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UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

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ALL-HANDS MEETING

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TUESDAY

SEPTEMBER 29, 2009

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ROCKVILLE, MARYLAND

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The Meeting convened in The Grand Ballroom A-E at
the Marriott Bethesda North Hotel, 5701 Marinelli Road, at 1:30 p.m., the
Honorable Gregory B. Jaczko, Chairman, presiding.

COMMISSIONERS PRESENT:

GREGORY B. JACZKO, Chairman

DALE E. KLEIN, Commissioner

KRISTINE L. SVINICKI, Commissioner

ALSO PRESENT:

DARREN ASH, NRC

DALE YEILDING, NTEU

P R O C E E D I N G S

(1:31:18 p.m.)

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3 MR. ASH: Good afternoon. Welcome to the 18th Annual
4 All-Hands Meeting of the Staff and the Commission. I call this meeting to
5 order. I'd like to thank each of you for attending this meeting, especially
6 Chairman Jaczko, Commissioner Klein, Commissioner Svinicki for taking
7 time to meet with the Staff, and provide this opportunity to discuss topics
8 that are of great interest to us all. We very much value this interaction,
9 and I, and the Staff of the NRC thank you for your continued support for
10 this important meeting.

11 My name is Darren Ash, the Deputy Executive Director
12 for Corporate Management, filling in for Bill Borchardt, the Executive
13 Director for Operations, who's on travel.

14 In addition to the Headquarter Staff attending this
15 meeting today, the Staff in the Regions, the Technical Training Center, as
16 well as the local interim locations are viewing this meeting via video
17 broadcast. All our Resident Inspectors are receiving the audio.

18 The purpose of this meeting is to facilitate
19 communications between the Commission and the Staff, and for the
20 Commission Members to share their perspectives on NRC's
21 accomplishments and challenges. The Chairman and each
22 Commissioner will begin the meeting with individual remarks. The
23 remainder of this meeting is reserved for questions and answers.

24 This year, there are two microphones in the center aisles
25 for your questions. We've handed out cards, if you'd prefer to write your
26 questions down. You could pass it to one of the volunteer staff, and
27 these questions, in addition to those phoned, faxed, or e-mailed in from

1 the regions and sites will be read by the volunteers.

2 As a reminder from previous All-Hands, specific
3 personnel, and adjudicatory proceeding questions should not be asked.
4 There are other appropriate means to address these questions. Also,
5 very important, please place your phones, pagers, and Blackberries on
6 silent or vibrate.

7 Thank you go to the volunteer readers today, Leslie
8 Donaldson, Lisa Gibney, Pamela Longmire, Lance Rakovan, Solomon
9 Sahle, and Donna Sinks. Thank you for the volunteer ushers who are
10 helping today, our sign language interpreter, as well as SECY, HR, ADM,
11 and OIS for their efforts to organize and provide technical and logistical
12 support for today's meeting. I'd also like to acknowledge NRC Senior
13 Staff sitting in the front rows. Finally, I'd like to acknowledge the officials
14 of the National Treasury Employees Union, who are here with us today.
15 NTEU will have an opportunity to address us near the conclusion of
16 today's meeting.

17 It's now my privilege to turn this meeting over to
18 Chairman Jaczko. Chairman.

19 (Applause.)

20 CHAIRMAN JACZKO: Well, thank you, Darren. And
21 good afternoon to everybody, and thank you all for coming, as well. This
22 year the lights are a little bit brighter here in the front so we can't see you
23 quite as well, but we'll look forward to hearing your comments, and your
24 questions today. This is a great opportunity for us to continue the many
25 ways that we have to interact and dialogue with you, vital members of the
26 Staff here at the NRC. And, of course, the people who are listening in, as
27 well, in the Regions, and others.

1 I'll keep my remarks brief, so that we can hear from you,
2 as well as save time for the Commissioners to make some comments, if
3 they'd like. And, at the end, as our normal practice is, we'll wrap-up with
4 hearing some comments from Dale Yeilding of the National Treasury
5 Employees Union.

6 I think today's meeting is a good opportunity for all of us
7 to reflect on the dramatic changes we have been through during the last
8 four years, including a significant increase in staff, budgets, and office
9 space. During the last four years, the Agency budget has seen more
10 than a 50 percent increase, and the number of NRC employees we have
11 on board has gone up by more than 25 percent. This has required us to
12 rent space in four new interim buildings around Montgomery County, and
13 demanded significant Staff movement within the Agency, caused by the
14 creation of these two new offices.

15 Even more dramatic, almost half of our work force has
16 been at the Agency for five years or less. In NRO alone, almost 60
17 percent of the Staff is new to the Agency. And what I think this means
18 really in concrete terms is that more than half of the Staff was not here
19 during September 11th, one of the monumental moments in our history
20 that has really shaped a lot of the work of the Agency over the last
21 several years. But these demographic changes provide us with an
22 unprecedented opportunity to continue to maintain our crucial Mission
23 focus on the safe use of nuclear materials, and the safe and secure
24 regulation of nuclear facilities.

25 Now, our challenge is to take advantage of the ability of
26 our new employees to look at issues from a fresh perspective, while
27 making sure all of our Staff continues to learn from the mistakes of the

1 past. And, as you know, you continue to vote yourselves one of the best
2 places to work in the Federal government. And that's truly a recognition
3 that all of you should be thankful for, and all of you deserve a tremendous
4 amount of congratulations for the work you do day in and day out, to
5 continue to maintain us as one of the best places to work in the Federal
6 government. And the reason, really, I think is quite simple. Our
7 employees are really our number one asset, and it's the work that you do
8 day in and day out that makes us the number one place to work in the
9 Federal government.

10 Now, I'd love to go through a list of all the
11 accomplishments we have made over the last year, and go through in
12 detail. Unfortunately, there are so many of them, I think we would be
13 here for the whole at least hour and a half listening to those
14 accomplishments. But they are many, whether they're in the different
15 program offices, the support offices, or the Regions. We have a staff that
16 is dedicated to its mission of protecting public health and safety, and the
17 environment.

18 We have also seen significant changes in our workforce,
19 in our workforce relations. Very soon, we'll have a new Collective
20 Bargaining Agreement that will go into effect, and that will be happening
21 very soon. And I think that was a significant accomplishment for this
22 Agency to resolve that work, and resolve that important activity.

23 The issues of transitioning staff is so important. And one
24 of the areas where I think we have really worked to make sure that that
25 process works smoothly is in the development of things like our
26 Knowledge Management Initiatives. We had many of these that were
27 launched within the last year, including the NRC's Knowledge Center,

1 which is a collection of electronic communities of practice designed to
2 enable staff to collaborate, capture, and share knowledge in order to build
3 our organizational history.

4 In addition, an Expertise Exchange program was
5 established to capture the Lessons Learned, and Best Practices from the
6 Agency's most experienced staff. We've also made significant efforts to
7 improve the hiring process. It's important that we continue to insure that
8 we have a high-caliber group of employees to allow us to continue to
9 insure that we're able to meet our important mission.

10 Now, we've also made substantial progress in the last
11 year dealing with improvements and upgrades to our financial systems.
12 The Office of the Chief Financial Officer implemented an e-Travel system
13 across the Agency, upgraded the budget formulation system, initiated the
14 upgrade of the time and labor system to a web-based paperless system,
15 and is proceeding with a systems modernization effort for the Agency's
16 core accounting system.

17 We also had an Advisory Group on Budget Formulation
18 and Financial Plan Reporting that was led by Commissioner Svinicki, and
19 that was established to improve the budget formulation and financial plan
20 reporting. That Advisory Committee submitted its recommendations to
21 me, and I will continue to hear from that Advisory Committee as we
22 continue to deal with the challenges, and the responsibilities of a much
23 larger Agency budget. So, I certainly want to thank Commissioner
24 Svinicki for her efforts in that regard.

25 Now, the efforts are underway, as many of you see on a
26 daily basis, to improve our information infrastructure, as well. I think it's
27 important, as we continue to be a high-performing Agency, that we

1 continue to have the tools that we need to make sure that we can do that
2 work in the most efficient and effective way. And we all must thank Dr.
3 Klein for those of you who have Blackberries, because he was so
4 instrumental in providing those to the Agency. Sometimes, I wish I could
5 get rid of mine, but that's just a part of the job. So, there are lots of areas
6 which I think on the infrastructure, and on the personnel side that we
7 have made significant progress, and we've made significant
8 improvements in our Agency.

9 And I think today is yet another opportunity for us to hear
10 from all of you about areas where we can do better, and we can make
11 this Agency a more efficient, and more effective Agency. So, I'm very
12 pleased to be able to provide these brief remarks. And, again, I want to
13 thank all of you for the work that you, each and every day to make sure
14 that we continue to meet our vital mission of protecting public health and
15 safety, and the environment.

16 I'll now turn to Dr. Klein for some brief remarks.

17 COMMISSIONER KLEIN: Thank you. I'd also like to
18 acknowledge what the Chairman said in terms of the brightness up here.
19 I didn't realize we might have to wear sun screen. My eyes have now
20 adjusted, and I think I can now see three rows back, so it's getting better
21 the longer we're up here. And I was going to comment, as the Chairman
22 indicated, Darren, it is nice that we have Blackberries to turn off, so we
23 are making progress in that regard.

24 I think we, obviously, have a lot of challenges as an
25 Agency, but our glass really is half-full, it's not half-empty. And I'd like to
26 talk about maybe a few of the challenges that may be ahead. We
27 certainly have technical challenges, but we'll have a few other challenges

1 that we'll have to deal with.

2 As indicated, our budgets have been very positive over
3 the last several years, where we have actually received all we have asked
4 for, and sometimes even a little bit more. So, I think on our budget side,
5 we've really done excellent the last several years. It's likely in years to
6 come that our budgets may start to flatten a little bit, so I think what we'll
7 have to continue to look at is how can we do things more efficiently with
8 no compromise on safety, as we might head towards a flattening budget
9 cycle.

10 Another activity that the Chairman indicated is the
11 change in our demographics of our workforce. It's clear that our
12 experienced people for some reason still want to retire; even though we
13 are the best place to work, people still want to retire. We haven't quite
14 figured that out, but I think that at some point in time, people do want to
15 retire. So, as we look as the Agency approaches its 35th anniversary, and
16 we look at the number of employees that have been with us since the
17 Agency was created, at the time that we celebrate our 35th anniversary,
18 we will only have about 80 individuals that were with us from the
19 beginning. That's a tremendous change for any organization to look at
20 the change, so it's really important for us that we look at how do we do
21 the Knowledge Management transfer, and how do we motivate and
22 articulate our expectations of our employees?

23 And, as indicated, we definitely need to continue working
24 on our IT. IT is an area that continuously changes, so it's one of those -- I
25 think will always be a work in progress, in terms of improving our IT
26 activities. The other area that we certainly need to look for is White Flint
27 Three. I'd like to compliment the Office of Administration for all the hard

1 work they're doing in keeping to move White Flint Three moving forward.

2 If we look at one of the areas that we will certainly need
3 to look for, is to continue to build our talent pool to satisfy the needs of an
4 expanding and growing Agency. And one of the things that I think we
5 need to be careful about that we've seen utilities fall in a trap on, and that
6 is, once you reach a level of excellence in operation, we've seen that with
7 power plants, sometimes they become complacent. And I think the same
8 holds true for us, as a regulatory body, that we need to make sure that
9 we do not become complacent. And that we always maintain and stay
10 ahead of what our goals are.

11 If you look at our slogan that we use, "Protection of the
12 Public Health and Safety", you know, this should not just be a slogan. It
13 should not just be a branding initiative. This is really the sole reason for
14 our existence. So, I think that we should dedicate ourselves every day to
15 keep that focus on protecting health and safety, because that really is
16 what makes us a great Agency, and it's what really -- is the primary
17 service that we can do for the public.

18 And, as indicated earlier, and I've said this many times,
19 for us, we don't make widgets, and so people is our most important
20 product. And that's the role that you all play. So, thank you for all the
21 service you do for the NRC.

22 CHAIRMAN JACZKO: Thank you. Commissioner
23 Svinicki.

24 COMMISSIONER SVINICKI: Thank you. I'll comment
25 on the brightness, as well. I thought I was so clever. I wanted to get a
26 picture for my Face Book page. Yes, Mike Weber it was for my Face
27 Book page of the microphone and the view looking out, but it's so bright

1 that my camera won't register anything beyond this table, so I stepped
2 down, so you might be able to get the lovely faces in the first row. If they
3 want to log on tonight and see that, I was able to get a picture by going in
4 front of the table.

5 It's been a year and a half for me at NRC, so a year ago
6 I felt so new in this job when we had this gathering, and I talked to all of
7 you. And I'm reminded of, I think I've quoted this to other people, but is it
8 a credit card company that has that saying life comes at you fast? That's
9 kind of how my first year, certainly, was. And it's interesting, though, how
10 you kind of -- you begin to get a grasp of what's going on, and you
11 acquire the right pace. And I really need to thank all of you.

12 One of the most enjoyable, maybe you'll think I have a
13 strange definition of enjoyable, one of the most enjoyable things I get to
14 do on a weekly basis is to invite some of you in small groups up to my
15 office, where we have briefings, and talk about deeper background on the
16 issues before the Commission. And we talk about the policy papers, and
17 recommendations that you've developed. And I really enjoy that back
18 and forth. It takes me back to the earliest days of my career, where
19 getting together with a group of peers, and really talking through issues is
20 some of the best of what we do in the Federal government, so it's what
21 attracted me into civil service. And I still enjoy that today. So, thank you
22 to all of you who have been part of that.

23 Some of you, I think, probably found that you didn't find it
24 maybe quite so -- it wasn't the most fun part of your day. But, again, I
25 love challenging assumptions. I think it's the best of what we all bring to
26 the kind of technical work that we do at NRC.

27 I have talked to a number of the office All-Hands

1 Meetings. I've really enjoyed those opportunities, too. It's a smaller
2 forum than we have here today. And I, specifically, want to talk to our
3 staff in the Regions. And, although I visited facilities in each of the
4 Regions, I think, at this point, I have not had an opportunity to go and
5 meet in a smaller kind of forum with the Staff in the Regions. And I want
6 to explain why that has been. I was very much hoping that I could line my
7 schedule up with the counterpart meetings, and be able to interact with
8 more of the Region staff when I visited. I've now fully given -- I've given
9 up on the notion that between the Commission's calendar, my calendar,
10 and the counterpart scheduling that I'm going to be able to make that
11 work. So, over the course of this fiscal year I really have as a very high
12 goal of mine to visit all the Regions, and meet as many of you as I can.
13 Those of you that I've met at plants and other facilities, I've really enjoyed
14 that, so thank you for the work you do.

15 I began my Federal career in a field element of the
16 Department of Energy, so I really value that kind of boots-on-the-ground
17 work, and it's something that I value very much, and have enjoyed talking
18 to those of you who do that for NRC.

19 So, I think all I really wanted to share with you, again,
20 was that I've really enjoyed, so many of you have welcomed me as part
21 of the NRC community. Thank you for letting me be a part of the
22 important work that you were doing long before I got here, and that you
23 will continue on into the future. It's a real privilege. And I know that all of
24 my colleagues feel the same, to be able to join with you, and achieve
25 together the kinds of things that we have achieved, and during my time
26 here that we will achieve. And that will be things both that I expect will be
27 coming, and the unexpected, which is also the really exciting part of these

1 days in the nuclear industry, where there's a lot of things on the horizon,
2 and over the horizon. So, I look forward to being a part of that as we all
3 face that together.

4 And I will just say on my Face Book, for those of you
5 who have bothered - and, again, you have to do this, I know, when you
6 go home, to visit my Face Book community. I do apologize. You have
7 these great ambitions of how frequently you're going to post things, and
8 it's still a work in progress. I ask for your patience. And I am trying,
9 again, just to use that as an outlet to talk about the things that I'm
10 passionate about. And the work we do, I'm very passionate about, but
11 more specifically, to talk about my work as a Commissioner. So, thank
12 you for those of you who have expressed any interest in that,
13 whatsoever. Thank you.

14 CHAIRMAN JACZKO: Thank you. We will now turn it
15 over to all of you. We'll begin with questions from I think -- we may need
16 some assistance here, as we can't really see too easily the microphones.
17 I think we'll start over here.

18 READER: Where does the Agency stand on Building
19 Three? Has a location been determined, and what is the projected time
20 line?

21 CHAIRMAN JACZKO: The question was on White Flint
22 Three. We're in the middle right now of White Flint Three, and some of
23 the sensitive discussions and negotiations involved in the contracting
24 process, so we can't really talk in too much detail about the specific
25 status. But it certainly is a priority for me, and I know for the Commission,
26 to get the building contracted, and eventually then built and constructed.
27 And our goal is still very much to have a facility that will be co-located with

1 the NRC Headquarters.

2 I have indicated that I would like to be able to open a
3 new building by 2012, so that is still the goal for me, and I think that's
4 something that is possible to accomplish. I don't know if there's any
5 comments from any other Commissioners.

6 READER: Good afternoon. This is a question, a two-
7 part question in the area of new reactors. The first part, how many
8 applications for new reactors have been docketed? Part two, what are
9 the projected dates to resolve the applications?

10 CHAIRMAN JACZKO: Well, I can start, and then if any
11 of the other Commissioners want to add anything. Right now, we have
12 17 applications that we have received, and that we're currently actively
13 working on. We have received an 18th application, and that application for
14 COL has turned into interest in an Early Site Permit.

15 We're actively working on 13 of those applications right
16 now. And the time lines will vary, depending on the particular projects.
17 The Office of New Reactors, I see Mike Johnson in the front row, keeps a
18 fairly detailed status of each of the projects. And, really, for the majority
19 of the projects right now, we're targeting, really, the work on the design
20 certifications, and having that work completed. And the time frame would
21 be sometime between 2010 and 2011, really probably closer to 2011 for
22 the complete work on the design certs. And then the COL work would
23 follow after that. But it's certainly a challenging activity, and it's an area
24 where I've certainly been impressed with the Staff's flexibility, and their
25 ability to adapt to a very dynamic environment that we're seeing
26 externally as utilities make changes in their plans, and their design ideas,
27 and, ultimately, their construction ideas. But it's certainly an area where I

1 think we're making a lot of progress as an Agency. And, ultimately, it's an
2 area where we're doing our job, and we're focusing on safety as the
3 number one priority. So, I'm very pleased with the work we've done. I
4 don't know if the other Commissioners would like to add anything.

5 COMMISSIONER KLEIN: I think one of the interesting
6 things that will have a lot of interest in the public is when does dirt really
7 start getting turned. As a regulator, I tend to favor starting maybe two to
8 three, and doing them really well, rather than to have a whole bunch
9 under construction. So, as a regulator, I think what's really important for
10 us is that we do it right, rather than do it quick.

11 As an industry, I think we have to be very careful that we
12 don't repeat in the United States what happened in Finland. As you
13 probably know, Olkiluoto is way behind schedule, way over cost. If that
14 happens in the United States, and, again, that's not a question for us as a
15 regulator, but if that happens in the United States, it's likely the financing
16 that will be available for new nuclear will be restricted.

17 Currently, there are four companies negotiating loan
18 guarantees from the Department of Energy. If those of you who watch
19 some of the Vogtle activity, it's clear that there's site work being done.
20 They have a limited work authorization, so I think you will see not only our
21 job as a regulator to evaluate the license, but there will be site work that
22 will be going on simultaneously, as we look at our regulatory
23 responsibilities.

24 CHAIRMAN JACZKO: Commissioner Svinicki? Okay.
25 Next question.

26 READER: Good afternoon, sir. Thorne Graham from
27 the Computer Security Office. I really have a simple question for you,

1 and that is, can you tell us when the Commission office will be back up to
2 full strength with five of you there? Thanks.

3 CHAIRMAN JACZKO: Well, the -- I think right now,
4 certainly with the colleagues that I have here, I think the Commission is at
5 full strength.

6 (Laughter.)

7 CHAIRMAN JACZKO: We have a great group of
8 individuals. We are -- when we have more Commissioners, perhaps we
9 won't be so spread out, but other than that, I think we certainly have a
10 very good team here. And I think it's really a testament to their work, that
11 with the smaller number of Commissioners that we have, that we
12 continue to work effectively, I think, as a body.

13 This is not the first time since I've been on the
14 Commission that we've had a smaller number of Commissioners. It's a
15 natural process I think we go through every time vacancies occur. It
16 takes a little bit of time to work through those. And I think, certainly, the
17 Administration, and the Congress, or the Senate are working to provide
18 us with some colleagues. But, certainly, in the meantime, I'm not at all
19 worried. We're able to get our work done, and to do it, I think, very
20 effectively.

21 COMMISSIONER KLEIN: If we knew the answer to your
22 question, we're probably very good in the stock market, and with probably
23 making other decisions, as well.

24 You know, there's a statement that I'd heard years ago
25 before I came to Washington, and that is, there's two things you never
26 want to watch being made, and that's sausage and laws. I think probably
27 a third is a process of a Presidential Appointee. It takes a long time, it's

1 complicated, a lot of background searches, a lot of negotiations that
2 occur. And I think the important thing for us, as a Commission, is for us
3 to focus on our work, and we will be fully staffed when Congress let's us
4 be fully staffed. This is one in which we have little control over.

5 COMMISSIONER SVINICKI: I would just add to what
6 the Chairman said, that to a person up here, the real commitment,
7 although, we may have individual priorities day-to-day, there's a real
8 shared commitment to advancing the Commission's business. And
9 whether our numbers are five, or a more diminished level, there's a
10 shared commitment to that. And I think it's really a focus day-to-day for
11 all of us, is just to keep that moving forward.

12 READER: This question comes to us from Region I.
13 What is the Commission's current view on how high-level and low-level
14 waste will be safely managed on site going forward, particularly at new
15 reactors, and at DOE facilities undergoing cleanup given the political
16 challenges of siting a central repository, and the capacity limits and
17 restrictions on existing low-level disposal sites? Can you also comment
18 on the prospects for progress in this area into the next decade?

19 CHAIRMAN JACZKO: Well, I'll start sharing my views,
20 and I think I'm sure the other Commissioners will want to add, as well,
21 their thoughts.

22 I think waste disposal in this country, particularly when
23 it's waste involving nuclear materials, is a very complicated issue from a
24 technical standpoint, from a policy standpoint, and I think, ultimately, from
25 a political standpoint. I certainly can't comment specifically on the activity
26 with regard to the high-level waste application that we have in hearing in
27 front of us right now, and the Commission is also engaged in a discussion

1 about waste confidence, which, to some extent, I think gets to the issue
2 of how do we address some of the unknowns about what would happen
3 to spent fuel that could be created at a new reactor. That's also a very
4 difficult question, and one I think that the Commission will continue to
5 discuss and work through.

6 The issue of low-level waste, I think, is also equally
7 interesting. Although, there we have a much better, I think, handle on the
8 possible options for disposal. It's been some time since we've had a new
9 low-level waste facility in this country. There is very close to being a
10 facility in the State of Texas, that would add to the inventory, or the
11 capacity for disposal of low-level waste. And, certainly, when we look at
12 the availability of Class A waste, there's really a good number, or there's
13 really probably sufficient capacity to deal with most of the waste that
14 would be created at existing reactors, as well as reactors going into the
15 future. So, I think that's an issue that certainly if we look at the higher
16 classes of waste, like the B and C waste, there are still some
17 uncertainties about availability of disposal for those classes of materials.
18 And the Staff, as well as, I think, licensees, as well as the disposal
19 community have been working on interim solutions to address that
20 shortage until we do have the availability of more facilities. But it's
21 certainly, I think, a much clearer picture in the low-level waste arena. Dr.
22 Klein?

23 COMMISSIONER KLEIN: I think the important thing for
24 us always to communicate, and that is the storage of both spent fuel, and
25 the high-level waste, and low-level waste is stored safely. And I think we
26 need to continue to emphasize that to communities where reactors are
27 located.

1 This material is stored safely, currently. It would be nice
2 to have a permanent solution for the spent fuel, and to know whether or
3 not we're ultimately going to recycle, or not. I think the important thing for
4 a regulator, for us as the NRC, is that our current storage of both high-
5 level, and low-level is safely done.

6 As the Chairman indicated, low-level waste is easier.
7 Certainly, the Class A waste -- as a policy issue, one thing that the
8 Commission will probably need to address at some point, is the continued
9 storage of low-level waste on site. You know, just as -- again, it's not a
10 safety issue, but just as a policy, I don't particularly like to see reactors
11 accumulating some of these large components on site for continued
12 storage. Again, it's not a safety issue, but it's a housekeeping issue. So,
13 I'd like to see the utilities focus on what they should be focused on, and
14 that's safety and security, and not have to worry about the continuing
15 storage of both the spent fuel, and the low-level waste at their sites.

16 But, again, what we're doing now, it's safe. And we will
17 certainly be watching what the Department of Energy, and others,
18 Congress do for the permanent solution of the high-level waste.

19 CHAIRMAN JACZKO: Commissioner Svinicki?

20 COMMISSIONER SVINICKI: I would just add that I think
21 the really singular and important contribution that the NRC, and its
22 technical experts can make is that, certainly, the history of nuclear
23 development in the U.S., and, as a matter of fact, in other countries, is
24 that there is a lot of public debate and controversy over the back-end,
25 and over the waste questions. But I think that NRC, and, again, our
26 experts here are uniquely positioned to really be injecting the facts when
27 called upon for the policy makers, and decision makers who are more

1 engaged in the political debate over these matters, is just to lend our
2 expertise when called upon to make sure that the public policy debates
3 are based on the right facts. And I think that, again, given our role, that
4 we were not advocates for any particular solution, means that we can
5 actually be very credible in terms of injecting the facts in this debate, and
6 making sure that when called upon, we lend our expertise to help others
7 sort through these policies.

8 CHAIRMAN JACZKO: Thank you. Next question.

9 READER: What plans are in place to upgrade support
10 technology, use of scanners and copiers, convert legacy documents from
11 microfiche to digital format, and use of Google applications to search
12 ADAMS?

13 CHAIRMAN JACZKO: That may be a question that I'll
14 turn to -- actually, we're fortunate that Darren is here, on some of the
15 specifics of the copiers and the scanners. Certainly, I think an important
16 priority for the Agency, though, is the upgrade and modernization of our
17 document management system, or ADAMS as we affectionately know it.
18 And part of the plans for the Staff going forward are to really incorporate
19 that into a more holistic, and I think seamless document management
20 storage and retrieval system, a system that doesn't, necessarily, separate
21 out the particular source of the information, whether it's coming from
22 ADAMS, whether it's coming from a web page, that there's just a
23 coherent format for people to access information. I think that's very much
24 one of the hallmarks of the plans for the upgrades, and the modernization
25 of ADAMS. But it's a several-year project, and something that will take
26 time.

27 Part of that, of course, is also the upgrades to the web

1 page, and the improvements to the web page. Those issues are no
2 longer, necessarily, separate and distinct, any more. The web is really a
3 portal for information more than anything else, and the transition from
4 whatever the back-end storage is should be relatively seamless, I think,
5 as we go forward.

6 Now, Darren, if you want to add anything on some of the
7 specifics about copiers and scanners?

8 MR. ASH: First, I want to just quick update on the
9 website, to be able to search. That is part of our overarching plan to
10 upgrade ADAMS. Chairman Jaczko referred to it, what we refer to as
11 Enterprise Content Management. The intent is a seamless approach,
12 unified approach to be able to search documents, both for the Staff to be
13 able to look at it, but also for our public, and our stakeholders to be able
14 to search our public website, and to be able to search the content that
15 we've got.

16 We're beginning a process to prototype the pilot, those
17 types of activities. We've also awarded two contracts already, and one to
18 come, in terms of redoing the NRC's public website. So, that's part of an
19 overarching plan to really modernize our capability to do that.

20 With respect to copiers and scanners, I know we've got
21 some activities going on in terms of scanning legacy information,
22 microfiche, and so forth, but it is limited. Part of it comes back to money,
23 resources. But one of the things I would commit to doing, I know this
24 topic has been brought up, is to be able to get a more complete answer
25 out to the Staff. I think we will do that after this All-Hands meeting.

26 CHAIRMAN JACZKO: He'll answer that afterwards. Any
27 comments?

1 COMMISSIONER KLEIN: Well, I think the area that
2 Darren is working on in terms of our IT capability, is one that we really
3 need to stay active and involved in. The challenge that I know that
4 Darren always has is balancing security with the ability for us to do our
5 job. And I, sometimes, I think we have to focus a little bit more -- clearly,
6 we don't want viruses coming into our systems. But, at the same time, if
7 we're too restrictive, we can't really perform our jobs as efficiently as we
8 can.

9 A lot of new search engines are out there. I think when
10 ADAMS was developed, it might have been the cutting edge, but,
11 certainly, the Google search engines, and others that are out there now,
12 and others by Microsoft, are really changing the way we can access
13 information. And I do know that I cannot look at Commissioner Svinicki's
14 Face Book from my NRC computer, nor can I look at the Secretary of
15 Energy's Face Book page. So, I think we'll continuously have to balance
16 security with the ability to get the job done. And that's a challenge that
17 we'll be facing, I think, for the duration.

18 COMMISSIONER SVINICKI: And this may be a little bit
19 off topic, but something I've been sensitive to is, since we've had to move
20 staff to, say, Church Street, and EBB, and until White Flint Three is
21 available, we're going to be somewhat dispersed even here in this little
22 region. I have tried to be sensitive to using technology to realize that the
23 mail distribution to say NMSS, or Research is not as quick, because they
24 aren't in the same complex as us anymore, so where we can scan things
25 in, and get them over, I'm trying to use technology to make sure that we
26 still, at least, feel like a virtual -- virtually, we're in the same building, even
27 if we're not.

1 CHAIRMAN JACZKO: Thank you. Next question.

2 READER: Staff continues to invest many hours
3 preparing Chairman Notification Papers for contract actions. Are there
4 any plans to reduce the burden on the Staff in initiating contract actions,
5 such as raising the threshold for reporting?

6 CHAIRMAN JACZKO: Well, I think the short answer is
7 there will certainly be proposals to do that. It's certainly an area where
8 my thinking has evolved significantly in the last four months.

9 (Laughter.)

10 CHAIRMAN JACZKO: And I think as I continue to
11 review Chairman's Papers, it's not clear to me what the function of the
12 Chairman review of those papers is. I think it's an area where I think we
13 can make some substantial improvements, I believe. It's something, I
14 think, the Commission will need to weigh-in on, and we may get some
15 insights here today about ways to improve that process, or ways that the
16 Commission will be comfortable changing that process.

17 I think in the end, the issue of thresholds is not,
18 necessarily, the right question, because I think, in general, it's probably a
19 revamping of the entire system of how we do our contract approval.

20 The EDO does have a tasking to report back to the
21 Commission in November on some proposals, and some potential
22 changes with the process, so that's something we'll be working on, and
23 looking forward to in November. And it's an area where I think that there
24 are some process improvements we can definitely make.

25 I think the bottom line view, from my perspective, is that
26 our contracting staff should be focused on making sure that when we
27 issue contracts, we get the most benefit for the work that we're going to

1 get, and that we have the resources, the ability to follow-up on the
2 contracts to insure that the money is being spent the way that we want it
3 to be spent. And I think right now, because of the inefficiencies in our
4 process, we don't have as much time to do those things as we would like.

5 So, it's certainly an area that I think we can make some changes, and
6 some improvement. It's a personal priority of mine to work on that. I
7 don't know if the other Commissioners would like to comment?

8 COMMISSIONER KLEIN: Well, I know that
9 Commissioner Svinicki was involved in looking at how we can streamline
10 our contracting processes. And I think we really have to work a lot harder
11 in our contracting area, including looking at the thresholds. We have a
12 very complicated process for which we do things, and it takes a long time.

13 So, I think this is certainly an area that I'd encourage the Lean Six Sigma
14 to be looking at. What steps do we take to do our contracting, and why
15 do we take those? And I know that our CFO has been challenged with
16 that aspect, as well as the EDO. And I think, together, they're working on
17 ways to make it better, but it is -- I still think it's a work in progress. And I
18 know from the contracts that I had to get involved in here when I was
19 Chairman, compared to what I had looked at at DOD was a lot more
20 complicated here. And I'm not sure we're getting, necessarily, a better
21 process by making it as complicated as we are. So, I think we're certainly
22 aware of it, we're making progress, and Commissioner Svinicki on the
23 Task Force has spent quite a bit of time looking at how we can make that
24 better.

25 COMMISSIONER SVINICKI: I would just add to what
26 Chairman Jaczko said, that maybe the threshold, the dollar amount isn't
27 the right question. If I step back and think about the years that I saw this

1 from the Congressional Oversight side, this Agency has had budget
2 growth, as the Chairman mentioned. It also is now contracting in
3 unprecedented amounts, and at unprecedented levels. And, often, I
4 think that our oversight committees, what they will look at is, say, there's
5 a vulnerability in those years of significant growth, that perhaps you didn't
6 have the right kind of efficient processes in place, and, therefore, as our
7 budget grows, and we get increasing scrutiny -- I think that we will get
8 increased scrutiny in the coming years to our contracting, and financial
9 processes. So, we want to be certain that we're taking the time to do it
10 right. I do agree that improvement can be made, but we also have to be
11 very, very confident, and scrutinize carefully what we're doing, because
12 we're dealing with larger dollar amounts now, and I think we're going to
13 get enhanced oversight, as a result.

14 CHAIRMAN JACZKO: Thank you. Next question.

15 READER: The Office of the General Counsel reports
16 directly to the Commission. The Staff may not always agree with their
17 position, and interpretation. How does the Staff bring issues of
18 disagreement to the Commission?

19 CHAIRMAN JACZKO: Well, I think this is an issue
20 probably throughout the Agency, that with an Agency of close to 4,000
21 people, there's probably not one issue where we all agree. There are
22 always issues where we have disagreements. And I think, as an Agency,
23 one of the areas in which we have really made significant strides, and
24 continue to demonstrate, I think, real leadership, not only within the U.S.
25 Federal government, but I think internationally among regulatory bodies,
26 is in the processes we have for people to raise differing views.

27 Certainly, we have the more formal Differing

1 Professional Opinions Program, which provides an opportunity for people
2 to raise their concerns on a technical level, or on a legal level. We have
3 the Non-Concurrence process, which is another way for people to
4 register their disagreements with a particular action. We have an Open
5 Door policy, that is a policy throughout the Agency, where people can
6 raise issues with their supervisors, with other people in the chain. So, I
7 think we have a lot of opportunities to do that. And I would say from a
8 personal experience, people have not been shy about raising views with
9 me, or issues with me about areas where they disagree, not only with the
10 General Counsel, but sometimes with the EDO, or the CFO, or even with
11 me. So, I think that spirit is vibrant, and I think it's just incumbent upon us
12 to continue to reinforce that idea of an open collaborative work
13 environment, that that is really the kind of Agency we want to have, and
14 the way that we'll be able to make sure that safety is established and
15 maintained effectively.

16 COMMISSIONER KLEIN: I would, certainly, agree with
17 that. I think when you have concerns, raise them, e-mails, telephones,
18 letters, whatever works. I think we are a very open Agency. At the same
19 time, we have to move things forward, and that's one of the things I like
20 about the Non-Concurrence process, is that a lot of times when I would
21 see decisions coming forward, along with the decision that was made,
22 attached to that will be the information where people differed. So, you
23 can evaluate that piece of information, along with the recommendation.
24 And I think we are a very open Agency, and we should continue to be
25 open. And, as people have differing opinions, and non-concurrence, you
26 should bring that up, not only to your immediate supervisors, but all the
27 way up to the Commission, if you feel it's appropriate.

1 CHAIRMAN JACZKO: Commissioner?

2 COMMISSIONER SVINICKI: Well, I don't have too
3 much to add to what's already been said. I know that participating in
4 these processes begins with the individual. There's having the
5 processes, but there's also, each employee making the decision of
6 whether or not they assess that the environment will be supportive to
7 them. So, again, use these processes. They are there. I acknowledge
8 that in some instances, it probably is not an easy thing to decide to
9 invoke these processes, so I just want to indicate that I know for every
10 DPO or Non-Concurrence I've seen, that it took some courage to do that.
11 So, I've been there. I know how it feels, and I appreciate them.

12 CHAIRMAN JACZKO: Next question.

13 READER: What plans are in place to beautify the front
14 lawn and entry to the Headquarter buildings?

15 CHAIRMAN JACZKO: Well, we do have a variety of
16 initiatives in place to make enhancement improvements to the overall
17 infrastructure of the Agency. There are efforts underway to re-tile,
18 ultimately, all of the -- to replace the tiling we have on the front lawn of
19 White Flint, and Two White Flint, and replace that with a different
20 structure that'll be a little bit easier to maintain, and I think provide long-
21 term, a better system.

22 We have other initiatives to address the entrance area to
23 White Flint One, as well as efforts in White Flint Two, to have improved
24 the foyer there. And, long-term, we'd really like to get really some
25 enhancement and modernization to overall both White Flint One, and
26 White Flint Two. Some of that will need to be paced with the work that
27 we're doing on a new building, as well. But I think for those of you who

1 were in some of the satellite offices here in Rockville, the Executive
2 Boulevard Building, or Church Street, or even in Twinbrook, I think we've
3 seen the potential for what a really modern, and a really beautiful
4 workspace can be like. So, we want to bring those things, eventually, to
5 the older buildings, and the older part of the campus, to really beautify, I
6 think, and really provide a nicer workspace for everybody, to make it
7 easier for you to do things that you do, that are so important.

8 COMMISSIONER KLEIN: I think the good news is that
9 we are getting more space. If you look, when I first came, we had very
10 few conference rooms. We had people that were really cramped and
11 crowded, so by freeing up some space, it's giving us some swing space
12 that we can then modernize. It's hard to modernize and beautify when
13 you have people in every office, so I think as we move towards White
14 Flint Three, it'll give us an opportunity to modernize White Flint One and
15 Two. Those buildings are showing their age. And, as the Chairman
16 indicated, when you go to these off-site locations, I think the
17 Administrative Group has done really a good job of modernizing and
18 making those very pleasant environments. And we would like to see that
19 same style at White Flint One, and Two. But we probably can't make
20 major changes until we have the swing space, hopefully, White Flint
21 Three, that will let us modernize, as we move into White Flint Three.

22 CHAIRMAN JACZKO: Next question.

23 READER: Commissioner Klein did not include the
24 environment in mentioning the NRC logo. How important is consideration
25 of the environment in NRC operations? Should more resources be
26 allocated to environmental issues, and licensing, and research?

27 CHAIRMAN JACZKO: Well, I think I'll just share my

1 thoughts, and then, obviously, if Dr. Klein wants to comment on his
2 remarks. A big piece of what we do is the environmental protection. It's
3 in our mission. It's in all the work that we do to develop Environmental
4 Impact Statements, so it's a big part of what we do. And I think one small
5 example recently, in some of the work that we've been doing to deal with
6 what I would like to call inaccessible piping, many of it is buried piping,
7 maybe it's underground, some of it's within walls of buildings, and it's not
8 really accessible from an inspection standpoint. And a lot of the concern
9 that we've seen registered with what's happening with leaks in those
10 systems has more to do with concerns about environmental
11 contamination, than it does, really, about public health -- immediate public
12 health and safety concerns. So, it's something that -- it's just one
13 example, I think, of an area in which the Agency is clearly focused on
14 those areas, and recognizes the importance of that as part of our
15 mandate. Certainly, Dr. Klein, if you want to add anything.

16 COMMISSIONER KLEIN: Well, I think our tag line says
17 it all. Our job is protecting people and the environment, so I think that's
18 our role, our responsibility. And I think we do it pretty well. I think we
19 always need to watch areas in which we have surprises, like underground
20 buried piping, and aging issues, but I think our tag line that we have for
21 the NRC demonstrates our focus on protecting people, and the
22 environment.

23 COMMISSIONER SVINICKI: I'll admit, I'm not certain I
24 understand the question, because I see it so differently. I think if I were
25 to walk up to almost any NRC employee and say what part of your day do
26 you spend on protecting the environment versus people, I don't think they
27 would even be able to answer that question. I think it's in every molecule

1 of what we do, so it may be that I didn't understand the question.

2 CHAIRMAN JACZKO: Next question.

3 READER: What direction can you give the Staff on
4 finding a balance between responding to stakeholders' vocal concerns,
5 and performing timely reviews, especially when the concerns go beyond
6 regulatory requirements?

7 CHAIRMAN JACZKO: Well, I think it certainly depends
8 on the arena in which we're dealing. But I think, in general, we have an
9 obligation. I remember all the time that -- I come to work at a Federal
10 agency, and what that means is that every day I come to work to work for
11 the American people. So, all of the stakeholders that are out there,
12 ultimately, have an important voice in the work that we do, whether it's a
13 member of the public, whether it's a licensee, whether it's a member of
14 Congress, whether it's internal stakeholders. People all have a voice,
15 and it's important that we listen, and that we respond.

16 There will certainly be questions, or comments, or
17 concerns we get from stakeholders that we don't agree with. And it's
18 okay to respond to those, and provide people with the information. But,
19 in the end, we want to hear from the people. Certainly, I do, and I think
20 as an Agency, we want to. And I think, in general, we do a very good job
21 of that, of listening to people's concerns, and doing the best we can to
22 address them.

23 We will never -- as I said earlier, if you take any issue,
24 not everyone in this room would agree, necessarily, on the solution. So,
25 certainly, when we broaden that beyond the four walls here of the NRC,
26 we will get many more complicated issues, and many more issues in
27 which we can't satisfy every participant. But I think it is incumbent upon

1 us to listen, and to answer the questions, and provide good factual
2 feedback on any particular issue.

3 COMMISSIONER KLEIN: Well, I think the important
4 aspect for an Agency is that we communicate the results of our findings.
5 So, as we perform our job, one of the areas we have a role to do, as a
6 regulator, is to explain to people what our results are, and what we found,
7 and why we found them.

8 I think we can always do a better job of communicating.
9 I'm an engineer, and I oftentimes make the comment that if you ask an
10 engineer what time it is, he'll tell you how to build a watch. So, I think we
11 need to learn how to answer questions in a succinct way, and do a better
12 job of understanding what stakeholders -- what kind of information the
13 stakeholders want. They may not need the 10-page answer. They may
14 just want a short answer. But I do think we have to balance that job. We
15 definitely have to do our work, but we also have a responsibility to
16 communicate the results of our work. And that's part of what we do, as a
17 regulator.

18 COMMISSIONER SVINICKI: I would just add that I
19 suspect maybe some kernel of the question has to do with when you find
20 yourself being the public face of the NRC, and representing this Agency,
21 maybe in community meetings, or public meetings. I know the
22 temptation, I know the -- I've come to know the kind of people who work
23 at the NRC, and I suspect it's that instance of where a member of the
24 public wants something that technically, it wouldn't be our responsibility to
25 provide. But, again, I know so many of you are so well-motivated, you
26 probably are so motivated to be helpful, that you may find yourself in the
27 time constraints of trying to do too much for too many people.

1 And I would just say that, you know, that's a judgment
2 each individual makes, is should I help this person, and go this extra
3 step? But, you know, it really -- I think that kind of representation that
4 occurs across the country by NRC employees interacting with the public
5 everywhere, is one of the reasons why this Agency has the kind of
6 reputation that it does. So, it may be a little bit beyond your job
7 description. I know why you do it, because we're all well-motivated, and
8 we don't like to have to explain to the public, well, the limits of my Agency
9 end here, and some other Federal staff needs to help you. So, I think
10 that may be a little bit of the question. And, again, I think that -- I know so
11 many of our staff go above and beyond, and I think that's why we're so
12 highly thought of.

13 CHAIRMAN JACZKO: Next question.

14 READER: The Agency seems to discourage innovative,
15 small reactor design applications. Will the Agency review a small reactor
16 application, if we receive one?

17 CHAIRMAN JACZKO: Well, I think -- certainly, I wouldn't
18 say that we discourage it. And I think the Staff has active plans to move
19 forward to do those reviews. Certainly, at a minimum, with one reactor --
20 one-module reactor design, the Staff, I think, is planning for 2012 period
21 for commencing reviews. So, I think, as I look at the issue, the bigger
22 challenge is recognizing when these designs are really ready for NRC
23 review.

24 Right now, I think there's a large number of conceptual
25 designs for smaller reactors, that may not, necessarily, have the full
26 depth of supporting technical information in detail to truly support an NRC
27 review. So, I think the next several years provides the kind of time frame,

1 I think, for those people who are interested in that type of reactor design,
2 to come forward and develop, really, the detailed technical information
3 that they'll need in order to be able to move through the review process
4 successfully.

5 We, certainly -- right now, the Commission has in front of
6 us the 2011 budget, or we actually have it in front of OMB now, and that's
7 something that, certainly, we considered as part of that 2011 review, is to
8 consider additional resources in that area, as well. Now, of course, we'll
9 have to wait and see what OMB's priorities are in the end, and the degree
10 to which they're willing to support efforts in that area. But I certainly think
11 it is something that the Commission is looking at, and is interested in.

12 COMMISSIONER KLEIN: I would, certainly, agree with
13 those comments. As indicated earlier, Mike Johnson has his plate a little
14 bit full in Office of New Reactors with 18 applications for 28 reactors. The
15 challenge, I think, that we have on small reactors, I think we all agree that
16 there's certainly a role for those to play. One of the things that we
17 typically need is a bill payer. We are required by law to recover 90
18 percent of our budget, so what we really need, I think, to move the small
19 reactors forward, in addition to what the Chairman said, of a design that's
20 ready to be reviewed, we also need a customer that has expressed an
21 interest in building one of those, and a bill payer.

22 COMMISSIONER SVINICKI: I would just add that I think
23 that I react with some frustration to the word "discouraged", as well. I
24 know I've said inside my office that there's a number of articles in the
25 trade press that characterize NRC as the skunk at the garden party when
26 it comes to new and small modular reactors, but there is a role for this
27 Agency to play at the right time, but there is a role for others to play, as

1 well. So, I think we've gotten some real unfair characterizations of this
2 Agency's posture on these reactors.

3 CHAIRMAN JACZKO: Next question.

4 READER: Yes, sir. Can you briefly speak to the impact
5 that you believe NRC has in partnership with folks like FERC, and NERC,
6 and DOE with regard to SmartGrid as it pertains to safety?

7 CHAIRMAN JACZKO: Well, that's certainly an
8 interesting question, and not one I, necessarily, thought about the
9 implications of SmartGrid. I think the challenges there would be the
10 challenges that we would face in any kind of digital environment. And
11 those really get into issues of cyber security, and reliability. And cyber
12 security and reliability are two areas where the NRC shares responsibility
13 with FERC, with NERC, as well as with the Department of Homeland
14 Security. In many ways, the issues of reliability and cyber security are
15 interrelated. As we develop more and more digital applications, and
16 digital control systems, and digital interaction with things like the power
17 grid, and, certainly, power plants, we introduce more and more
18 vulnerabilities from a cyber standpoint. So, it's certainly an area where,
19 as we go forward, I think the NRC will want to continue to interact with
20 those agencies, and with others, as well, as we continue to insure that
21 any kind of deployment like that will not have an adverse impact on
22 nuclear reactor safety. That's, ultimately, where our role comes in, either
23 directly, or indirectly.

24 COMMISSIONER KLEIN: We, typically, have two
25 meetings a year with FERC. We do a home-at-home. Typically, we go
26 down there for a meeting, and then they come out to the NRC for a
27 meeting. And I think it's very important for us to maintain an open and

1 active dialogue with FERC.

2 As you might have heard, and read in the trade press,
3 that some of the utilities are concerned about dual regulation, where
4 other agencies will come on their site, and want to also impose some
5 regulatory activities. And I think that's where we're doing a good job of
6 working with our Federal agency partners, so that we give a consistent
7 regulatory structure, and not an undue burden, so that we do maintain
8 our safety, and our concerns, but minimal dual regulation by dueling
9 agencies.

10 COMMISSIONER SVINICKI: I think I would seek
11 solutions that look for the same kind of regulatory efficiency that Dr. Klein
12 is talking about. And I think there can, of course, be no compromise on
13 the security, from a cyber security standpoint, of the nuclear installations,
14 so we just need to be cooperating with our Federal partners, and then
15 making certain that our licensees understand the set of requirements
16 imposed upon them. And I do think that there are ways to do that more
17 efficiently. And it has been my experience that the FERC staff, and the
18 NRC staff kind of acknowledge each other's areas of expertise, and their
19 areas of regulatory reach.

20 I hope that as the cyber issues become more complex,
21 as the Chairman has talked about in digital environments, I have every
22 reason to believe that that kind of cooperation between the agencies will
23 continue. The NERC thing is a little bit of a wrinkle, because they have
24 now a new statutory role. Well, it wasn't new, it was in 2005, so any time
25 you add a new player, it becomes a little more complicated. But I think
26 the three entities are working that out.

27 CHAIRMAN JACZKO: Next question.

1 READER: Another question that starts with the
2 SmartGrid. There is a big push for SmartGrid increasing efficiency with
3 the existing grid, and supplementing with green energy, and reducing big
4 future generating stations. If this is true, do you have future plans to
5 combine NRR, and NRO to address technical challenges with new
6 reactors?

7 CHAIRMAN JACZKO: Well, I would say that there's no
8 plans right now to -- I think the question was to combine NRR and NRO
9 into one organizational unit, again? If that was the question, there's no
10 plans right now to do that. I think the separation, and the split that was
11 made in NRR originally, I think has worked very well. And it's allowed us
12 the ability to maintain our focus on the operating reactor fleet through the
13 work that NRR does, and allow NRO to focus, then, on the work of the
14 new reactor development. So, there are no plans, at this time, to
15 recombine those offices. Next question.

16 READER: Is there a plan to increase available parking
17 places, particularly in view of building White Flint Three?

18 CHAIRMAN JACZKO: Yes. The -- I think I have the
19 numbers. It's something like -- we've got about a thousand some parking
20 spaces here in the White Flint complex, some 300 or so, I think, in the
21 other satellite offices. Right now, the -- and I think we have about 180
22 some people on the waiting list for White Flint -- the White Flint complex.
23 So, if we're successful with the new development, the plan right now is
24 that that space would accommodate the waiting list, as well as the
25 parking spots in the satellite offices that would be brought back into the
26 White Flint complex. So, that is something that we think we'll be able to
27 accomplish with the new construction.

1 COMMISSIONER KLEIN: One of the challenges on
2 parking that has always frustrated me is, when I look out and I see the
3 Metro Parking Garage, I think I might have seen a car on the top level
4 once. So, there is a lot of unfilled parking places on the Metro Parking
5 Garage. And we made a very strong effort to try to enter into an
6 agreement with the Metro facility, so that we would actually be able to buy
7 some of those spaces, so our employees would have a place to park,
8 and it was not successful. It was very frustrating, because you look out,
9 and you see all those unused spaces, but, yet, we were not able to
10 acquire that. We'll probably make another run at that at the right time,
11 but I think the senior staff worked really hard to try and increase the
12 number of spaces. It was just an unsuccessful ending.

13 CHAIRMAN JACZKO: Next question.

14 READER: Homeland Security Presidential Directive 7
15 assigned joint security for nuclear sector to both the Department of
16 Homeland Security, and the NRC. Given the difficulty and confusion
17 concerning this directive, has the Commission considered asking the new
18 administration to clarify the role of the Department of Homeland Security,
19 and the NRC?

20 CHAIRMAN JACZKO: Well, I think, at this point, the
21 Commission hasn't formally made any decisions about how we would
22 address that issue. I think there is -- there, certainly, is concern, I think
23 the staff has expressed the concern, Roy Zimmerman in the Office of
24 Nuclear Security and Incident Response, has certainly been, I think,
25 watching that closely, and kept an eye on the fact that, ultimately, the
26 NRC's role in dealing with nuclear reactor incidents, as well as source
27 incidents, I think can be strengthened. And some of that coordination,

1 and communication, can be enhanced. But, as of now, the Commission
2 doesn't have any formal action to do that. It's, certainly, something we
3 can consider.

4 COMMISSIONER KLEIN: I think this is a case where
5 there's good news and bad news about being an independent Agency. I
6 think, probably, the good news of being an independent Agency outweigh
7 the bad news, but there are a lot of inter-agency meetings that the NRC
8 does not get invited to, because we're not a part of the Executive Branch.
9 So, when groups get together and meet, sometimes we are just not
10 there, because we're not on the list of executive agencies to participate.
11 And I think Roy has done a good job of trying to weasel his way into as
12 many meetings as he can, but sometimes we have to be invited, as
13 opposed to automatically appearing, because we are an independent
14 Agency.

15 CHAIRMAN JACZKO: Next question.

16 READER: It seems that Agency professionals, and
17 technical staff must perform more, and more administrative functions. Is
18 the Agency considering a ratio of administrative to secretarial staff to
19 support professional, and technical staff along the lines of the
20 management to staff ratio?

21 CHAIRMAN JACZKO: Well, I think I would turn to
22 Darren. I'm not familiar with any specific efforts, and Darren may not be
23 familiar with them, either, any specific efforts that we have there. It's,
24 certainly, something we can look at. You know, obviously, the
25 administrative support staff we have is crucial to us doing the job we do
26 every single day. I know I wouldn't get to half the meetings I am
27 supposed to get to, if I didn't have the administrative staff in my office

1 keeping me on schedule, and getting to the places I need to get to. So,
2 it's certainly something we can take a look at, and that may be something
3 that we'll hear from the Union about later, as well. And it's something we
4 can get back to you with a specific response on, and provide that in a
5 written format. Next question.

6 READER: Because a large number of staff will be
7 retiring within the next three years, how will this affect hiring and
8 retention, particularly, in view of the anticipated flat budget during this
9 period?

10 CHAIRMAN JACZKO: Well, I think the short answer is
11 that, really, as an Agency that has experienced a lot of growth, we did a
12 tremendous amount of hiring to fill new positions. Likely, in the next
13 several years, as we enter a period of flat growth, or, really, of stability,
14 our hiring decisions will really be more tuned towards replacing those
15 individuals who do leave the Agency, as well as continuing to maintain
16 things like the NSPDP program, and other programs that we have to
17 bring new people into the Agency. So, in the next several years, I would
18 anticipate that those two issues will be more closely tied together than
19 they have been in the last several years.

20 The last year has seen us with a relatively lower number,
21 or lower level of attrition than we're normally used to. We are closer in
22 the 3 percent range, rather than about a normal, or an average, historical
23 average of about 5 percent attrition. So, as we see, as things develop in
24 the future, we'll adjust our hiring really probably more according to the
25 kind of attrition levels that we see. Next question.

26 READER: The Staff is very excited about New Flex.
27 When will it be implemented Agency-wide?

1 CHAIRMAN JACZKO: I'm sorry, about New Flex?

2 READER: New Flex.

3 CHAIRMAN JACZKO: New Flex, as I understand it, is
4 part of the new collective bargaining agreement, so that will be -- it still
5 needs to be signed, and Bill Borchardt, I think, has that ready to go in the
6 very short term. And then there will be a roll-out period with the new
7 collective bargaining agreement, but I think it's something there will be a
8 period of training for supervisors, and for others, on some of the new
9 provisions. But I think, in general, they really are going to provide, really,
10 a tremendous opportunity for us to have a much more, I think, user-
11 friendly workplace, even more than we have now. And there's a variety
12 of new workplace flexibilities in the collective bargaining agreement, and I
13 think real enhancements. And I think it's really a testament to the effort,
14 and the collaborative work that went on with the Agency, as well as with
15 the Union, to develop what I think is really a very good collective
16 bargaining agreement, that I think will serve us for a long time into the
17 future. Next question.

18 READER: What is the NRC doing to reduce its carbon
19 footprint?

20 CHAIRMAN JACZKO: Well, I think, we have done
21 several things as an Agency, and, perhaps Dr. Klein can talk about some
22 of the things that he initiated when he was Chairman. But we have --
23 whether you look at it as carbon footprint reduction, or simply as energy-
24 saving initiatives, there's a lot that we've done as an Agency to improve
25 energy efficiency, with the efforts on replacing the lighting in White Flint
26 One, and White Flint Two, I believe, as well. We have had a recent
27 upgrade to some of the building infrastructure, and some of the systems,

1 the heating and cooling systems that will make us more efficient, and
2 more effective. And there are some things that I know the Staff would
3 like to do to upgrade some of the things on the tops of buildings, where
4 we keep a lot of the real infrastructure that provides our heating and
5 cooling systems. So, there are things we can do in that regard. But,
6 certainly, a lot of things have happened, if Dr. Klein wants to comment.

7 COMMISSIONER KLEIN: Probably, assuming that the
8 licenses are of high quality, and meet our requirements, licensing new
9 nuclear plants will probably be a contribution we can make to reducing a
10 carbon footprint.

11 (Applause.)

12 COMMISSIONER KLEIN: I think the areas that we have
13 done -- activities that really contribute to reducing the carbon footprint for
14 us, and our employees, are things like telecommuting, and increasing the
15 subsidy for mass transit. Those are -- in addition to what the Chairman
16 mentioned. There's a lot of things we've done with our building that have
17 made it more environmentally friendly, where we can be more energy
18 efficient, reduce our energy consumption. So, I think we'll continue to do
19 those. And, certainly, as we look forward to White Flint Three, we'll
20 certainly look at the carbon impact of that building, and make it as
21 energy-efficient as we can.

22 COMMISSIONER SVINICKI: Well, Mr. Chairman, I'm
23 just reflecting that you've been too modest, because you've not
24 mentioned your contribution on parking, because you commute by bike,
25 and Metro. You free up one parking space for another employee, and
26 you also reduce the carbon footprint for doing that.

27 CHAIRMAN JACZKO: I think -- I'm not sure, with the

1 heavy breathing I do when I bicycle, may actually contribute more to the -
2 - to my CO2 footprint than -

3 (Laughter.)

4 COMMISSIONER SVINICKI: And I'm sure it's less than
5 my Ford Explorer that I'm sitting in by myself.

6 CHAIRMAN JACZKO: Next question.

7 READER: As we enter into Fiscal Year 2010, what key
8 messages would you like to give the NRC Staff concerning the Agency's
9 focus in the coming year?

10 CHAIRMAN JACZKO: Well, I think the most important
11 message, and I think it's really the one that I think we hear, and repeat all
12 the time, is that we have to make sure that we maintain our focus on the
13 safety and security of our existing facilities, and the existing licensees.
14 There's always new activity. There's always a lot of efforts, and activities,
15 and things that can distract us, and keep us from focusing on that
16 mission, but, fundamentally, the reason we are, I think, the number one
17 place to work in the Federal government is because of the excellent
18 people we have, the excellent people we have dedicated every day to
19 making sure that nuclear materials, and nuclear facilities in this country
20 are regulated safely and securely. So, it is probably the most important
21 message in any fiscal year, that I think we can convey, and, certainly, that
22 I can convey. I'm sure others would have other things they could add.

23 COMMISSIONER KLEIN: I think one of the most
24 important things that we need to continually work on, as an Agency, that
25 will keep us as the best place to work is honest, and real personnel
26 evaluations. Evaluations are never fun. They're not fun for the people
27 that have to do them, or the people that have to go through them. But we

1 really need to do that in an honest and open manner, so that we really let
2 people understand very clearly what we expect of people, and then tell
3 them how they're doing, and give good feedback.

4 I think, as an Agency, that's one of the most difficult
5 things for any Agency to do, but I think it's one that we always have to
6 focus on, is make sure that we tell people what we expect, give them
7 feedback, because, at the end of the day, I think what people want to do
8 is, they always want to feel that they're making a positive difference, and
9 it is recognized. And I think one of the best ways to do that, but not the
10 most fun, is through an honest, real evaluation of personnel.

11 COMMISSIONER SVINICKI: I certainly agree with the
12 general principles that the Chairman outlined. And, since I have an
13 opportunity to comment on something specific, I would say that what
14 comes to mind, for me, is really leaning into the budget improvement
15 process. I know that the Chairman was kind enough to mention my
16 contribution, and my attention to this area. And I have mentioned it in
17 some of the office All-Hands Meetings, of how I think that it is well beyond
18 a green-eyeshade issue. It's really a credibility issue for the NRC. I think
19 that we will have enhanced scrutiny over the next few years of our budget
20 execution, and so I think it's an area where almost every employee has a
21 chance to contribute to that process at some level. And, again, it's kind of
22 doing what you say you're going to do, and our budgets have been
23 supported, so our ability to execute the budgets that we ask for, and then
24 receive from the Congress, I think, is an important -- it's kind of like Dr.
25 Klein was talking about, performance evaluation. It's our large -- our
26 performance evaluation as an Agency at large to some of our oversight
27 committees, and a number of our stakeholders. Can we -- do we

1 understand what it will take to achieve the licensing workload that we
2 predicted, and can we do that, and have the budget, and the plans, and
3 schedules to move us forward? So, I think it's going to get real hectic,
4 and it's going to take the best that all of us can bring to achieve the kind
5 of credibility we've put ourselves out there. We said we knew that this
6 wave of activity was coming, and before I got here, a lot of smart people
7 started to hire the staff, and build the budgets to achieve it, but the proof
8 will be in the doing, I think, in FY 10 and 11.

9 READER: Hi. I wanted to ask, within the Agency, there's
10 a very wide variation in the expectations and support for the NSPDP
11 program, so I wanted to take this opportunity to ask you what your visions
12 and goals for the NSPDP hires are. Thank you.

13 CHAIRMAN JACZKO: Well, I think that -- certainly, that,
14 from my sense, there is a strong commitment to the NSPDP program. I
15 think it's been a very successful program. It's really brought us some new
16 talent, and very excellent people into this Agency, that really complement
17 the more experienced staff we have, and the excellent mid-year hires that
18 we've been able to achieve. So, I'm not aware of any real concerns with
19 the program. And my sense is that it's a program that works very well.

20 Now, obviously, as we go forward, the kinds of -- the
21 numbers, and the people that we'll bring in, and the different skill mix may
22 change, given some of the changes in the Agency overall budget, and
23 these kinds of issues. But it's, certainly, a program that I would say has
24 strong support, and I would, certainly, want to see continue at a high
25 level.

26 COMMISSIONER SVINICKI: I'd like to make a
27 comment on that, just because a strange thing that happened to me last

1 week. I've heard about the NSPDP program since I got here, and it
2 certainly sounds like an absolute good, so I'm very supportive of it. And
3 it's amazing, sometimes, how people from a different perspective will see
4 it differently. While I was at my alma mater, which many of you know, I
5 was at the University of Michigan last week, so I don't want this to turn
6 into -- I'm going to tell a story that, it was a very odd question I got when I
7 was there, so I don't want this to turn into a Wisconsin-Texas-Michigan
8 thing.

9 (Laughter.)

10 COMMISSIONER SVINICKI: But, I will just say that -

11 CHAIRMAN JACZKO: We know Wisconsin will win that.

12 (Laughter.)

13 COMMISSIONER SVINICKI: I was confronted by
14 someone who seemed a bit agitated, and it was a faculty member in the
15 Nuclear Engineering Department. And they said, "Well, we heard that
16 you will hire in new engineers to the NRC, and then within X number of
17 years, they've been promoted so that they can earn", I can't remember, it
18 might have been \$80,000, or something. And I think that what motivated
19 this, as we talked about it, was that it's hard to keep people at the kind of
20 graduate school stipends, because we're providing them this kind of
21 lucrative opportunity. I think, always being challenged. That you're
22 making so much opportunity for young engineers, NRC, or new
23 engineers, that we're not going to have enough people staying in to do
24 graduate research, and it's going to hurt the field. So, that was one of
25 those questions that just really throws you for a loop. But, I wasn't willing
26 to offer any apologies for the fact that NRC has -- I just responded to the
27 individual that we have a very fulsome process. We bring in new

1 engineers, and we allow them to go through a developmental program,
2 where they're not going to be too horned into something, that they'll have
3 an opportunity to sample many different types of work here, and then
4 decide what is best for them. And maybe some of them will decide that
5 NRC is not the place for them. But, I said, I really don't see any flaws in it.

6 But it's interesting how other people will view something you think is a
7 real stellar thing that the Agency has going for it, and other people will
8 see some sort of a detriment about it. And I have no idea why I felt the
9 need to share that whole story.

10 (Laughter.)

11 CHAIRMAN JACZKO: Well, I think it's a good testament
12 to the excellent program that we have.

13 COMMISSIONER KLEIN: And I think, certainly, all of us
14 at the table, and all the senior management that I've ever talked to, think
15 that it's a great program, and should certainly continue.

16 CHAIRMAN JACZKO: Next question.

17 READER: Good afternoon. The Commission has been
18 very consistent, and very clear in communicating its priority on
19 technology. Can you elaborate on your plans for technology over the
20 coming fiscal years?

21 CHAIRMAN JACZKO: Well, I think the biggest way that
22 I would characterize this, and I think this is the way that Darren has talked
23 about it, is the work-from-anywhere concept. I think that's the vision, and
24 I think, really, the challenges are going to be in implementing that. Dr.
25 Klein talked a little bit about the security issues, and that crops up a lot
26 with laptops. And we've heard that concern, I know, I've heard that from
27 many different fronts, about the need to provide the flexibility to be able to

1 use this technology infrastructure, but maintain the security that we know
2 is so important.

3 So, I think there will be challenges in implementing that
4 vision, but I think Darren and his team are well positioned, and well
5 equipped to really move us forward in having that kind of environment. I
6 think it's what we expect. Certainly, we've heard talk about Face Book
7 pages, and other kinds of things. Obviously, as a Federal agency right
8 now, we have some limitations in our ability to access content on the
9 internet. And that's something that in other areas is very common, and
10 can be very useful. So, we'll keep looking at all those ideas, but I think, in
11 the end, if I would characterize, generally, our IT strategy in the future, it
12 will be that, to try and really implement the work-from-anywhere concept,
13 but, at the same time, make sure that we're providing the right kind of
14 security, because security of our IT infrastructure will be extremely
15 important, as it is already, as we go forward.

16 READER: What progress is being made towards
17 international certification and licensing of nuclear power plants?

18 CHAIRMAN JACZKO: Well, I think -- I recently had the
19 privilege of coming back from a meeting in Paris with the Multinational
20 Design Evaluation Program, which is an international body that was set
21 up under, really, the leadership of former Chairman Nils Diaz, to try and
22 look at ways to bring together the work that's being done among very
23 different regulatory bodies, in a lot of different countries, in particular, as
24 they review similar designs, and similar power plants.

25 I think the goal of that program, right now, is really
26 tailored more towards sharing information among regulators, as well as
27 sharing inspection practices, and inspection activities among various

1 regulators. A third goal, really, I would say, is the ability to try and get the
2 voluntary codes and standards organizations to try and harmonize, and
3 standardize their codes and standards. I think that's a challenging
4 prospect, but, in the end, I think -- and, certainly, the sense of that
5 particular international body, is that, in the end, regulation will always
6 have to be a domestic activity. And that includes, really, the work,
7 ultimately, of the certification, and the design work, and the design
8 reviews in any particular country.

9 I don't think, internationally, if you polled all the countries,
10 that every country would agree that that's the best way to do it. But I
11 think there's, certainly, from a safety standpoint, a real strong argument to
12 be made that countries need to have the infrastructure, and the capability
13 to review designs, in order to insure that those designs are safe, and that
14 they understand then how to actually oversee, and regulate those
15 designs, if they were actually built. Any comments?

16 COMMISSIONER KLEIN: I think Gary Holahan does a
17 great job on representing the NRC's interest on the MDEP program. And
18 I think the key there is, as indicated, the intent is really to harmonize the
19 requirements among various countries, and to share information and best
20 practices. And we are in a global economy today, and if you look in the
21 '70s and '80s, almost all the components for nuclear plants were made in
22 the U.S. That's not going to be the case this time around. It's an
23 international market, international manufacturing, and it's really important
24 for us to share information, and, certainly, among regulators.

25 I think rather than having an international certification, it's
26 more of a harmonization of requirements. Because, at the end of the
27 day, for us in the United States, we have 535 advisors, that's the House

1 and the Senate, that would not delegate any kind of a certification of
2 nuclear plants to another body. So, we will, ultimately, be responsible for
3 that in the U.S. And I think most other countries acknowledge that, that
4 at the end of the day, each country has to have its own regulatory body,
5 because they're the ones that are accountable. But we can, certainly,
6 share information, and harmonize. And I think Gary does a great job by
7 representing the NRC's interest on that MDEP activity.

8 CHAIRMAN JACZKO: I think we'll do one more
9 question, so we'll have time for Dale Yeilding.

10 READER: Will we be able to continue hiring retired staff,
11 and will we be able to offer part-time positions to them?

12 CHAIRMAN JACZKO: I think the answer -- if the
13 question is really in reference to our Rehired Annuitants program. I think
14 that's a program that will stay with us for some time. We have
15 tremendously skilled staff, who are leaving the Agency. And, in some
16 cases, we're fortunate that they can come back in limited capacities, and
17 help us with specific projects, or other activities.

18 One area where, certainly, we're doing a lot of that is in
19 the international area, as a lot of new countries work to develop programs
20 with a new nuclear infrastructure. I think it's very important for us to be
21 able to send our knowledgeable, sort of our alumnus, our alumni to a lot
22 of those countries to tell them how we established the successful
23 program we have here in the United States. So, that Rehired Annuitant
24 program, I think, is one that really will continue. And just the important
25 point, I think, for that particular program is that it's extremely important
26 that we manage it effectively, because I think people will be focusing on
27 it, and really looking to make sure that the program is done effectively.

1 And several years ago, I guess it's several years now, maybe a year ago,
2 the Commission did weigh-in, and, really, I think provide some greater
3 clarity and guidance on how that program should be implemented, and
4 how it should be used. And one of the things we did, is we put a cap on
5 the time frame that people would be allowed to use that particular
6 program, and come back as annuitants. But I think it provides, really, a
7 great opportunity for people who have left the Agency, to continue to
8 contribute in a meaningful way to this Agency. And, really, ultimately, to
9 this country. Make this the last question.

10 READER: Last question, the easy one for last. Two
11 years ago, when we received DOE's license application for Yucca
12 Mountain, it was clear what was expected of the Staff. Today, it's less
13 clear. Does the Commission have an expectation of what the Staff ought
14 to do, what is success, in other words, for us in 2010, in terms of what the
15 Commission expects us to produce, vis a vis the license application?
16 Thank you.

17 CHAIRMAN JACZKO: Well, I think, I'll provide some
18 comments. I'm sure the others may want to add. I think the simple
19 answer is, the Staff needs to continue to do their jobs. And when it
20 comes to the license application, and all of the ancillary work, whether it's
21 the legal work, or whether it's the technical work, is to do your jobs the
22 way you know how to do them, and I think the way we always do it, as a
23 regulatory agency.

24 And we talked in the new reactor arena about the need
25 for flexibility. And I think in high-level waste right now, it's an area where
26 we need to be flexible, and adaptable, and recognize that there is a larger
27 national policy discussion that's taking place on this issue. And what we

1 need to do every day, as the people who have responsibilities in that
2 area, is they need to come to work every day, and continue to do their job
3 at the excellent level that we're accustomed to. And, I recognize that this
4 is a very difficult time with that particular program, because there is a high
5 degree of uncertainty. But, I'm also reassured every day by, really, the
6 caliber of not only the technical staff we have in that area, but the
7 management, the senior management, the mid-level management that
8 keeps us focused on, really, our important mission each and every day.
9 So, if there's any comments I could give, I think those would be it.

10 COMMISSIONER KLEIN: I think the challenge that we
11 have with regard to that program is one of funding. We simply don't know
12 the direction, nor the funding available, certainly, for 2010, and, certainly,
13 not for 2011. So, I think right now, it's just a challenge. I know Mike
14 Webber is working -- challenging very hard, and trying to balance, bracket
15 from a high-end to a low-end budget, so that we'll know what tasks we will
16 carry out, but it is a very dynamic program right now. That's probably the
17 best way to put it.

18 COMMISSIONER SVINICKI: I think I would only add
19 that if my scheduling information is correct, I think the House and Senate
20 Conference on Energy and Water is meeting today at 6:15, so I know that
21 one of the few differences they have in the House and Senate bills is the
22 funding level for high-level waste funding for both DOE, and NRC. So,
23 hopefully, that is the biggest uncertainty that hangs over Staff. As soon
24 as we know that number, I know that management will be informing the
25 Commission of what their proposed utilization of that, what's the best way
26 to move forward. So, I look forward to hearing what management and
27 staff have to recommend on that.

1 CHAIRMAN JACZKO: Well, thank you for those
2 excellent questions. I think it's great when we're able to have this forum,
3 and have this opportunity to hear from you, and hear those questions.
4 And, now I would turn it over to Dale Yeilding to provide some of his
5 comments.

6 MR. YEILDING: Yes. Thank you, Chairman and
7 Commissioners. I'm told I have to stand in the light here for the cameras.
8 It is kind of blinding. I'd like to stick with the theme of this meeting for
9 accomplishments and challenges, and talk about what the National
10 Treasury Employees Union has done for the past year. And I think
11 everyone has been hearing so much about the collective bargaining
12 agreement, bargaining, and enduring my emails over the past six or nine
13 months, I guess everyone is probably glad to hear that we've reached
14 agreement. And I plan on talking to you a little bit about that agreement,
15 knowing full well there's going to be a roll-out plan, and a communication
16 by the Agency, training supervisors, and managers on the changes of the
17 collective bargaining agreement. I plan on having some coffee and donut
18 Union sessions, and being actively involved in any employee briefings.

19 I've actually posted a summary of all the collective
20 bargaining changes on the Union's website, along with viewing the actual
21 redlined strike-up/mark-up of what we changed. So, when I presented
22 the changes to the union dues-paying members at ratification, I wanted to
23 insure they had the full scope of what was being changed.

24 I'd also like to thank the bargaining team, Larry Pittiglio,
25 Dennis Morey, and Bill Carrier, that was at my side during the months of
26 bargaining. I'd like to thank the management team for finally reaching
27 agreement. I won't list all their names, but it was a tough session, or

1 tough sessions, I should say. In the 15 years I've been a steward or your
2 Chapter President, I've probably been at the bargaining table four times
3 doing either a full-term negotiation, or a mid-term negotiation, and I have
4 to say this was the toughest. This was the bargaining session in which
5 management came forth with the most changes than they've done in the
6 past. It's always – it's usually been the majority of changes where the
7 Union is asking for more flexibilities and benefits. But we did reach
8 agreement.

9 You've been hearing a lot about New Flex. It's a term
10 that NRO gave birth to it, when they established a pilot program that
11 worked so successfully. It's actually in the collective bargaining
12 agreement under the term "Flexitour", or "Flexitime", that anybody that's
13 not on a compressed work schedule is actually on. So, New Flex is
14 actually the term that is being related to the expansion of all the
15 flexibilities that exist right now.

16 I'm not going to go over all of them in detail, but I'll touch
17 on a few of them. Your work day can start at 5 a.m., or as late as 8 p.m.,
18 with Office Director approval, it can go as late as 11 p.m. I'm going to be
19 asking Union stewards in the partnership environment to work with all
20 office directors to try to encourage the flexibility to extend the work day to
21 11 p.m., not just for the aspect of removing the night shift. A lot of
22 employees might say why the heck would I want to work at night? But
23 there are some flexibilities of working at home at night, put the kids to
24 bed, and a couple of nights a week, maybe work from 9 to 10:30 at night,
25 so that you can then leave earlier on an afternoon and spend more time
26 with your family, so that night aspect might be opening more aspects and
27 opportunities for folks.

1 The Union, obviously, negotiated with management,
2 senior management. And, of course, senior management is on board
3 with all these flexibilities. What I'm cautious and looking out for is the first
4 line supervisor also buying into all these flexibilities and changes,
5 because that's where the rubber meets the road, that's who the employee
6 has to negotiate with. So, I'll say that I'm finished at the negotiating table,
7 opening up the door, but I'm transferring the responsibility for the
8 employee and the first line supervisor to continue the negotiation, and
9 actually sell working these different flexible hours, and still accomplishing
10 the Agency mission.

11 There is quite a list of reasons for a first line supervisor
12 to deny a flexible schedule. I'm not going to go over the list now, but
13 employees and supervisors should be aware of that, to insure that your
14 flexible schedule still allows the branch, or your section, to get the job
15 done. Office coverage is one.

16 Before I leave New Flex, the compressed work schedule,
17 been around for 15, 20 years, the most popular schedule. We may find
18 people in the compressed work schedule, which was not changed in
19 bargaining, by the way, to switch to New Flex. Why? You can have
20 earlier starting times, and later finish times. You can still work your 9-
21 hour day under New Flex. You can use and earn credit hours under the
22 New Flex. You can't earn and use credit hours under compressed work
23 schedule. And you can also glide, new term, glide to work under New
24 Flex, which you can't under the compressed work schedule. Glide
25 means arrive within one hour before, or one hour after your normal start
26 time, an extreme flexibility that both the employee and the supervisor are
27 going to have to work out to insure it doesn't affect the mission.

1 Telework. Larry, keep me honest here on my ten
2 minutes. I don't want to extend the meeting here too long. Telework, one
3 major change, the Agency is saying all positions are eligible for fixed
4 schedule telework. In the past, you might have been told that your
5 position is not one of the eligible positions. Now, they're saying all
6 positions are eligible. You just have to look at the portability of duties.
7 Might be talking out of two sides of my mouth there, or the Agency may
8 with me when we say that, because you could say well, if your position
9 doesn't have portable duties, then the position is not eligible. But I'll leave
10 that, again, up to the employee to work with the first line supervisor to
11 identify eight hours of portable duties. And you might take the first shot
12 by using project-based work at home. Do that a few times on a regular
13 basis, and you might convince your supervisor that you have enough
14 portable duties to work one day a week at home. Get your foot in the
15 door, and try to sell that aspect.

16 Backtracking to New Flex for one second here. The
17 Regions are going to have a task to negotiate New Flex and core hours
18 at each Regional location, which I've asked the Union representatives at
19 each Region to work with your regional administrators to insure that you
20 get a negotiated change to core hours, and official times, so that aspects
21 of New Flex can be worked in the Regions.

22 Pandemic. There's been a lot of talk of Swine Flu and
23 H1N1, the Agency's plans for operating under a pandemic situation. And
24 they've been making plans for two years. The Union has been notified
25 that there's no change to policy, so there's nothing negotiable. So, I find
26 that a little strange, that we've been planning for two years, and we have
27 these draft plans out, but we're relying on all the existing policy that's

1 been in effect for years, in the past. Well, if I wanted to transfer one
2 responsibility to employees, one of the major aspects of a pandemic
3 would be more people are eligible to work at home. So you might ask
4 your boss two questions; do I have portable duties to work at home on a
5 regular basis, or if a pandemic happens, rather than trying to decide
6 under the emergency, would I have enough portable duties to work at
7 home in that situation?

8 A couple of more points here. The EEO Discrimination
9 Complaint process. The revised collective bargaining agreement allows
10 you now to go immediately to the Union for assistance in filing a
11 complaint as a EEO grievance, rather than your other option of using the
12 formal EEO complaint process. Why would you do that? Small
13 percentages of EEO discrimination complaints are found in favor of the
14 employee, something like 3 percent that go to the formal process. Why?
15 Because most of them get resolved in the negotiations, Alternate
16 Dispute process, or in the settlement process. You might want to choose
17 the Union to assist you in pursuing a complaint, to have the Union by
18 your side to assist in trying to reach that settlement, so we don't have to
19 file a formal complaint, or go to arbitration.

20 Performance awards. The Agency is very generous,
21 raising the performance award budget to 1.6 percent of salary. The
22 Union has documented in the collective bargaining agreement a 2007
23 OPM regulation that requires performance awards to be tied to your
24 performance appraisal. So, we put it in writing in the collective bargaining
25 agreement, so you'll find that your annual performance rating of record
26 will now be the basis for your annual performance award, so there's no
27 management discretion in determining that aspect. The management

1 discretion that remains is, I'm sure all outstanding performance will get an
2 award, management discretion in determining the amount, insuring that
3 everyone gets the same amount with the same performance rating, but
4 how far down in the excellent performers is the management discretion,
5 whether they award all excellent performance appraisal ratings, or
6 whether they perform a portion of them. And the NTEU will receive a
7 report at the end of that award process, as to who, and how many people
8 got awards.

9 So, that brings us to appraisals. Commissioner Klein
10 mentioned the importance of fair and annual, and complete, and accurate
11 appraisal rating, in addition to feedback throughout the year. Remind
12 folks that an excellent performance appraisal rating has scores from 2.7
13 to 3.69, which is a wide range, so you might be striving for a higher
14 scoring excellent appraisal to, of course, achieve the higher award.
15 Statistic-wise, 11 percent of NRC employees, at least last year, were
16 rated fully successful, so you know we have a large percentage of
17 performers that are rated outstanding and excellent.

18 In conclusion, parking was another success negotiation.
19 You'll be paying for your parking, as soon as the Department of Interior
20 can implement the change in the payroll process to be pre-tax dollars,
21 similar to your health insurance. And I also convinced the Agency, since
22 those on the waiting list parking elsewhere would not receive this pre-tax
23 benefit, because the tax benefit has to be coming from your pay check, to
24 consider looking at other places to park, like Commissioner Klein said,
25 the Metro. I actually found a couple of other parking garages within
26 walking distance here, where the Agency could, basically, reserve, and
27 take the payment for parking out of your paycheck to pay for exterior

1 places, so that those folks could get off the waiting list, and receive the
2 pre-tax benefit.

3 Last, that's accomplishments, a quick summary of the
4 collective bargaining agreement. The challenges, the NTEU is to build
5 our Union a little bit stronger here at Chapter 208 at the NRC, make
6 many employees that aren't dues-paying members realize what the
7 Union does, the benefits we bring forth, not just collective bargaining, but
8 up on Capitol Hill, insuring a fair annual cost-of-living pay adjustment, and
9 then helping, also, employees when they get in trouble, and they need
10 representation. So, thank you very much.

11 (Applause.)

12 CHAIRMAN JACZKO: Well, thank you, Dale, for those
13 comments. And, again, I want to thank everybody for coming, and for
14 your questions, and for all the hard work you do for this Agency. We are
15 adjourned. Thank you.

16 (Applause.)

17 (Whereupon, the proceedings went off the record at
18 3:12:06 p.m.)

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