

Specific Industry Comments on Cumulative Impact of Current Regulatory Initiatives

Industry carefully considered each of the current NRC regulatory initiatives (see attached bar chart) and offers the following input with regard to the prioritization or categorization of several of them. Basically, they are categorized as: 1) four top industry priorities; 2) initiatives to be withdrawn at this time; or 3) initiatives that should be deferred or modified.

Four Top Industry Priorities

Industry has identified four current regulatory initiatives that we believe should fully resolved or brought to closure in the relative near term for various reasons. This prioritization is not based on a determination that action is needed to increase operational safety. The four top priorities are:

- Issuing and implementing a revised **Part 40** (applicable to some Part 70 facilities as well) that contains new ISA requirements. Goal – regulatory stability across the fleet.
- Issuance of NRC-endorsed quantitative standards for **dermal and ocular exposures** of workers (based on a 2010 NRC letter that the 2000 final Part 70 rule requires a quantitative standard for workers). Goal – an NRC-acceptable standard for implementation across the fleet.
- Issuance of a proposed rule on **cyber security** that is informed by lessons-learned from the rulemaking for commercial nuclear power plants. Goal – clear NRC expectations developed through the transparent rulemaking process.
- Resolution of the **Unresolved Items** associated with seismic analysis documentation resulting from inspections under the post-Fukushima Temporary Instruction. Goal – current licensing basis documentation improved.

Current Regulatory Initiatives That Should be Conditionally Withdrawn

Industry believes that certain regulatory initiatives, in various stages of development, should be withdrawn in the absence of a problem statement or regulatory basis that clearly articulates the safety or security issue that needs to be addressed. Withdrawal of such initiatives would free up industry resources to pursue previously-identified and new self-initiated operational or safety improvements at the facilities. Initiatives we believe should be withdrawn at this time are:

- **Part 21 Rulemaking** – Industry believes that rulemaking is not necessary and that the objective can be more efficiently and more quickly attained through revised guidance. The staff has repeatedly stated that its current efforts are intended to provide clarification of the existing rule and that no safety concern with the application of Part 21 at fuel facilities has been identified. Therefore, the basis for proceeding with a rulemaking is not clear at this time.
- **Part 26 Rulemaking** – Industry believes that rulemaking is not necessary. In 2012, industry voluntarily supplied work hours data and drug testing program information to NRC. Since then, NRC is apparently considering a potential rule to add work hour/fitness for duty requirements to Part 26 that would be applicable to fuel facilities in the absence of any transparent data, trending

information, enforcement actions, or information that would form the regulatory basis for such a rule.

- **Part 74 Rulemaking** – Industry believes that rulemaking is not necessary. Based on a review of the 2012 preliminary rule, the regulatory basis for proceeding with a two-person rule and other new or revised requirements that apply to special nuclear material is not clear. It should also be noted that one industry estimate of the cost to implement and maintain the potential requirements, as outlined in the preliminary rule, would be more than 10 times what NRC has estimated.

Current Regulatory Initiatives Should be Delayed or Modified

Industry firmly believes that a few regulatory initiatives should be delayed or modified for efficiency reasons. They are:

- **Part 73 and Part 74** – The special nuclear material control and accounting (MC&A) aspects of these rulemakings are interdependent. Based on a review of the preliminary Part 74 MC&A rule, it should be delayed until after the Part 73 material re-categorization final rule has been issued since Part 73 modifications are likely to require conforming changes to Part 74. After which a reassessment on the need for and scope of the Part 74 rulemaking could be made. Currently, the Part 74 MC&A rulemaking schedule precedes the Part 73 rulemaking schedule.
- **Part 73 to Codify Security Orders** – Industry believes that NRC should issue a direct final rule to codify the security orders issued post 9/11/2001 since they were fully implemented and have been inspected against. Any additional requirements should be justified through a separate rulemaking process.
- **Fuel Cycle Oversight Process** – As stated in the past, industry believes that the current oversight process is adequate and a complete overhaul is not necessary. We are unaware of a safety or security driver that would warrant the level of resources originally envisioned to implement a program more akin to the NRC's Reactor Oversight Process. That being said, we are pleased that, staff resources have been reduced since late 2010 and the program milestones have been protracted and somewhat modified. As an alternative to the original vision, industry continues to believe that improvements to the oversight process can best be achieved by NRC and industry staff working together to integrate generic risk insights available from site-specific Integrated Safety Analysis into NRC's inspection program. Such an approach would likely result in a "rebaselining" of the inspection program that we suspect would result in a more efficient and effective use of our mutual resources. Therefore, we affirm our commitment to support efforts to generate risk insights that would be incorporated into NRC's inspection program.

Deferred Facility-Initiated Operational Improvements

Finally and most importantly, it recently became apparent that some self-identified/self-initiated facility operational improvements have been deferred or protracted due to the diversion of limited industry senior experts and management resources to address regulatory initiatives. Industry also believes that some regulatory initiatives yield little to no operational safety benefit and some may actually detract from it.

Specific examples of facility operational improvements that have been deferred or protracted include but are not limited to the following:

- Increase the periodicity of station-specific worker training
- Improve the timeliness of field labeling of certain Items Relied On For Safety
- Improve the pace of systematic elimination of administrative controls - where engineered controls could be used
- Improve on meeting the goal of conducting a systematic re-review of the ISA at a specified periodicity
- Improve the periodicity of the conduct of self-assessments and efforts to implement best practices
- Increase the amount of time that managers and senior experts spend on the facility floor
- Improve the time to develop new processes to recover special nuclear material
- Improve the time to develop new or improved low-level waste minimization efforts