

September 21, 2001

MEMORANDUM TO: Chairman Meserve
Commissioner Dicus
Commissioner McGaffigan
Commissioner Merrifield

FROM: Dennis K. Rathbun, Director **/RA/**
Office of Congressional Affairs

SUBJECT: CONFIRMATION HEARING FOR NILS DIAZ, 9/21/01

The Senate Environment and Public Works Committee held a brief hearing on a number of nominations, including Nils Diaz' nomination for a second term as Commissioner at the NRC for a term to expire on June 30, 2006. Senator Jeffords (I-VT) asked Dr. Diaz about security at nuclear power plants. Dr. Diaz replied that this was not a new issue for the Commission, which recently upgraded security practices. He added that these actions do not mean that the systems are perfect, and the Commission would take a new look to ensure that security is at the appropriate level.

Written questions from Senators are expected, with responses due to the Committee by September 25. On the 25th, the Committee has scheduled a business meeting to vote on the nominees. Floor consideration of confirmation of the nominees would follow shortly thereafter.

Dr. Diaz' statement is attached.

Attachment: As stated

cc: SECY
OGC
OGC/Cyr
EDO
NRR
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RES
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OCAA
OPA
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CFO

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STATEMENT OF NILS J. DIAZ
before the
Committee on Environment and Public Works
United States Senate
September 21, 2001

Mr. Chairman, Members of the Committee:

It is a pleasure to appear before you today. I am honored by President Bush's nomination and by the Senate's consideration of my qualifications for a second term as Commissioner, U.S. Nuclear Regulatory Commission (NRC). I also appreciate that this complex and thorough process was started and continues with bipartisan support.

You may be aware of my credentials from previous appearances before you, so rather than take your time, I will briefly state that I am a nuclear scientist and engineer by profession. Before coming to the NRC in 1996, I was Professor of Nuclear Engineering Sciences at the University of Florida, Director of the Innovative Nuclear Space Power Institute (INSPI) - a national consortium of industries, universities and national laboratories - and President and Principal Engineer of Florida Nuclear Associates, Inc. My experience includes thirty-four years designing, researching, teaching, training, evaluating and managing the engineering, technology and economics of the peaceful uses of atomic energy. I have been formally trained in and have practiced nuclear medicine in both academic and clinical environments and have also owned and operated a few small businesses.

To the above, I have added five years of regulatory experience, participating in the exercise and direction of the Commission's licensing and regulatory functions. The mission of the Nuclear Regulatory Commission is to ensure adequate protection of the public health and safety, the common defense and security, and the environment in the use of nuclear materials in the United States of America. This mission is carried out by an exclusively regulatory mandate. If confirmed, I pledge to continue to carry out this mandate and to work for a consistently more effective and efficient regulatory framework. There is no doubt that the people of the United States want and must benefit from effective regulatory operations that assure safe nuclear power, radiological and medical industry activities.

The issue of effective regulation touches every American in our increasingly technological society. The effects of a safety-focused, efficient NRC regulatory framework are applicable across the board, to nuclear power reactors, to fuel manufacturing facilities, to nuclear medicine and the radiological industry, to the safe handling, transportation and storage of radioactive wastes, and to the NRC itself.

During my first term as Commissioner, many of NRC's activities were centered on the safe operation and license renewal of existing nuclear power plants. The NRC established initiatives to increasingly focus the prescriptive, deterministic regulatory regime on the most safety-significant matters, employing a more risk-informed and performance-based approach. By focusing on the most safety-significant matters, through a risk-informed approach, the NRC has developed a more effective licensing, inspection and enforcement process. Now, it appears that the challenge of new power reactor applications could be added to the Commission's deliberations. I am prepared to face both the existing and the new challenges with the requisite accountability and transparency.

The Commission is also responsible for assuring that the people of the United States, and the Congress as their representatives, are fully informed of how its responsibilities are discharged, and for maintaining its decision-making process fully accessible to all concerns. I have been, and will continue to be, especially attentive to this responsibility.

I would be honored by the opportunity to help the Commission address these issues in a manner consistent with the responsibilities assigned by the Congress to the agency. If confirmed, I will assume the Office of Commissioner of the Nuclear Regulatory Commission fully cognizant of these obligations and pledging to discharge them to the best of my ability.

Mr. Chairman, Senators, thank you. I am prepared to answer any questions that the Committee might have.