the tasks that are on our plate.

I think this meeting is an opportunity for you to tell us what's on your mind, and I encourage you to do so. We're committed to being as responsive as possible, so if there's something that we don't know when you ask us a question I'll either ask one of the many senior managers in the front rows here to answer or we'll find that answer for you.

And I'd also like to encourage all of you to take advantage of the open-door policies that we and many senior NRC managers maintain. You should feel free to come to talk to us any time, not just today.

So that's where I'm going to stop, and I'm going to turn it over to my colleagues. First, I'll turn it over to Commissioner Svinicki.

COMMISSIONER SVINICKI: Thank you, Chairman Macfarlane. Is this right in front of my face? I think it probably is. Maybe I should -- I'm not as tall as other people. Is that better? It might be when they go to the close-up.

There's people standing in the back, and I think it's not fun to stand, unless there are people who are supposed to be standing because they're going to collect the comment cards. But, please, I do encourage, if any of the people on the right-hand side in the back want to come up here. There's chairs in the

front, and there's reserved chairs really close to the front, which I think if this were a Hollywood awards program, at this point in the program we would un-reserve those chairs and we would have seat-fillers come up so that the front rows didn't look empty like they did.

But it is a really good turnout, and I'm very encouraged by that because it's been a little bit sporadic in recent years. I don't think we're doing any crowd shots for the regions, but there's really a good turnout in the room. So I want to thank those of you who traveled here to be in the auditorium because when you're up on stage it's helpful, even though you know people are tuning in, it's nice to have a good crowd in the room.

I don't have too much in terms of prepared remarks that I wanted to make. The Chairman has covered a lot of the terrain. There have been some really hard efforts put in by a lot of you this year, both on the initiatives that she mentioned and a number of them that she didn't.

And I will just say that, as I keep adding to my data points here of years at NRC, I've observed that not every year at NRC takes as much out of you as every other year. But I think some years here, those of you have to put in extraordinary efforts. And I

think we need to be, frankly, careful, as a Commission, because people can pour on that extra effort when it's called for and they can rally around that. But some of you have heard me complain about this: we have to do more with less. I really am not a big believer in that. I think that you can ask too much of people, and there is a point at which we need to acknowledge. And there might be some things that aren't adding a lot of value that we could think about maybe not doing or doing more efficiently, and that's a lot of what our lessons learned and Lean Six Sigma efforts are about in this agency.

So some of you have put in some, I'll call them extraordinary efforts this year, and I do join in thanking you for that. I also want to commend both of my Commission colleagues here on the dias with me. You know, what draws attention is the occasional differences in policy viewpoints that we have, but I'll join what Chairman Macfarlane said, that there is very much a collective spirit, and it was shared by the two members of the Commission who departed the Commission this year, to support you in your work at the end of the day. Now, we may have a different view of how we go about doing that, but there's definitely a collective drive here to support each one of you in the agency in the work you do. So I think what's amazing and doesn't

get talked about is the unanimity on the Commission on so many matters that come before us for decision.

The other thing that I was reflecting on between last year's meeting and this year's meeting is that we continue to see the departures of some very key senior leaders, of some folks that may not be managers but carry with them key expertise, really acknowledged agency efforts in various skill sets. And I think that that kind of went into the background for a while but is really in front of us again. And I think that's going to continue, that we're going to see, no matter how exquisite our agency's knowledge management efforts are, the truth is that these women and men take with them out the door the fact that they were involved in or they bore witness to some really, really significant agency activities and some historic events from our history. So I think, as we will continue to see that and maybe see that increase a bit in the coming years, and we'll lose another handful of key people, we need to, you know, redouble and renew our knowledge management efforts, look at mentoring relationships. And I know that we have initiatives going on in these areas, but it may be an appropriate time really to just renew our personal and collective commitment to those kinds of activities and, as Chairman Macfarlane said, really be feeding that pipeline for the agency's future leaders of tomorrow and

those people who are going to take their places at the table.

So with that, I will yield back. Thank you.

CHAIRMAN MACFARLANE: All right. Commissioner Ostendorff?

COMMISSIONER OSTENDORFF: For those of you who may not recognize, Commissioner Svinicki was playing magician behind her back, as the NRC logo fell down towards completion.

COMMISSIONER SVINICKI: That seems very ominous. You know, I'm very superstitious. I've admitted that many times. I know it's very unscientific, but I'm going to have to be a little weirded out by that.

COMMISSIONER OSTENDORFF: You should be. It was actually situational awareness. I was watching Mike and Jody and Darren kind of pop their heads up.

It's really a pleasure to see so many people here. I agree with Commissioner Svinicki and the Chairman that the turnout is always of interest to the commissioners, and we're very gratified to see your interest and your engagement.

I have some very brief remarks I'll make. I want to first start off by thanking Chairman Allison Macfarlane for her stewardship and leadership of this

agency. I also want to thank Commissioner Svinicki and the Chairman for their collegiality and ongoing relationship with me personally and professionally. I think that the discussions we have, as commissioners, with each other are rich, robust, not always in agreement but always helpful in helping us to get to what we believe to be the right decisions. And I've said this before, but I'll say it again: this Commission is functioning the way it should be.

The Chairman has very capably gone through the accomplishments of you, the NRC staff, both here and those in the regions and at TTC. I'll not recap those. But I add my congratulations to those the Chairman and Commissioner Svinicki for those very significant accomplishments.

I do want to comment specifically on one attribute that is so important to this agency, and that is the technical competence and professionalism of you, the staff. And I know that my colleagues to my right also value this very highly, and none of us take it for granted. But I think it's helpful also from time to time for commissioners to share with you data points that we have externally.

So I have two just from the last month. I spoke in Vancouver at the Pacific Basin Nuclear Conference the last week of August. A number of Pacific

Ocean-rimmed countries were there and universal accolades for the work that you, as the NRC staff, have accomplished. And this is from our international colleagues that the Chairman has been referring to.

Just last Friday, I was at the Hoover Institution at Stanford University in a small group of current and former Cabinet secretaries, folks from DOE, State, Department of Defense, looking at the future of nuclear energy. And time and again, those individuals who have significant experience in government were commenting on the professionalism, competence, and strong reputation of the NRC staff. You made me very proud to be hearing those accolades from people that are very knowledgeable and experienced in government.

One comment the Chairman made that I wanted to add my voice to, and that is the importance of us, as an agency, not being afraid to tell others how we regulate, what we're doing, and why. And I think this is important. From time to time, as commissioners, we see examples of where perhaps what we are doing towards our mission is not easily understood by people external to us. And so if it's another interagency group, if it's a state group, if it's public citizens, please do not be bashful, as I know you will not be, in saying here's what our mission is and here's how we go about it.

The Chairman also mentioned the open-door policy. I welcome the chance to have people come by and chat. I've had a few more people this past year than the year before come by. I was pleased to see that. But there's still more room in the schedule. I would appreciate the opportunity. Please let us know. Linda Herr is very easy to reach and can schedule a meeting on very short notice.

My last comment on which I'll close is something that I share in common with you and with my two colleagues on my right, and that is we are all committed to public service. So in 38 and a half years now or so since I graduated from the Naval Academy, of those 38 years, I spent 26 in the military, a couple of years in the private sector, but 10 years working in the federal government between Congress, the Department of Energy, and the NRC. And I'll tell you that that public service mission that I have, that my colleagues here to my right have, and that you have makes me want to come to work every day. And I know and the thing that I think is really neat to think about is I know it makes you want to come to work every day.

It's an honor and privilege to work alongside you. Thank you for your service.

CHAIRMAN MACFARLANE: Great. Thank you. All right. This is over to you all. So I think you all

have yellow cards on your seats. If you've got questions, write your question down. Pass it to the end of the aisle, and there are people collecting them coming down the aisles right now. And then we can get some questions going.

PARTICIPANT: With the merger of FSME and NMSS having been announced, are there plans to merge NRO and NRR?

CHAIRMAN MACFARLANE: I like the sounds in the audience. Right now, I have no announcements to make. Again, you know, you all know that we are in the process of doing a five-year lookout at the agency, and we will see what we discover at the end of that process. So, you know, stay tuned. We'll see. No commitments to anything right now.

PARTICIPANT: I applaud the Aim 2020 project, but I am interested in what the agency is doing to address staffing shortages now. I have routinely covered up to ten operating reactor sites for weeks at a time as a project manager this summer and expect to continue to do so through the rest of the year. This is an unworkable situation. I am set up for failure.

For example, it is impossible to have detailed knowledge of so many plants to fulfill my Incident Response Function as a project manager for any particular plant during an event. I've had multiple

crises. For example, exigent amendment requests, a notice of enforcement discretion, and verbal relief occur at the same time this year.

CHAIRMAN MACFARLANE: That doesn't sound good.

COMMISSIONER OSTENDORFF: I'll just add a couple of thoughts there. I think it's important that we hear this. I'm glad the question or the comment or concern was raised in this public forum. Certainly, the situation that you have addressed in the question is one that would concern any of us as commissioners or our senior staff. And I would just comment that I think it's important for the organization chain of command to be aware of this and to take this concern seriously and to get into the facts -- the devil is in the details -- on any of these issues. And this certainly sounds like this merits a thoughtful reply by our front-row leadership here.

CHAIRMAN MACFARLANE: Yes. I see Mike Johnson taking notes. Yes? He's nodding yes. So duly noted. Thank you for bringing it up.

PARTICIPANT: During the hearings in Congress for the new commissioners, there was a strong push by several senators to reduce the number of employees in the NRC. What are the Commission's views about reducing our staffing level, and is a reduction

imminent?

CHAIRMAN MACFARLANE: No, a reduction is not imminent. Let me put that out there front and center. You know, in the future, we'll see. I don't think we're looking at any RIFs any time soon, nothing like that. But I think we need to look at our staffing levels in different areas, and that's what Project Aim is doing. We're trying to, again, look at a variety of situations that may occur in the future and just make sure that we're prepared for that and we have the appropriate skill sets in the right places to address that.

So I appreciate the question, and I appreciate the concern. We do have a lot of work on our plate, contrary to the views of some in Congress. It's not just the reactors that, the number of reactors that we oversee, but it's also the Fukushima lessons-learned work has been enormous, waste confidence, Yucca Mountain. You know, the list is long. We have reactors under construction. We have reactors decommissioning. We're stretched in many ways, and we have to make sure that we address those issues as well as we possibly can.

PARTICIPANT: Is there a time line for NRC adopting or implementing the phased retirement program that becomes effective on November 6th for Federal

workers?

CHAIRMAN MACFARLANE: That one I'm going to turn over to Jody.

MR. HUDSON: As you may know, the regulations were issued fairly recently with regard to phased retirement, and we are now working at identifying exactly how we're going to operationalize that here within NRC. Different offices or, rather, different agencies are on a slightly different time line. But now that we do have the implementing regulations available, it's now a matter of trying to operationalize that.

We're in the course of planning out the time line for doing that. We don't have a specific time line to announce right now, but we are beginning to look at that and start the planning.

CHAIRMAN MACFARLANE: Thanks. Thanks, Jody.

PARTICIPANT: How might the Commission change how it provides direction to the staff to elicit better information and a range of viewpoints while also decreasing the risk of retaliation to staff?

CHAIRMAN MACFARLANE: Sorry. Can you repeat that one again?

PARTICIPANT: How might the Commission change how it provides direction to the staff to elicit better information and a range of viewpoints while also

decreasing the risk of retaliation to staff?

CHAIRMAN MACFARLANE: Well, I'm not sure I want to presume exactly where they're looking for direction. I assume it's direction in SRMs, and we try, we have been trying to be as clear as possible in our direction to staff in the SRMs that we put out there. And I'm open to feedback and ideas on how to improve that. I'm sure my colleagues might want to weigh in on this, too.

COMMISSIONER SVINICKI: I'm not sure I understand the question. It seemed to also be about the differing professional opinion and non-concurrence processes. I think the Commission has set a pretty consistent tone that any form of reprisal will not be tolerated.

COMMISSIONER OSTENDORFF: I would add I think the Commission offices do a very credible job of carefully assessing the clarity of the direction provided back to the staff in an SRM. On our staff, we have some very experienced NRC staff career folks who have a lot of experience in, whether it be materials, security, reactors, in the legal arena. And I know that every office has taken a lot of time to ensure that what is said in the SRM makes sense. And at times, we have staff commenting on the SRMs to help us ensure that there's a give and take.

And so I would hope there's not a big problem in this area, but I think that there are opportunities to seek clarification if it does not already exist.

PARTICIPANT: Yes, I have a question. Actually, it's a follow-up from a question I asked last year related to pay and retention of staff. My question last year related to the fact that we have a lot of pay compression between people who have been here three years compared to people who have been here for 30 years, SES. And the question related to exploration of, like, other similar agencies, like the Securities and Exchange Commission, FDIC, and others who have flexibility like the NRC does to change both pay scales, benefits, retirement calculation factors, things like that. And I wonder if there's been any thought to that in the Commission over the last year.

CHAIRMAN MACFARLANE: Not at the Commission level, but I might invite Darren to come up and address it. No? Jody? No. Okay. There's no change in policies. So thank you.

PARTICIPANT: What is the status of the expansion of the building 2 gym?

CHAIRMAN MACFARLANE: That's a very good question. The building 2 gym, the status of the extension on it. I know there have been discussions

ever since I arrived at the agency about, oh, it was going to expand into the space where the credit union is, and I don't know what the status of that is. Does anybody in the front row there know? Yes? Go ahead, Darren. We gym users, we're interested.

MR. ASH: The short answer is it is on track to be expanded this winter, I think by December - January. January.

CHAIRMAN MACFARLANE: Excellent. All right. I hope that's good news.

PARTICIPANT: I understand that the Commission is considering establishing an ombudsman position in the OEDO for members of the public to contact when they have concerns. Will the Commission consider an ombudsman position for staff members to contact if they have concerns? If not, why?

CHAIRMAN MACFARLANE: Well, this is an important issue. You know, I have to say I have experience with an internal ombudsman. When I was at MIT, there was an internal ombudsman there, and that was a very successful position. It was somebody you could go to no matter how big or how small you were. And I think that that can help an agency, and I think that's something that we are open to entertaining at the Commission level. I think my colleagues might want to jump in on that one, too.

COMMISSIONER OSTENDORFF: Certainly. I have seen ombudsmen also operate in my time in the military and the Department of Energy and believe -- there's a two-part piece to this. The external function is the current intent of establishing this new position in the office of the EDO to provide a one-stop calling place to help sort out organizational issues so that people external to the agency can understand where best to go.

With respect to the internal, I think it's a very different story. There are needs, at times, for that. But we think the existing -- these are my personal views -- the existing organization within offices, divisions, branch chiefs, etcetera, as well as other assets within OCHCO and elsewhere provide ample opportunities under our current structure to answer those questions for internal staff.

COMMISSIONER SVINICKI: I would only add to that, speaking to the internal process, is that there are a number of different programs. While I acknowledge that maybe it's confusing to find your entre point, depending on what your concern is, it's been my observation that if you were to say go to SBCR and they were to think that maybe you should talk to your union representative, it's been my observation that people are pretty supportive and helpful to say that this maybe

isn't the venue for your concern. But I think these programs do collaborate quite a bit to make sure that employees are connected with the right resource.

So while I appreciate that you might make a kind of a false start, it's just been my experience in working with the various programs that I think they really do try to reorient you towards the right program. And of course, the benefit of having multiple types of targeted programs is that you can get the most direct and relevant expertise on whatever your concern is.

PARTICIPANT: What are the Commission's views on diversity and inclusion, and where do you see us heading in these areas in the future?

CHAIRMAN MACFARLANE: I think I'll let everybody answer that separately. I think diversity and inclusion is exceptionally important. I mentioned that in my opening remarks. I continue to push for diversity at all levels, especially the senior manager level. And I will continue to do so. I think it strengthens any agency or any entity to have a diverse set of viewpoints. So I'm all supportive.

COMMISSIONER SVINICKI: I would add to Chairman MACFARLANE's answer by noting that our Commission meets in public session twice a year to focus on just this very topic, and we hear from a number of staff offices, and not just the program offices that

focus on this more exclusively. We hear from programmatic representatives and regional representatives about efforts across the agency, and I think that's a very, very visible demonstration of not just talking about it but demonstrating a strong agency focus on diversity and inclusion.

COMMISSIONER OSTENDORFF: I would also add that, in addition to the Commission meetings in public that Commission Svinicki referred to, all of us have, when our schedules have permitted, been very supportive of various advisory committees that exist in the agency. And I think those are important. It's a real positive attribute of the NRC, and I'd say this Commission could not be more committed to the aspects of diverse and inclusion.

PARTICIPANT: The reduction in administrative staff is hurting productivity. Senior engineers bill at \$275 per hour. How can it possibly be effective and efficient for senior personnel to perform the jobs of, for example, technical editors or secretaries? A stable and professional administrative staff is vital to our mission. However, each budget cycle results in a decrease in this valuable talent.

CHAIRMAN MACFARLANE: I appreciate that point of view, and I think you've got the senior management here listening very carefully to that. And

I know there have been bumps along the road with the TABS process and consolidating some of our areas, such as people who coordinate travel and that kind of thing. And I understand that one doesn't want to spend all of one's valuable time not working on your technical work but arranging travel for a trip, that kind of thing. So we do have to reach a balance there. So I'd say give us a little time to work that out.

You guys might want to comment on that.
Okay.

PARTICIPANT: Has there been any consideration to establishing a ratio for staff to administrative assistants, especially since some offices have a ratio of 30 to 1. What about a 10 to 1 staff to admin staff ratio, similar to that for management to staff?

CHAIRMAN MACFARLANE: Well, again, that question is exactly along the same lines. You know, we'll have to see what works, how we work things out. I don't know that a one-size-fit-all answer is what we need.

PARTICIPANT: What do you see as the relative advantages and disadvantages of the alternate approaches taken to evaluate the NRC's program in response to Three Mile Island and Fukushima?

CHAIRMAN MACFARLANE: Well, that sounds

like a thesis, like at least a master's thesis. But maybe Bill wants to jump in.

COMMISSIONER OSTENDORFF: I want to go back to July of 2011 when then the Executive Director for Operations, Bill Borchardt, was asked this question by myself at a Commission meeting as to what went well with Three Mile Island response by the NRC, what did not go so well? And I think Bill's caution but words of wisdom to us at that time were a lot of great things done after Three Mile Island that added safety value, a lot of things were done after Three Mile Island that did not add any value at all.

And that led to his advice to the Commission to ensure that we took a prioritized approach to looking at the Near-Term Task Force recommendations. Commissioner Svinicki and I were here in the summer of 2011, and we voted on that paper in the fall of 2011, SECY-11-0037.

But I think the prioritized approach, recognizing there's some things that really do add safety quickly, others less so, that that approach is probably one of the strengths of this agency's response to Fukushima. So I'll stop right there.

PARTICIPANT: Are there plans to enhance communications on consolidation? Was there any consideration for the poor morale created by poor

communications on the move into White Flint on floors eight and nine?

CHAIRMAN MACFARLANE: Thanks for the question. You know, I've heard there's been some issues about the restacking that's going on. This is not to do with the FSME/NMSS merger. This is to do with the restacking that we're doing to accommodate everybody on one campus.

First of all, let me be clear. It's very important that we all move to one campus, that we're all in one location. It will enhance our safety mission. It will make it easier for everybody to attend meetings with each other. It will enhance communication if we're all at the same place.

So that's the goal which will be achieved by next May. In the process, we are doing an amount of restacking, and that's to equalize space among the staff. And that's important, too, so I'm very supportive of that.

I realize that there, at the same time, have been some problems with this. And I think this will be another opportunity for us to learn, as managers, how to roll out one of these restackings, and we'll make sure that all communication going forward will be much better. But, you know, one expects some bumps along the road. But I think this is all a positive move.

PARTICIPANT: How are 240 research employees going to find parking in Two White Flint when they move back from Church Street?

CHAIRMAN MACFARLANE: Well, we're going to accommodate them as best we can. I understand that there are going to be 1,330 parking spaces between the three buildings once all is said and done. And there will be a prioritization of who gets parking first, but maybe Darren wants to add a little bit.

MR. ASH: The Chairman is correct that, as the folks from Research move down to the White Flint complex, there will be a further compression in terms of the number of parking spaces that are going to be available. We've also given up and will have given up a number of parking spaces in Three White Flint to FDA who, of course, is going to be moving in in the spring.

The basis for deciding who gets parking is grounded in our collective bargaining agreement with NTEU, and that will form the basis of who ultimately gets parking within the complex. We're going to continue to work with the offices, as well as NTEU, to make sure we communicate but communicate early and often in terms of those that are going to be impacted but also the process, as well. So a lot more to come over the coming months, but that is our commitment in terms of communications.

CHAIRMAN MACFARLANE: Great. Thanks,

Darren.

PARTICIPANT: Please describe what a culture of safety looks like in day-to-day activities at the NRC. Many employees believe that the NRC culture is more likely to be described as a culture of complacency or a culture of conformity.

CHAIRMAN MACFARLANE: Thanks for the question. I think a culture of safety is a culture of mutual respect, a culture of debate, a culture where you feel comfortable to put your views forward even if your views don't align with your colleagues or your senior managers. I always say to my staff, I encourage them to argue with me. If they think I'm wrong, please tell me. And I think it's actually kind of fun to argue about things and debate about things, and I think that's how we advance knowledge, and I think that's how we be as protective as we possibly can.

So I think we need to encourage that as much as possible. I was very serious in what I said about my remarks about the non-concurrence process and the differing opinion process, and we need to make sure that those processes are encouraged, that people feel comfortable to do that. You should feel comfortable to raise issues with your management, and I think that's what makes for a healthy safety culture.

I think my colleagues might want to

embellish a little more.

COMMISSIONER SVINICKI: Well, I agree with the Chairman. I also do the same. I encourage push back, and I think I've done that in staff briefings with some of you where I've said, "Well, this is the conclusion I draw. You know, challenge me on that and tell me why I'm wrong."

I respect the question and the feedback that the indication that some here might say it's a culture of complacency. I have to say I've been here a while, and I don't observe that as a broad theme. I really think that people bring their questioning attitude every day. But I respect that each of us here is having our individual experience, even though we're affiliated with the same organization. So I respect and appreciate the question, but that's not my experience at NRC.

COMMISSIONER OSTENDORFF: And I have to piggyback on those comments. It's not my experience either. Now, again, I never worked as NRC staff. I have had technical positions elsewhere. I've got one of my staff members, Amy Cubbage, who's been with the agency I believe for 25 years. Amy, is that right? And I think it's the longest NRC --

COMMISSIONER SVINICKI: I'm not sure, for the record, she appreciated that. Hey, we've got a lot

of diversity up here. We tipped the gender scales here, at least for a few weeks, didn't we, Allison?

CHAIRMAN MACFARLANE: That's right, yes. We got it here.

COMMISSIONER OSTENDORFF: Well, we just gave her her pen here two weeks ago, so that's kind of what was fresh on my mind. But I will tell you that I tremendously value the -- you really got me distracted here. No, I really value what my staff tells me about things, and they are pretty darn good at saying here's what's going on with the staff and here's the reality of what's happening at the deck plate level, if I can use that. I don't have that direct experience, but my team does, and so do the Chairman's and Commissioner Svinicki's staff. And so I'm not saying there might not be some pockets of complacency or conformity. I can't speak to that, but it's not been my overall impression of the agency. And, Amy, I apologize for the age marker there.

PARTICIPANT: When will the NRC be ready to implement phased retirement?

CHAIRMAN MACFARLANE: We just got that one, I think. And if I recall the answer from Jody, we're looking at it. Now that is a regulation, we're going to go forth and work it out. Every agency has their own schedule.

PARTICIPANT: In an open, transparent, and collaborative environment, why are some Project Aim 2020 meetings closed?

CHAIRMAN MACFARLANE: I think they're closed right now just for efficiency purposes to actually get this done, instead of having big open meetings. I don't know what the plans are, Mike, in terms of opening things up for broader comment. I think -- are you taking comments from folks? Yes. Do you want to come and say something real quick?

MR. WEBER: Thanks for the opportunity. It's great to see all of you today. Thanks so much for your participation in our project. We do have an online survey right now. So if you feel compelled, we need your input. If you have not participated in a focus group session, please participate. Even if you have, please participate and give us your comments. And you don't even need to go through the online survey, which is anonymous. You can come talk to any of the team members.

As we go forward, we expect that we will be sharing with the staff in some way, working through NTEU, with preliminary recommendations, so we continue to build on your input and we provide the best recommendations we can to the Commission. So that's the intent.

CHAIRMAN MACFARLANE: Great. Thanks.

PARTICIPANT: Industry thinks that a flex approach can mitigate flood hazards and has stated that the NRC continues to use overly conservative and unrealistic flood and storm estimates. What are your thoughts?

CHAIRMAN MACFARLANE: Well, I think this is a fairly detailed question. I can't speak to every flood and storm analysis, but I think the staff is doing a very good job in their analyses of flood hazards and looking at doing the overall flood hazard reevaluation. We're trying to be complete.

Interestingly enough, I was having a conversation this afternoon, or this morning actually. Kevin Crowley from the National Academy of Sciences, if you recall, just did a study on lessons learned from Fukushima, and one of their areas that they're really pushing on is being very, very complete with flood hazard re-analysis, other external hazards, tsunami, geomagnetic storms. They feel that we may have not gone far enough in some areas. So I think there's another point of view out there, and maybe you guys want to jump in on that.

COMMISSIONER OSTENDORFF: I just want to add that I think that we've all been, the Commission has been briefed repeatedly by our staff on the process and

the progress being made to look at the flood hazard evaluations and re-evaluations. And I think the staff is working very diligently in a professional manner, and it's proceeding as it should.

COMMISSIONER SVINICKI: To my mind, I react to it saying that this is not unknown territory for NRC. I think when we look at these very complex evaluations, we're going to have expert elicitation, expert judgment. We have to apply models to low probability events. This is the type of complexity that we've dealt with as an agency over and over again. There's always going to be a push and pull between experts, and I think what's manifesting here on seismic and flooding is really no different, and I think for NRC's experts, it's something very familiar to them.

PARTICIPANT: Does the Commission plan to bring the NRC meritorious and distinguished service awards and, if so, when?

CHAIRMAN MACFARLANE: It's not just the Commission meritorious and distinguished awards. I think these are -- yes, they're OPM. So it's not our decision so much as OPM's decision. And I think they are still doing them, but I don't think there's a monetary aspect to it. It's part of the whole belt-tightening going on in the entire government.

Jody, did I get it right? Do you want to

add to that?

MR. HUDSON: We just got the guidance from OPM just last week around awards, so we're still digesting the awards to figure out exactly what it means. But our first take is that it's going to be very similar to last year. But until we go through it and really interpret what the guidance says, we don't have anything formal to announce.

PARTICIPANT: Commissioner Svinicki, recently, at a Commission meeting on the New Reactor Business Line, you made a comment about the overall time that it takes to certify a design. Do you think that the process takes too long? Do you believe that the staff's scope of review is appropriate? How would you address the main driver of reviews: the quality of applications?

COMMISSIONER SVINICKI: I appreciate that someone was listening to me. I don't like easy labels like too long or too short. I actually think that does a disservice to the complexity of the work that we do here.

I was commending those involved in the new reactor business line for a cycle of continuous improvement in learning that they've taken on since beginning in earnest to apply Part 52, which was really a sea change in the way the United States licensed new

reactors. And I think we're reaching a stage, though, where it is time maybe to look at some of our early-on assumptions about how long reviews would take and just to true those up. And I didn't even take a position on that necessarily. I asked Glenn Tracy if he thought the metrics should be updated because I think we may be faced with a curious circumstance where we still assert it takes X number of months to complete a design certification review, and yet, in not a single case have we achieved that.

So I was exploring with the staff at the table what is the defensibility of an estimate when you've never achieved that particular estimate? And Glenn made a commitment, and he said he didn't need staff requirements memorandum direction to do this, it's already part of their psychology and what they're thinking about in NRO, again, and have since the early stages. They've already done some Lean Six Sigma. They've done very expansive lessons learned reviews on the Part 52 process.

And, overall, what I was trying to kind of get out into public view and my commentary in that meeting is the fact that we have this under pretty continuous evaluation. And when inevitable criticisms might come in, we're already looking at, you know, how have the first few gone. I think, though, that my

specific point about the metrics just bears looking at because you really can't defend something if not a single data point came in at that metric.

PARTICIPANT: Does the agency plan to replace its paper-based concurrence process with an electronic process more suitable for a 21st century organization?

CHAIRMAN MACFARLANE: Good question. I haven't heard discussion about it, but it's something that we could consider. I've been on Darren's case to reduce paper usage and ink usage and turn off lights and save electricity. You know, I think that helps us, as an agency, save money and helps the environment, too. So we'll take that under consideration.

PARTICIPANT: With campus consolidation and restacking and parking compression, will increased telework be encouraged?

CHAIRMAN MACFARLANE: Again, at the moment, I don't know that that's what we're going to talk about. That's not on the plate. But maybe in discussions with looking at Project Aim and looking forward, we may take that under consideration.

PARTICIPANT: The Chairman mentioned the NRC's 40th anniversary. Are there plans for a large celebration similar to the 35th anniversary with knowledge management fair and celebration?

CHAIRMAN MACFARLANE: Well, I wasn't here for the 35th anniversary, but you were.

COMMISSIONER SVINICKI: I was. But that was a little bit like being reminded that you've got 25 years with NRC, right? Don't feel bad, Amy. Twenty-five next year for me, so that's why it cut a little deep when he did that to you.

CHAIRMAN MACFARLANE: There are plans for a celebration definitely in the works. So you'll hear more about that in coming months. You know, you have to have an excuse to have a party, right? And this is a good one.

COMMISSIONER SVINICKI: You know, what was really, I thought, a wonderful kind of sentimental moment of the 35th was having employees that have been here since the establishment of NRC. I know we honored them in the program, and that's something that sticks out in my mind that was very meaningful. Actually, in the agency's weekly information report, I may read some of the sections rather quickly, but I always look at the departures and arrivals because I think it's really interesting and also read agency announcements about people leaving here with, you know, over 40 years of federal service and things like that.

It's much like the Chairman's discussion about a commitment to public service. It is a special

thing, and I think it's something we want to honor in each other's service. So depending on the celebration, I would advocate that we acknowledge, I think we called them the plank holders, but I think that would be fun to do again.

COMMISSIONER OSTENDORFF: I take your response as validation of my prior recognition of Amy Cabbage's service.

COMMISSIONER SVINICKI: You just didn't have to give the number, okay? That's the part that you didn't need to do. You could have said she's an esteemed expert with long experience with NRC.

CHAIRMAN MACFARLANE: Double digits.

COMMISSIONER SVINICKI: Well, even that you didn't . . .

PARTICIPANT: Other countries are currently expanding their nuclear power programs. And, consequently, U.S. leadership is waning. What is the Commission's view on expanding U.S. participation in international activities to promote safety, such as safety standards?

CHAIRMAN MACFARLANE: Well, we do a fair amount of work internationally, and I think it's very valuable work. I take it very seriously. I enjoy interacting with my international counterparts. Next week, I will spend the week, entire week, in Vienna,

Austria at the General Conference of the International Atomic Energy Agency. And a number of folks from the agency will be there too, interacting with our international counterparts.

And we all interact. There are a variety of ways we interact. You might be aware we have a number of assistance programs for countries that don't have nuclear power but do have radioactive sources. We help them with source security and a number of other issues. We work with countries that are developing nuclear power programs or have small nuclear power programs and need our assistance, but we also have a number of cooperative programs where a member of the Multi-National Design Evaluation Project -- Program, Project? I can never figure out that "P." And, in fact, I chair it, and that's an area where opportunity for us to interact with our international counterparts looking at new reactor builds, and that's quite an active group.

There are a number of other areas where we interact. I know my colleagues and I travel a fair bit to other countries and go to conferences and other types of interactions. We have bilateral meetings on a variety of issues. So we take that work very seriously, and we do a fair amount of it.

COMMISSIONER SVINICKI: I would just add that -- it sounds like I do nothing but read weekly

reports, but the Office of International Programs weekly will delineate for the Commission all of the NRC's technical experts and staff who attend and present at conferences and represent the agency. And then there's also an annual information paper that is prepared that talks about the agency's technical involvement in all kinds of standard-setting committees, international groups, and it's really an extensive body of engagement that this agency has. As a matter of fact, as many times as I've read that annual compilation, I never fail to be a little overwhelmed with how much engagement we have.

And some of these are committees or subcommittees that have a very narrow scope, so it's both broad and deep, I think, NRC's engagement internationally. And I would take exception to the part of the question that says that the U.S. influence is waning. I don't agree with that.

COMMISSIONER OSTENDORFF: I don't agree either. At the Pacific Basin conference I mentioned a couple of weeks ago, a significant reliance upon the NRC's standards in new construction activities around the world. Last week, we met with the Vice Chairman of India's Atomic Energy Regulatory Board, NRC equivalent, robust discussions with them. And I think the engagement with staff across the board and also from the

Commission is extraordinarily robust.

PARTICIPANT: Appraisals are coming up. Is it possible to have a system like the 360 survey to get feedback from staff regarding their management?

CHAIRMAN MACFARLANE: Interesting. Well, at this point, no. I don't know if anybody wants to address that. Jody?

MR. HUDSON: We're not doing anything formal as far as 360s, incorporating that as a formal part of performance evaluation for supervisors. On the other hand, one thing that we did recently do was make 360s available for branch chiefs, so at least they get the information from their staff, from their peers, and from up above so they can get a better sense of how others perceive them and give them opportunities to continuously improve. No connection, though, to the performance management process.

CHAIRMAN MACFARLANE: Thanks.

PARTICIPANT: The Chairman's Task Memo of March 2014 asked the following, "In light of the Commission's policy directing that documentation of Category 3 meetings be generated and posted, I request that the staff develop guidance that addresses A) the expected quality and availability of meeting summaries of Category 3 public meetings; B) the criteria that staff will use to determine how a meeting will be

documented, transcribed, or recorded; and C) the ease with which meaningful documentation can be found. Please confirm for me that this guidance is in place by July 2014."

What was the result of this effort, and where can we find the guidance?

CHAIRMAN MACFARLANE: Where can you find the guidance? I will look to Mark to tell us. But the staff did get back to us on it, yes. Let me ask Mark to tell you where.

MR. SATORIUS: The Chairman's right. I'm not sure I know exactly where it is. But at my next EDO update, which I usually provide, oh every three or four weeks when we collect three or four pieces of information that we think are going to be useful to the staff. We did respond to the Chairman's request and completed those activities that were just described. So we'll figure out where it's at because I know it's publicly or at least it's available to the staff. I'll give you an ADAMS number or whatever it takes so that everybody will have an idea of what we got underway.

CHAIRMAN MACFARLANE: Yes, I think that will be very helpful because many of you are involved in those Category 3 meetings, and I think it would be helpful for you all to have an awareness of what we've come up with.

PARTICIPANT: Can you please address how the NRC will deal with sequestration in fiscal year 2016 and what preparations are being made for it?

CHAIRMAN MACFARLANE: That's a good question. I don't know that we're making direct preparations right now for sequestration in 2016, but we did do, we've been doing a lessons learned from the last sequestration. I think, to be honest with you, I was really impressed with the way you all handled not just the sequestration but the government shutdown. And, again, this is something that, you know, we've taken lessons from. But I think, you know, rest assured that we'll be prepared. We have a good staff helping us, good management helping us.

Did you want to say anything, Maureen? No? Yes? Okay. By the way, folks, this is Maureen Wylie, our new CFO.

MS. WYLIE: So the Office of the Inspector General has done a review of how we handled sequestration, and we've been involved in comments on the draft. We are going to include processes for how to handle sequestration in our update to the management directive associated with budget execution for both in the CFO's office where we will handle the art of determining the actual number and the EDO's office which will handle how we decide what business operations will

be included. So there's more work yet to come.

CHAIRMAN MACFARLANE: Great. Thank you.

PARTICIPANT: The New Government-Wide Inclusion Quotient metric was discussed at the recent Commission human capital meeting. The IQ at the NRC is now down nearly 10 percent since 2010. What is the action plan to reverse this trend?

CHAIRMAN MACFARLANE: Well, I think a number of different offices have developed action plans, ones that felt more affected than others. So I don't know that there's one specific action plan going forward. It's office by office and region by region.

PARTICIPANT: What is the Commission's plan or next steps for implementation of the Waste Confidence recommendations?

CHAIRMAN MACFARLANE: I don't know that we have to implement -- what's happening is the Waste -- it's not Waste Confidence anymore. It's Continued Storage, so that's the first -- the first step is to change the name and change it in everybody's brain to Continued Storage. It will be posted in the Federal Register in a week or so, around the 20th, and then there's 30 days for it to come into -- what's the word? Into effect. Thank you. And then that's the lay of the land. They may have to take things on a case-by-case basis.

PARTICIPANT: How do you reconcile the difference between an employee's unilateral rights to fully retire with the agency's authority to determine who and how many employees can use phased retirement? Might an employee leverage his or her right to get on the phased list?

CHAIRMAN MACFARLANE: Again, the phased retirement is something -- and now we know there's a lot of interest in the phased retirement program, so that's good. It's good feedback to get. But we are in the process of developing the implementation plan, and you'll be hearing more about it.

PARTICIPANT: With the problems encountered by the U.S. Patent Office regarding telework, how do you expect, how will this impact the NRC telework program and are we going to tighten up our rules for telework?

CHAIRMAN MACFARLANE: Well, I think we all have to be mindful of the experience of the Patent Office and what was going on there, and we have to make sure that our telework programs are providing folks who do effective and efficient work. And that will come down to good management and continuous review.

COMMISSIONER OSTENDORFF: If I can add, also, the Office of Inspector General under Hubert Bell has done an audit of telework here in the recent past.

So I think the audit process is on top of looking at the program.

PARTICIPANT: DPO and other processes are very important to foster a culture of open communication and bringing safety issues to adequate resolution or to any further actions. In this regard, what is the effectiveness of this process? How do we measure these programs?

CHAIRMAN MACFARLANE: Well, we're in the process of looking at that and trying to measure the effectiveness of these programs. It's essential that they exist, that there exists an opportunity to formally disagree with your colleagues on a technical issue. And so I applaud those who have taken advantage of the non-concurrence and DPO process, and we will continue to review it and ensure that there are no reprisals against folks who do take advantage of it.

PARTICIPANT: Although the NRC has a program for employee suggestions, it is hard to discover that this program even exists or how to use it. Why is this program not publicized and made easier to use?

CHAIRMAN MACFARLANE: Good question. I didn't know there was an opportunity for employee suggestions. It's an excellent idea, and we'll take that back.

PARTICIPANT: Do you think current

protections are adequate against insider threats, and did the recent sabotage event in Belgium change your thinking on this?

CHAIRMAN MACFARLANE: Insider threats at power plants? Was that what that -- well, you probably don't know what that means. You're just reading the question. You know, this is something, the security area is something that we're continually looking at and proving. I think we do have a good, solid security program, security regulations for power plants. But we continue to look at it and reconsider and account for new experience and new knowledge. Again, operating experience is what's really important for us, and if there's new operating experience out there we will take account of it. I don't know if you guys want to comment.

COMMISSIONER OSTENDORFF: I'll just comment that I think Jim Wiggins is up in the front row. He and his folks in NSIR are heavily focused in this area. They spend a lot of time looking at it. I think the processes and the procedures that NSIR uses in this area are very well defined and thorough. As far as any particular assessment of threat posture, we really can't get into that in this forum.

COMMISSIONER SVINICKI: I would just note that there is also a very routine and disciplined and structured look at events around the world, so this is

not something that catches us off guard. We have routine addition to the routine monitoring that the Chairman talked about. We have an annual look and a paper from the staff on threat assessment. So we also have a very regimented program for making certain that we're staying on top of these events.

CHAIRMAN MACFARLANE: Yes. Thanks, guys.

PARTICIPANT: Does the NRC have plans to convert NUDOCS legacy documents in microfiche format or electronic format?

CHAIRMAN MACFARLANE: That's a good question. Does anybody know the answer? Come on, Darren.

MR. ASH: The shorter answer is we're going to eventually have to convert the microfiche to electronic form. We do recognize that as a challenge. It's something that's incorporated as part of our information records management plan soon to be issued, which is meant to be a comprehensive strategy of how we look at electronic records but also how we disposition and make sure that it's accessible by our staff. So no definitive date, but it is clearly on our radar screen that we need to deal with.

CHAIRMAN MACFARLANE: Okay. Thank you.

PARTICIPANT: Years ago, the Commission commissioned the iron structure in front of Two White

Flint North Building. Today, it stands as an old rusting eyesore. Can the Commission please decommission it and replace it with something more aesthetically pleasing?

CHAIRMAN MACFARLANE: I'm curious now because I don't know what you're talking about, but I'll look at it. It's an arch thing? Yes, okay. I'll look at it. We'll take that. Thanks for the, you know, suggestion. Darren is going to say something. All right. He's got an answer for everything.

MR. ASH: We'll look at it. I think, I will double-check this, but I think that's probably part of GSA's public art program where they do assign -- we'll work with our partners at GSA to look into it. That's probably the best answer I can give.

PARTICIPANT: In light of the changing workload and the need to be adaptable and all of your comments about efficiency and effectiveness, what are we doing to address an out-of-date training and development process?

CHAIRMAN MACFARLANE: That's a very broad critique, which I think it would be helpful to have it more pointed. But we'll take it back. I don't know if there are any plans for addressing the training process. Mark or Jody? By God, between you and Darren, you've got everything covered.

MR. HUDSON: As a matter of fact, we've assembled a small team. They've been working now for just a few months looking at what we call training transformation. Basically, it's a complete re-look about how we do training and development to just ensure that we do maintain our very strong technical skills that we have here at the agency, which we are known for and that we feel is critically important to our success as an agency.

So some of the things that they are looking at are different forms of learning. Aside from just the standard computer-based learning and classroom-based learning, there would be more of a blended learning. Looking at a wide variety of things: incorporate social media as a way of connecting people to share knowledge with each other and a host of other things. And the team is still very much working on this, so we don't have a solid plan to lay out in front of you, other than to say that we're working on it, we have a lot of ideas that we're working on, and stay tuned because we will be sharing more information about what the world of training holds for us in the future here at NRC.

CHAIRMAN MACFARLANE: Great. Thank you.

PARTICIPANT: Earlier in her address, the Chairman acknowledged the work and efforts of the Waste Confident Directorate and staff. I would ask that the

Commission equally acknowledge the work and sacrifice of the other offices in the NRC and their employees, some of whom had to carry double or triple the workload due to the personnel lost to the Waste Confidence Directorate. Right now, many feel underappreciated and unrecognized for their contributions.

CHAIRMAN MACFARLANE: Well, thank you. I stand corrected. Thanks to all of you who made the Waste Confidence Directorate's work possible. Again, I think all of you deserve a great thanks from us on the Commission for all the hard work you do. We know that you're very dedicated to your jobs, and we appreciate it very much.

PARTICIPANT: Would you please expand on your comments regarding decommissioning rule planning, including the major goals of the rulemaking? What goals do you see for emergency preparedness, security, and fuel storage?

CHAIRMAN MACFARLANE: I'm not going to go into great detail. I think, in general, though, right now we have a situation where plants are decommissioning, but they're being regulated under their operating licenses. And things change when you de-fuel a reactor. Do you really need all the guards to be running around the now de-fueled reactor? You need to think about that, and we need to think about that

as an agency.

I know it's easier to go on and address other issues, but I think, at some point in time, we really need to just tackle this issue and have regulations that deal specifically with decommissioning plants. That's my view. My colleagues may have different views.

COMMISSIONER SVINICKI: I would note that the Commission has asked the staff to come back with a recommendation on the need for specific rulemaking in this area. I've stated, at least in one vote, that I look forward to forming a view when I've received that input and recommendation about the pluses and minuses.

There's a couple of things that will be important to me to hear what the staff thinks. The first is that I think it could be a very complex type of rule to write because I visited decommissioning reactors at all different phases of their decommissioning. Well, maybe I'm making it more complex than it is, and I sometimes over-think things, so I admit that. But to write something directly responsive to the hazard at each phase, I think it would be very difficult to structure our rules in that way. And I do think that it's not just that we've resisted doing rulemaking on this. I think that's why we have the exemption process we have now because we can receive

requests for relief, and we can look at the hazard as it exists, and then we can make our independent safety determination as to whether or not relief of certain regulations is appropriate.

So I think that getting something that could be graduated or escalated as the hazard is diminished over the years, I just think that that will be a little more complex to write than it might appear at first blush. So I think that's been a reason why we've not tackled this maybe vigorously in the past.

I think the other thought process, as a practical matter, as we've heard in any number of your questions, that there is some difficulty right now in having all the requisite skill sets that we need for all the high-priority agency work. The staff has input to the Commission that it may not be possible to complete a rulemaking on this topic at the time at which we would be dealing with a very heavy workload. So I've characterized it in past Commission meetings as do you keep running very fast on the treadmill to do the work in front of you now, or do you try to divert some resources to say if we could have this type of rule in place for the future -- you know, it's difficult to kind of divert the staff resources to do the rulemaking at the same time that those critical skill sets are needed to look at the decommissionings ongoing.

So these are the kind of very, very pragmatic choices. And, often, you don't have great alternatives in front of you. But the leadership team here and the Commission, we confront this, and we do our best in terms of priority-setting and allocating critical skill sets across the Agency's work.

PARTICIPANT: There appears to be waning momentum behind implementation of the NTTF recommendations. What are your thoughts on what absolutely must be implemented from the NTTF recommendations? What can be left behind, if anything?

CHAIRMAN MACFARLANE: I think we need to press forward with all the recommendations and consider them each in their due. I think the task force really did an excellent job with their 12 recommendations, or however many there really were if you count all the sub ones and twos and threes. But I think we owe it to everyone to make sure that we do our due diligence and work through all of them, so I think that need to make sure that we keep the focus on that.

COMMISSIONER OSTENDORFF: If I may add, I don't think the Commission or the staff has lost interest at all. I think they're moving forward very productively. Take, for example, the Mitigating Strategies Directorate within NRR is working very hard to encapsulate some of the core issues in Tier 1 dealing

with station blackout and the flex strategies, the flooding. The seismic re-evaluations are proceeding at pace and on and on and on. So I think there's a commitment by this Commission and the staff to move forward and disposition all these.

COMMISSIONER SVINICKI: I would add that I also do not observe this, I think the term was reduced interest in moving forward on the near-term task force recommendations. I know that we don't have a breakdown, at least at hand, of the agency resources and, consistent with what I just said, more importantly, the critical skill sets that we have put on near-term task force implementation.

But consistent with Commissioner Ostendorff's answer earlier in the meeting, one of the key things we did is prioritize those activities that had the greatest potential to enhance safety, and we have proceeded very consistently in that fashion. I regret and have heard from some of the agency's critics that they interpret that to be a reduction in our commitment, and I just vigorously, vigorously disagree with that.

PARTICIPANT: How does the Commission expect to grow future leaders to ensure that there is sufficient knowledge management and there are leaders with exceptional leadership skills?

CHAIRMAN MACFARLANE: How do we expect to grow them? Well, we have a number of processes in place at the agency to grow future leaders. That was one of the things I was most impressed by when I came to this agency was its attention to growing people's careers. If they so chose to want to move up the ladder, there was a lot of attention and mentoring to making sure people got the training and the skill sets they needed to move forward. I think it's incumbent upon the agency to ensure that that continues, that we do it in a very even-handed manner so that we get a diverse set of folks coming through the pipeline, and I have been encouraging the senior management in that direction. You guys might want to say something.

COMMISSIONER SVINICKI: I would add I don't offer this as a criticism but as a long-term federal employee who has moved about not only the government but the various branches of the federal government, something that I think is important as we move into the future is ways to perhaps better recognize and apply experiences that did not come up through the NRC system. So this is maybe -- I confess this could be my personal bias based on my own resume in the federal government where I've moved about quite a bit. But just as we hear in the corporate world the incoming generation of professionals is not going to go to one

company and stay there. I think on the government side we should expect that employees are not, even if they're very committed to public service and federal government service, they're not just going to come to one federal government agency and stay there. I think the history of leaders at this agency is that they've come up very much within the system. And I think, of necessity that is already changing and will continue to change in the future.

So I think that there are many people who come here with very significant mid-career, you know, resumes and experiences that it's important that we push ourselves to recognize how we can translate those experiences and skill sets to the problems we face. It won't be a one-for-one correspondence, but I know that if we look at, hey, they solved this type of problem in another agency or department, I bet they could really apply some new thinking to the way that NRC is facing this same challenge.

So I'm encouraged. I know that Miriam Cohen and others are very focused on this, and I just offer my strong encouragement.

CHAIRMAN MACFARLANE: I completely agree, Kristine. And I think that the degree to which it's possible for folks to get experiences outside the agency, I would encourage that. You know, consistent

with what I said at the RIC in the spring, I think it's really important to really draw from a number of different resources and for us to experience as much as we can. So I think it makes us a better agency.

PARTICIPANT: At a meeting with nuclear bloggers last week, the topic of linear no threshold (LNT) hypothesis was brought up. The LNT could be putting an unnecessary burden on use of nuclear material because it is so conservative. Is the Commission considering this far-reaching issue?

CHAIRMAN MACFARLANE: At this point, not that I know of.

COMMISSIONER SVINICKI: Well, we're not considering it in isolation, but something that encourages me a lot about NRC is the culture here of staying on top of new and emergent issues. And I think our experts are encouraged to look at issues and take new experiences, new data, new studies and apply them. This issue is, of course, very, very broad and the debate over this has been going on for years.

I am confident that as we look at elements and components of our regulations, the part of the regulatory analysis is to inform any updates to those regulations based on the most current research in the biological sciences. So although that's not my area of expertise, I know that it would be very contrary to our

culture to be closing the door on new studies and new information.

COMMISSIONER OSTENDORFF: I would add at this conference I went to in Vancouver a couple of weeks ago, the one set of staff presentations that I sat in on dealt exactly with precise with LNT. I heard four presentations from different organizations, not from NRC, other scientific academic institutions: DOE, National Laboratories. And so there is a lot of work going on in this area, a lot of studies out there, and I'm confident the research is taking a good look at what those studies have to say what their import is for us.

PARTICIPANT: What can be done to make it easier to acquire specialized software needed in our work and to get it approved and installed? The present process is very slow and opaque, even for simple and inexpensive programs.

CHAIRMAN MACFARLANE: Well, this may be something that -- I don't know. The question is about particular one-off items that will only affect some of the staff or not. But I'm going to look to Darren to speak to that one.

MR. ASH: It's a good question and one that OIS, their leadership in terms of the governance structure, in terms of ensuring that we have a repeatable documented process that we know how software

can be brought in. But I think the thing that we also have to pay attention to, we have to find the right balance in terms of being able to provide the right support to ensure that it's secure, in terms it meets the rights standards, that we also buy it efficiently, as well.

Clearly, if it's a one-off or a one type of just one piece of software, one license, that's very different than something that may be of benefit to the entire agency. So there's a variety of things that we have to look at.

But, clearly, the thing -- and I think the point of the question is clearly communicating what is our process, what process do you as employees make those requests. Part of that is grounded in how OIS is structured right now, their customer service division, but also their governance structure they've established.

So I think the point that was made is we can do better in terms of communicating how you can acquire software, but also we have a responsibility to explain the process we use, the time line, but also ensure that we do it right, as well.

CHAIRMAN MACFARLANE: Great. Thanks, Darren. I think we have time for a couple more questions.

PARTICIPANT: What is the relationship of Project Aim to the Strategic Plan, and how is Project Aim different from TABS?

CHAIRMAN MACFARLANE: To the strategic fund? Is that -- plan?

PARTICIPANT: To the Strategic Plan.

CHAIRMAN MACFARLANE: Well, obviously, we want Project Aim to fit with and dovetail with the Strategic Plan that was just put out. So we don't want it to be crosswise with the Strategic Plan.

And this is very different from TABS. TABS was a targeted effort looking at management. This is a broader effort looking at the entire agency, looking at how we need to be resourced and what kind of skill sets we need to face a number of different futures, looking at how we can operate efficiently and effectively with what we have. And by that, I don't mean, you know, belt-tightening in lots of places. I mean how can we carry out our mission, whether it's license amendments or other actions that we take, efficiently and effectively.

So it's a very different beast than TABS, but it does dovetail with the Strategic Plan.

COMMISSIONER SVINICKI: I might -- just to say the same thing a little bit differently, I view the relationship between the Strategic Plan and Project Aim

is that the Strategic Plan is kind of our contract of what we're looking at, mission, goals, and objectives to achieve for the American people. Project Aim is a set of recommendations that would position us to best achieve those things.

PARTICIPANT: The TABS processes and budget environment have left many positions downgraded or posted as solicitations of interest, as opposed to vacancies open for promotion potential. Can employees impacted by these circumstances expect to see opportunities in the near future?

CHAIRMAN MACFARLANE: Can employees -- sorry. Can you repeat that last bit?

PARTICIPANT: Can employees impacted by these circumstances expect to see opportunities in the near future?

CHAIRMAN MACFARLANE: Well, I mean, in general, I hope there are always opportunities. But, again, we have the reality that we needed to become more of a streamlined agency in terms of management-to-staff ratio, and we have to do that to get in line with the rest of the federal government. So it's our responsibility to be that way.

We are an agency, as it turns out, that has a lot of higher-level positions, GS-14 positions and GS-15 positions, compared with other agencies. So

we're a little different from other parts of the government, and that's made this whole issue a little more difficult for us. But everybody in management is very well aware of this issue and of the fact that there aren't as many opportunities to move up as there were, and we are trying to address that as best we can.

One more? Last question.

PARTICIPANT: Currently, the NSPDP program only requires a dozen online classes and one rotation. Previously, it required several rotations and several weeks of technical training. Is this program still adequate to prepare recent college grads with minimal industry experience to the NRC's work?

CHAIRMAN MACFARLANE: Good question. I'm hopeful that it is still adequate, but I think we will take that back and consider it. I don't know if anybody else has other comments on that, any of the management? No? Okay. Yes, Mark, go ahead.

MR. SATORIUS: Being an organization that values always seeking to improve, I think every time we stand up a program like that, whether it's NSPDP or the Leadership Development Program or the SES Candidate Development Program, we're always going to look for the way that we can do it most effectively, getting the most bang for our buck, and getting the most bang for our buck is some of the reasons why we head in that direction.

So we're always looking for ways to do things better and more efficiently.

CHAIRMAN MACFARLANE: Great. Thank you. Thanks, Mark.

MR. SATORIUS: And thank you to the Commission for availing yourself for this opportunity for the staff to ask questions for a good part of an hour, an hour and fifteen minutes. And I tried to keep count for a certain period of time, and I lost track.

CHAIRMAN MACFARLANE: There was a lot of questions.

MR. SATORIUS: How many did you get?

COMMISSIONER OSTENDORFF: Forty-four.

CHAIRMAN MACFARLANE: All right. Forty-four? Wow. Good for you guys.

MR. SATORIUS: So now, Chairman, I'm going to go ahead and bring up the last speaker, Sheryl Burrows. If you would start your way up here, and I'll finish the introduction. Sheryl is the President of the local chapter of NTEU, and, Sheryl, we're looking forward to any insights you may be able to share with the staff. So welcome Sheryl Burrows.

MS. BURROWS: Good afternoon, Chairman MACFARLANE, Mr. Satorius, executives, managers, all staff, and especially fellow bargaining unit employees. A lot has happened at the NRC since the 2013 employees'

meeting. This includes the White Flint campus consolidation, the merger of NMSS and FSME, the start of Project Aim, and preparation for negotiating our entire collective bargaining agreement which will start in late 2014.

Our union chapter has been very busy, as well. In June, I was re-elected as President of Chapter 208. Joining me on the Executive Committee are Maria Schwartz as Executive Vice President; Robert Heard, Secretary; and Darrin Butler as Treasurer. In addition, we have a full slate of vice presidents and stewards, some returning and some new faces. I'm excited about the energy that this amazing and dedicated team is bringing to the challenges we face.

Since last year's all-employee meeting, NTEU has continued our support by advocating for individual employees, as well as the entire bargaining unit. For example, this year NTEU filed an individual grievance for an employee who was retaliated against for participating in the non-concurrence process. We're disappointed with the initial outcome, but we're ready to continue our fight to make this employee whole.

We've worked with management on various agency initiatives, including providing extensive comments on the draft strategic plan, TABS, merger and consolidation efforts, and, most recently, Project Aim.

In one of the EDO Updates, it was stressed that the Federal Employee Viewpoint Survey results continue to demonstrate that the NRC has very hardworking and engaged employees. We are all proud of this fact and prouder still when we put it in the context of years without a decent pay raise, several years without reasonable performance awards, with some employees not receiving requested or required training, and others not being afforded flexible work schedules or telework.

In spite of this, you have not forgotten that one of the NRC's most important values is excellence. NTEU will strive to remind management that excellence should always be foremost in our thinking as the work is planned and schedules are established. Let me repeat that last part: excellence should always be foremost in our thinking as the work is planned and schedules are established.

The same must be stressed when we look at our commitment to a culture of safety, and that commitment cannot and should not be sacrificed to schedule. We should have enough evidence through our various lessons learned programs to know that schedule is a dangerous driver.

This lessons learned philosophy led us to report at the EDO briefing in July that we must be aware of and resist the dangers of the single story, the story

that those in positions of authority tell to promote a specific point of view. NTEU recognizes that the single story is not necessarily untrue, but wants to remind management that there are other stories, other perspectives, and other viewpoints that our bargaining unit members are telling us, that our survey results are telling us, and that we are observing as we represent you. These stories must be heard and must be acknowledged by management.

The only way our agency will be able to leverage effective change is to start with the complete story. The viewpoint, the experience, the day-to-day challenges faced by employees must be factored into plans and processes.

The results of the 2014 FEVS will be available soon. These results are often described as a snapshot of where we were when you took the survey. For example, when results show lower scores in training, the agency explains that a drop is due to budgetary constraints and reduced opportunity for external training. This is true, but this is only part of the story. There are other reasons, as well, that are well within the control of the agency, and NTEU has pointed this out to management. There are cases where employees' training needs are not being met.

Additionally, the survey results are more

than a snapshot in time. Taken in a continuum, they identify trends. This year, NTEU will be meeting with management to bring the analysis of the FEVS results. We will be focusing especially on the results regarding communications, support, appraisals, and training.

Turning from where we are now and where we hope to be, Project Aim and the Strategic Plan focus on what the future will look like, what resources the agency will need, and how we can build in the flexibility to deal with change, both expected and unexpected. Both look at critical skill gaps. The Strategic Plan was developed, in part, to close those gaps. Project Aim projects how that will be accomplished under various future scenarios.

NTEU will work with managers to identify ways to develop necessary skills and competencies. For example, NTEU continues to monitor training and skills development for contracting officer representatives. While doing this, NTEU heard that many of the CORs do not feel that the current training programs are adequate to support the proper performance of their duties, especially for large and complex projects.

NTEU was surprised and taken back a little to hear that in an agency of, roughly, 4,000 employees, there are some 900 CORs. There are technical employees that told us they spend more of their time with

contracting responsibilities than in doing the technical jobs they were trained and hired to do.

On such a large scale, this is troubling in terms of accomplishing our safety mission. However, what may be even more troubling is that many supervisors who are supposed to provide support and resources do not have a good idea what their CORs need to properly manage their contracts. This is an example of why NTEU should be engaged at the beginning stages of initiatives that impact working conditions.

As I said earlier or I've said often, NTEU and the agency have similar goals. However, we have different roles. This could not be a more accurate statement than as it applies to our upcoming collective bargaining. NTEU's collective voice is essential in this process for it to be successful.

NTEU's objective is to provide a work environment that ensures our bargaining unit employees are treated fairly and with respect and dignity, that they have clarity in their roles and responsibilities, that they can expect performance appraisals that accurately reflect their work, and, finally, that the rights bargained for and included in the Collective Bargaining Agreement are available to them.

This next year promises to be challenging for all of us, and NTEU invites you to tell us about your

experiences. Please stop by the union office or send an email to nteu@nrc.gov. If you ever have any questions, comments, or suggestions, we want to hear from you.

Thank you for your attention. And could you all please return the umbrellas?

CHAIRMAN MACFARLANE: Oh, bummer. Thank you very much, Sheryl. So thank you all for coming and listening and asking lots of questions. We really, really appreciate this opportunity to dialogue with you, and we look forward to many more in the future. Thank you.

(Whereupon, the above-entitled matter went off the record at 3:22 p.m.)