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United States Senate

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

WASHINGTON, DC 20510-8175

ANDREW WHEELER, MAJORITY STAFF DIRECTOR
KEN CONNOLLY, MINORITY STAFF DIRECTOR

June 23, 2006

The Honorable Nils Diaz
Chairman
Nuclear Regulatory Commission
Mail Stop 016D1
Washington D.C. 20555

Dear Chairman Diaz:

Thank you for appearing before the Senate Subcommittee on Clean Air, Climate Change, and Nuclear Safety on Thursday, June 22, 2006. We appreciate your testimony in our effort to conduct oversight on the regulatory processes for new and existing nuclear power plants. Your testimony was helpful and we know that your input will prove valuable as the Committee continues its work on this important topic.

Enclosed are questions that have been submitted by Senators Inhofe, Voinovich, Vitter, and Jeffords. Please submit your answers to these questions by 5 pm Friday, June 30 to the attention of David Lungren, Senate Committee on Environment and Public Works, 415 Hart Senate Office Building, Washington, D.C. 20510. In addition, please provide the Committee with a copy of your answers via electronic mail to David_Lungren@epw.senate.gov. To facilitate the publication of the record, please reproduce the questions with your responses.

Again, thank you for your assistance. Please contact Brian Mormino at (202) 224-8098 or Tom Lawler at (202) 224-3168 with any questions you may have. We look forward to reviewing your answers.

Sincerely,


George V. Voinovich
Chairman


Thomas R. Carper
Ranking Member

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Senator Voinovich Questions for NRC Commissioners
 EPW Subcommittee Oversight Hearing on the NRC
 June 22, 2006

- NRR
(create)*

1. Chairman Diaz, I understand that a good portion of the work on new reactor licensing will involve environmental reviews – which involve other agencies, including the Fish & Wildlife Service, Department of Interior, EPA, and others. This means that even if NRC does its job, other agencies could hold this process up. Has NRC alerted the other agencies about the 18 or more applications that you are expecting? Who makes the final decision, and is there a process for resolving differences of opinions between agencies? Provide in writing the Commission's plans and strategies to coordinate with other agencies, including state and local authorities, in an effective and efficient way to expedite the review process and reconcile any differences. One of the examples cited at the hearing was for the NRC to write letters to the Governors of those affected states to initiate coordination.
- NRR
(review
current
Q/A)*

2. One of the concerns identified in Mr. Beasley's testimony is that NRC may impose new license conditions or make changes to the licensing basis of the plant during construction – after a Combined Operating License has been issued and in the middle of construction. Chairman Diaz, please respond to this concern and inform the Committee of any safeguards that have been put in place to limit NRC staff authority in this regard?
- NRR
(review
current Q/A)*

3. As you know, Chairman Inhofe and I asked GAO to review the new Reactor Oversight Process (ROP) since it was implemented in 2000. Based on GAO's testimony for the record and the other testimonies for today, it appears that the ROP is working well and that it represents a significant improvement over the old process. However, the ROP failed to identify problems at Davis-Besse. I know NRC has implemented numerous corrective actions – but are you confident that this process is robust enough now to prevent another Davis-Besse?
- ADM
(create)*

4. At the March hearing, we found out that NRC expects a net increase of 500 to 700 employees (FTEs) over the next five years, and as result, the agency needs additional office space to support this growth. I know my staff has met with the General Services Administration to see if a Congressional authorization is necessary to expedite a prospectus. Do you feel that GSA can meet NRC's needs in the timeframe needed?
- HR/OGC
(create)*

5. I am very encouraged to hear that you have exceeded your goal of hiring 350 people this year. NRC will be challenged in the coming years not just to meet future hiring goals but to retain the talented individuals who have recently joined the agency. Do you believe the NRC has the necessary authority to address its retention and recruitment needs?
- OE/NRR
(review
current Q/A)*

6. In your testimony, you mentioned that you plan to implement your safety culture initiative (at least a first step) effective July 1, 2006. Have the regional inspectors been adequately trained to implement this significant undertaking in a consistent and effective manner?

7. As we discussed at the last hearing, communication with the public is very important if they are to have confidence in NRC's oversight of nuclear power plants. Unfortunately, I have heard numerous complaints that information NRC provides on its website is very technical and difficult to understand - and that's when you can find the information. Chairman Diaz, does NRC have any plans to improve this very important public relations tool?

OPA
(review
current Q/A)

8. Can you provide an assessment of management challenges, especially in the area of new reactor licensing? NRC should solicit input of its customers (i.e., applicants) to identify potential management issues and challenges and develop solutions for a more timely and efficient process.

NRR
(create)

9. Chairman Diaz, as I mentioned at the hearing, can you provide me a copy of your memorandum to your successor, Dr. Klein, outlining your suggestions and priorities?

Chairman's
Office

Senator Inhofe Questions for NRC Commissioners
EPW Subcommittee Oversight Hearing on the NRC
June 22, 2006

1. I was disappointed with the pessimistic views expressed by some of the Commissioners at the hearing regarding the agency's ability to meet its review schedule for new reactor licensing, after all the support that this Committee has provided to the Commission in terms of the needed legislation and funding for additional resources. I would like a commitment from the Commission to establish an effective and efficient review process that adheres to the established schedule. A stable and predictable licensing process is an absolute must if we are to proceed with constructing new nuclear power plants in this country. If additional legislative support and/or funding for additional resources are needed in this regard, then I would expect the Commission to identify those to this Committee as soon as possible.

NRR/OCY
CFO
(create)

2. Mr. Diaz, can you expand the discussion on the impact the Federal government's continued delay in opening up a permanent repository for spent fuels at Yucca Mountain is for new reactor licensing? Are there any statutory or regulatory requirements that tie new reactor licensing to Yucca Mountain?

NRR/NMS/
OGC
(review/
create)

3. In addition to the ongoing revision to the NRC's Part 52 rule, I understand that NRC is also revising its nuclear plant security regulations affecting new reactors. When do you expect to get this done? In the interim, what guidance would you give to the prospective applicants for new reactors regarding the plant security requirements? Do you anticipate the requirements for new reactors to be any different than the current requirements with all the enhancements since 9/11 for the existing reactors?

NSIR/NRR/
OGC
(create)

4. In response to one of the questions during the last oversight hearing, NRC stated that it will need additional appropriation of \$40 million for FY2007 for the new reactor

CFO/NRR
(create)

licensing program. I will support this request for the additional appropriation. But, NRC will need to do a better job of developing its budget going forward. Notwithstanding the current dynamic situation in the new reactor licensing arena, coming in for additional funding two years in a row doesn't exactly foster a high level of confidence that the NRC has its act together to manage this highly visible program. Mr. Diaz, can you talk a little bit about how the Commission might be able to do better in this area?

Questions from Senator Jeffords for Chairman Diaz -- June 22, 2006 Hearing

NMSS/OIP
(create)

1. NRC is working hard to implement the nuclear provisions of the Energy Policy Act of 2005. While you have made important strides, the examples you give in your testimony of where you will miss the law's deadlines are troubling. New regulations on the import and export of nuclear materials and a National Academy of Sciences study on alternatives to Category I and II Sources are very important. Is there anything that the Committee can do to ensure that the new deadlines you announced in your testimony are met?

OIS
(review/
create)

2. The public is able to obtain NRC documents issued prior to 1999 from local public document rooms, usually housed in local libraries. The NRC made a decision not to be the supplier of these older documents, but to put newer documents on the Internet. Has the NRC realized any cost savings by not providing these older documents on the Internet? What would be the cost to make these materials available electronically?

NSIR
(create)

3. In its April 2005 report, GAO recommend that NRC establish specific requirements for the control and accounting of loose fuel nuclear rods and rod fragments. What has NRC done to respond to this recommendation?

NSIR
(create)

4. The GAO report also recommended that the NRC establish specific requirements for the way plants conduct physical inventories of fuel rods and for the inspection of plants to verify their compliance. What has NRC done on these issues?

NSIR
(create)

5. In April 2005, the National Academy of Sciences released a report on the safety and security of spent nuclear fuel storage. At our last hearing in March, you stated that, in December 2005, the NRC completed an assessment of the spent fuel situation at all plants. What is the status of this study and can you now discuss any of the findings?

NRE/NMSS/
OGC
(create)

6. The Yucca Mountain repository is the intended destination for our nation's nuclear waste, but the opening of that site has been delayed by several factors. Even if it did open in the near future, there is already enough spent nuclear fuel stored onsite at our nation's nuclear plants to fill the repository to capacity almost as soon as it was operating. Given that the NRC expects 17 or 18 more combined operating license applications over the next few years, what is the plan for safely managing the waste from these new plants? How does this impact the design and licensing review for new plants?

NMSS
(create)

7. The enacted provisions of the "Dirty Bomb Prevention Act" – contained in Section 651 of the Energy Policy Act of 2005 (EPAAct), added a new Section 170H to the Atomic Energy Act of 1954. Under this provision of the law, the Commission was directed to establish a tracking system for radiation sources. These sources were defined by law to include Category 1 and 2 sources as well as "any other material that poses a threat such that the material is subject to this section, as determined by the Commission, by regulation, other than spent nuclear fuel and special nuclear materials." In its May 25 decision, the Commission switched courses from the 'common defense and security' approach to 'public health and safety' approach, transferring radiation source tracking

responsibilities from a centralized national system to the states. As a lead negotiator on Title VI of EPAct, I share the view of its authors, Congress clearly intended the tracking system to be a national system. At the hearing, Senator Clinton requested that the NRC expand the time for comment and that it reconsider its decision. I support these requests. How will the Commission respond to Senator Clinton's requests? I would appreciate receiving a copy of any reply you send to her.

Senator Vitter's Follow-up Questions for NRC

*NRR/OGC
(create)*

1 - As part of the new Part 52 process, companies may submit an application for an Early Site Permit (ESP) for potential plant locations. Once such sites are approved by the NRC, this permit is good for up to 20 years. However, recent discussions of the COL application process have indicated that the environmental review, essentially done as part of an ESP application, might be reviewed again resulting in potential delays and additional costs to the COL application review process. Will having an ESP be useful to obtaining a COL? When will an agreement be reached on the finality of the ESP environmental review?