

**Decommissioning Plant Coalition (DPC) Conference**  
**SGB keynote address 15 remarks/30 discussion**  
**February 23, 2015**

Thank you for inviting me down to talk with you today. I've had an opportunity to see decommissioning first hand. I was at the Zion plant last June and at the Fermi plant in October. As you know, it's an interesting experience to be able to go into areas of a plant you would never see when it's operating.

The visits gave me a real feel for the decommissioning process.

I'll keep my remarks short today so we can maximize our discussion. But let me take a few moments to touch on some subjects that are no doubt close to your hearts.

First, let's talk budget. The FY2016 budget is not expected to adversely affect NRC's planned decommissioning activities.

The FY 2017 budget was just the focus on hearings earlier this month and will be again tomorrow (2/24), with two more hearings by our authorizers in April. Stay tuned!

You might also be interested in the progress of our rebaselining initiative under Project Aim. The rebaselining paper came to the Commission earlier this month and is under Commission review. It includes a long list of work activities that the staff, after a lengthy internal assessment process and external comment period, believe could be shed, lowered in priority or conducted with fewer resources with minimal or no adverse impact on agency mission.

There are some 150 activities targeted in the paper, which is still under Commission review. You can find the paper online if you want to see all that is being proposed.

Project Aim came out of a changing industry environment. As you know, many of the new reactors we expected were not pursued. Several reactors that we didn't expect to shut down have entered decommissioning or plan to do so in the next few years.

We must address our changing regulatory environment and budget/resource constraints on the agency. We must take a meaningful and hard look at our operations to improve efficiency and meet challenges of the evolving workload. Project Aim is the initiative we're using to prepare for the future.

We took a hard look at what we're doing and the efficiencies we're finding have resulted in real reductions in both personnel and contract dollars, and there is likely more in the future.

I'm confident in our ability to adjust and to keep doing our jobs. But none of this can shift our focus from our safety and security mission.

A few of the items proposed under the rebaselining initiative are no doubt of interest to you.

One proposal is to delay changes to the ISFSI and Monitored Retrievable Storage security regulations to conform with security orders issued after 9/11, and to improve consistency and clarity of regulations for both general and specific ISFSI licensees. It's proposed that the

rulemaking will resume in five years. Existing security requirements, additional requirements imposed by order and regular security inspections are adequate for now.

Another proposed reduction is in nuclear power plant decommissioning licensing guidance development, which the staff believes will have minimal impact because of the availability of existing guidance.

In other news, the decommissioning advanced notice of proposed rulemaking – or ANPR -- is proceeding. As you know, the comment period ends next month.

We are examining a potential rulemaking not because of a safety issue, but to explore whether we can make the process more efficient and predictable and remove the need for decommissioning plants to come in for exemptions as the radiological risk at the site decreases. The current process is not always as efficient as we'd like. The new rule would remedy that.

The staff is working on the ANPR in a way that will not impact the current reactor decommissioning transition licensing activities and will inform the process based on lessons learned from past decommissioning activities.

If rulemaking proceeds, the timeline is for a draft regulatory basis to be developed by November 2016, with a public meeting in January 2017 and a final regulatory basis in June 2017. From there, there is ACRS involvement, draft guidance, proposed rule and a final rule to the Commission.

Another area of likely interest for you is consolidated interim storage.

As I'm sure you know, we've received two letters of intent to submit an application for consolidated interim storage one from Waste Control Specialists (WCS) and the other from Holtec International. WCS would be located in Texas and we're expecting an application in April of this year.

Holtec's site for an underground consolidated interim storage would be in southeastern New Mexico, not far from WIPP. We've held pre-application meetings with both.

We are ready to review an application for a storage-only interim consolidated storage facility with no change to the current 10 CFR Part 72 regulations. The application may include packaging/repacking activities. Other possible activities, such as research and development, may need to be licensed under a different regulation.

If a high quality consolidated interim storage application is received, we could complete the safety, security and environmental reviews in about three years at a cost of about \$5 million in review fees. If a hearing is sought and granted, that will take extra time and funding.

I'm sure you'll hear more about these topics at the RIC, which I'm assuming you've already registered for. I hope you'll take the time to sit in on my plenary speech. I'm going to be talking about the importance of "regulatory craft," which, to me, means looking for the balance between effective regulation and appropriate assessment risk without imposing undue burden and stifling innovation. It's a goal worth pursuing.

I hope to see you at the RIC. In the meantime, I'm happy to start the discussion part of my time here.