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***Remarks by NRC Commissioner Edward McGaffigan, Jr.
at the CSIS Press Conference
on the CSIS Report on NRC Regulation of Nuclear Power Reactors
August 3, 1999***

I am pleased to be able to participate in this event. The many hours which Dr. Jackson, myself, Ashok Thadani, and others at the NRC spent gathering information for the Working Groups, discussing the issues with members of the CSIS groups, and commenting on drafts were well worth it to the NRC. The agency welcomes external evaluation, as any organization must that hopes to improve. I want to thank my fellow members for many lively and fruitful discussions. John Ahearne did a wonderful job of making sure that discussions were full and fair, and that everyone remained focused on the important issues.

This report is important to the NRC for mainly two reasons. First, it confirms that the NRC is making great strides in the right direction, but that it has much work to do. For years now the agency has been seeking to make its processes more focused on the greatest risks, more efficient, and more transparent to all interested parties. A matured industry, operating in changed economic circumstances, and presenting critical policy questions necessitates new regulatory approaches. We have sought ways to assure that we focus our resources and the industry's on the greatest risks; we have instituted new, and we hope more effective, inspection, assessment, and enforcement processes; and we have taken hard looks at how we deal with stakeholders. Changing the long-practiced ways we've done things, ways that were useful in different circumstances, has not proved easy. It is no surprise that nuclear regulators around the world are watching closely our new efforts. Part of the value of the CSIS report is that it is the first extended study of the agency to acknowledge those efforts and to conclude that they are essentially sound. Of course, not everything in the report is praise of the NRC. For example, the report brings back in a more articulated form criticism that arose from industry and public interest groups alike over a decade ago in litigation over cost-benefit analysis, namely, that we must better articulate what meaning we attribute to those magic words in the Atomic Energy Act, "adequate protection of public health and safety." The report also makes clear that we have a long way to go in dealing well with all stakeholders. By these and other counsels, the report makes clear that our work is far from over.

The second main way in which the report is important to the NRC is that it makes clear that change is not cheap. Whether in making more use of risk information, or reviewing more applications for license renewal, or making sure we have adequate research on which to base our new rulemakings, or changing over to new ways to assess, inspect, and enforce, or finding better ways to engage all interested parties, the long term gains will come at short term costs. Our

current budget is the agency's lowest ever in real dollars, about two thirds what the agency had available at its founding. This report will help its readers understand what change costs.

All in all, this is a good report. If you want to understand better the issues facing the agency, it will be well worth your time to read the report.