



NUCLEAR ENERGY INSTITUTE

Felix M. Killar, Jr.
SENIOR DIRECTOR
FUEL SUPPLY/MATERIAL LICENSEES
NUCLEAR GENERATION DIVISION

July 18, 2008

Ms. Amy M. Snyder
Project Manager
Division of Fuel Cycle Safety and Safeguards
U.S. Nuclear Regulatory Commission
Mail Stop EBB E2-C40
Washington, DC 20555

Subject: Fuel Cycle Industry Comments on NRC's Safety Culture Pilot Program.

Project Number: 689

Dear Ms. Snyder:

On behalf of the fuel cycle industry, the Nuclear Energy Institute (NEI)¹ submits the following comments for consideration as you further develop the Safety Culture Pilot Program. These comments reflect industry's concerns and are in addition to those provided by industry representatives during the June 19, 2008, Fuel Cycle Information Exchange (FCIX) Safety Culture Workshop. It was suggested by U.S. Nuclear Regulatory Commission (NRC) staff at that time that additional industry comments be submitted to NRC by July 21, 2008. We appreciate the opportunity to supplement the workshop discussions and look forward to additional dialogue on these matters.

We understand that a summary of the FCIX discussion, including the stated industry's comments, will be issued by July 21, 2008. We look forward to reviewing that summary and commenting as needed to assure a clear mutual understanding of the issues conveyed to NRC at that time.

As stated during the FCIX, the fuel cycle industry fully supports the need to maintain "safety culture" at its facilities. Industry believes that the key elements of a typical safety culture program—while sometimes implemented in the context of a corrective action or other facility program—are essential to maintaining

¹ NEI is the organization responsible for establishing unified nuclear industry policy on matters affecting the nuclear energy industry, including the regulatory aspects of generic operational and technical issues. NEI's members include all utilities licensed to operate commercial nuclear power plants in the United States, nuclear plant designers, major architect/engineering firms, fuel fabrication facilities, materials licensees, and other organizations and individuals involved in the nuclear energy industry.

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facility operational safety. We are not aware of any data to suggest that current operational safety programs have resulted in an unacceptable level of worker, public or environmental safety. As such, the basis for NRC's initiative to increase its regulatory role, beyond an oversight function, in this area remains unclear. Further stakeholder and NRC dialogue on this matter is needed to more fully understand the purpose and scope of NRC's proposed pilot program and reach alignment on a viable path forward to meet our mutual goal of maintaining facility operational safety.

We fully support NRC's oversight role for ensuring an adequate level of nuclear safety at licensed facilities through a performance-based regulatory approach. That being said, we believe that an increased, more prescriptive NRC regulatory role in safety culture could divert or degrade facility management's attention to operational safety. Such an NRC approach to day-to-day facility management is not conducive with facility management's ongoing responsibility and accountability for safety culture. This is clearly not an outcome desired by industry or NRC.

While safety culture is based on principles such as those presented during the FCIX, how those principles are inculcated in an organization is dependant on many factors including facility risk profile, organizational dynamics, and process characteristics. Also, a "one size fits all" approach at the wide variety of fuel cycle facilities will likely not be appropriate and warrants dialogue between industry and NRC.

Subsequent to the FCIX, the nuclear reactor side of the industry also expressed concerns on an NRC safety culture initiative in a letter dated June 27, 2008, from John Butler of NEI to Mr. Robert Gramm of NRC. Specifically, the nuclear reactor industry believes that NRC needs to perform a comprehensive evaluation on the efficacy of its current Reactor Oversight Process (ROP) before any significant changes are further considered to the safety culture aspects of the ROP. We suggest that the NRC's fuel cycle facility program staff keep abreast of these related activities to help ensure that consistent safety culture principles are applied across all NRC-licensed facilities.

Finally, we look forward to additional opportunities to discuss these important matters with you as you consider safety culture pilot program options for the fuel cycle facilities.

If we can provide further information that would assist in resolving the concerns expressed in this letter, please do not hesitate to contact me at 202.739.8126; fmk@nei.org.

Sincerely,



Felix M. Killar

c: Mr. Robert C. Pierson, Director NMSS/FCSS, NRC