



Transcript of Proceedings

NUCLEAR REGULATORY COMMISSION

BRIEFING ON SECY-78-35A -- NMSS ROLE IN
INTERNATIONAL SAFEGUARDS AND PHYSICAL
SECURITY DETERMINATIONS
(Closed to Public Attendance)

Tuesday, November 21, 1978

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Pages 1 - 53

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UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

BRIEFING ON SECY-78-35A -- NMSS ROLE IN
INTERNATIONAL SAFEGUARDS AND PHYSICAL
SECURITY DETERMINATIONS

(Closed to Public Attendance)

Commissioner's Conference Room
1717 H Street, N.W.
Washington, D. C.

Tuesday, November 21, 1978

The Commission met, pursuant to notice, at 2:00 p.m.,
Joseph Hendrie, Chairman of the Commission, presiding.

COMMISSIONERS PRESENT:

- Chairman Hendrie
- Commissioner Gilinsky
- Commissioner Kennedy
- Commissioner Bradford
- Commissioner Ahearne

ALSO PRESENT:

- S. Chilk
- W. Dircks
- H. Shapar
- J. Shea
- R. Burnett
- C. Stoiber
- K. ~~Petersen~~ *Pedersen*
- T. Sherr
- K. Cohen
- G. Oplinger
- A. Labowitz (State Department)

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P R O C E E D I N G S

CHAIRMAN HENDRIE: Let's see, there are surely enough of us here to do the following: We didn't have the customary agenda session last week and as a consequence we have not yet voted to close this meeting. I have directed the Secretary to list it as closed and we are treating it as closed, but before we go ahead, the Commission will have to vote to close it and I would ask you, therefore, to join me now in voting to close this meeting because we are going to discuss classified information.

Those in favor?

(A chorus of Ayes.)

CHAIRMAN HENDRIE: So ordered.

TS While you have got the elbow^w loosened up, and since we are then going to have a meeting later this afternoon on personnel matters, would you be willing to vote now to close that on privacy grounds?

(A chorus of Ayes.)

CHAIRMAN HENDRIE: So ordered.

Sam, note that we are -- I'll give you that back to remind you that we have ---

MR. CHILK: Thank you. Remind me to do something about it.

CHAIRMAN HENDRIE: -- closed these meetings.

We turn now to a briefing on the NMSS Role in International Safeguards and Physical Security Determinations.

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1 Let's see, Bill, I guess you are the particular head
2 of the staff party this afternoon. Why don't you introduce your
3 people and go ahead.

4 MR. DIRCKS: All right.

5 78-35A --- SECY-78-35A dated March 7th, outlined a
6 series of possible alternatives for acquiring safeguards
7 implementation information

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9 Alternative 3 of that paper called for three things:

10 One, support of implementation of the interagency
11 action plan to strengthen IAEA safeguards;

12 Two, review of all available safeguards information
13 and any information resulting from Commission inquiries;

14 Three,

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17 Commissioner Bradford's concurrence -- indicating
18 concurrence on Alternative 3 requested that before the Commission
19 take action on 78-35A be considered final, the Commission be
20 briefed on what tangible results may have come from the
21 approximately one year's work on the action plan in order to
22 be assured that Alternative 3 will be effective. We are here
23 today to provide that briefing.

24 As you might recall, the action plan was originally
25 outlined for the Commission in December 1977, and the Commission

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TS
1 was asked in June for its approval of the action plan and its
2 associated work plans which was in SECY-78-292. In the meantime,
3 the staff has given the Commission periodic updates on the plan
4 and it has worked with the interagency group to ~~flash~~^{el} out the
5 details of the plan. Both NMSS and IP have been working
6 closely together on this, as they do on all international and
7 safeguards matters, and they are here to provide the Commission
8 a status report on the progress of the plan.

9 Ken Cohen of IP will begin the staff's presentation
10 with a brief review of recent developments with regard to the
11 IAEA safeguards and an overview of the action plan.

12 Ted Sherr of NMSS will discuss the goals of the action
13 plan and the status of the action plan activities and I might
14 call your attention to the fact that Mr. Al Labowitz of the
15 Department of State is sitting in the first row here and if you
16 have any questions you may want to address to him, he would be
17 all too happy to answer them.

18 CHAIRMAN HENDRIE: Al, welcome to these proceedings.

19 MR. LABOWITZ: Thank you, Mr. Chairman.

20 MR. DIRCKS: Ken, why don't you start off.

21 MR. COHEN: Thank you.

22 Before addressing the action plan itself, I believe it
23 would be useful to take a moment to put the action plan into
24 perspective by briefly summarizing the developments that have
25 occurred since the Commission meeting to discuss 78-35A, this past

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1 June.

2 Following Commission guidance, the staff wrote to the
3 State Department shortly after 78-35A, to ask for State's views
4 on safeguards information that might be reasonably
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7 State's response, which was SECY-78-464, as you know,
8 indicated a willingness to work with the NRC in developing an
9 appropriate approach to seeking voluntary submissions of such
10 safeguards information.
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14 Following the Commission's concurrence on Alternative 3, we
15 would expect to write to State informing them of this decision,
16 and to work out an approach in accordance with their suggestion
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19 Also, the Commission will recall that in August the
20 Chairman wrote to Ambassador Smith to express support for the
21 action plan and to note the importance of devoting adequate
22 resources to the international safeguards upgrading effort.
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5 Ambassador Smith responded favorably to these suggestions
6 in his response.
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23 Beyond these developments, the Commission has, of course,
24 been seeking from the Executive Branch, answers to ^a numbers of
25 safeguards related questions in the context of export reviews,

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3 That was essentially a summary of those events that
4 have taken place thus far, since the last time we talked on
5 78-35A.

6 Turning now ---

7 MR. PEDERSEN: I'm sorry. Could I ask you one point
8 of clarification?

9 MR. COHEN: Sure.

10 MR. PEDERSEN:
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20 MR. COHEN:

21 MR. SHEA:
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1 MR. PEDERSEN: I looked for that in the -- at least
2 the reports of the statement, and I didn't recall seeing those.

3 I'm sorry, I just wanted to clarify that.

4 MR. SHEA: Fine.

5 MR. COHEN: Turning to the action plan itself, as you
6 recall from the discussion in SECY-78-292, IP and NMSS represent
7 the NRC in the interagency working group to review and implement
8 the items associated with the action plan to strengthen IAEA
9 safeguards. Both offices will review, for the Commission, the
10 progress achieved thus far in accomplishing the objectives set
11 forth in the plan.

12 I will provide a brief overview of the action plan and
13 Ted Sherr of NMSS will discuss the action plan in detail,
14 including progress made to date and the work remaining to be
15 done.

16 The concept of the action plan, as you recall, was
17 generated as the result of the publication of the IAEA -- by
18 the IAEA Secretariat of the 1976 SSIR which contained the first
19 critical analysis of the IAEA safeguards.

20 The plan was formulated to coordinate U.S. efforts to
21 identify IAEA safeguards deficiencies and to implement efforts
22 toward correcting them. The plan's purpose is, in essence,
23 two fold: One is to elaborate in a single document the
24 principal actions the U.S. Government believes are needed to
25 strengthen IAEA safeguards; and two, to increase specifically the

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1 quantity and quality of information available to the U.S.
2 Government regarding implementation of the IAEA safeguards.

3 To accomplish these ends the interagency group,
4 consisting of representatives from NRC, State, DOE and ACDA
5 was established to develop the action plans and to develop
6 the associated work plans. The overall action plan effort is
7 under the aegis of State and the working group is headed by
8 Dr. Frank Houck of ACDA. To date, this group has met approximately
9 a dozen times.

10 The work plan developed by the group is written to
11 identify a proposed action item, the steps to be taken toward
12 its implementation, the agency or agencies responsible for
13 follow-up activity and the time frames for initiating and
14 completing the action item.

15 There are 33 such work plans associated with the
16 action plan and to date, interagency agreement has been reached
17 on the drafts of 18 of them. The Commission, by the way, has
18 received 13 of the plans thus far. The others will be forwarded
19 to the Commission after the next working group meeting which is
20 scheduled for December 18th.

21 IP and NMSS have been tasked ^{with} ~~for~~ the development of
22 specific work plans and with follow-up actions, and both offices
23 actively participate in review and comment on the other agencies
24 proposed work plans.

25 In short, these work plans are designed to establish the

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1 U.S. Government's consensus on both the direction and the
2 priorities involved in the international safeguards upgrades
3 efforts.

TS 4 The working group intends to complete its drafting^{of} the
5 work plans in early 1979. We hope, in January. It will continue
6 to pursue two objectives at that time. One, to continue to
7 review the goals and objectives of the plan to determine whether
8 or not action items should be added or revised or deleted; and
9 to monitor the implementation of the work plans to ensure timely
10 and coordinated achievement of the action plan's objectives.

11 That's quickly an overview of the action plan. At
12 this point, Ted Sherr will provide a detailed assessment of those
13 action plans -- of the action plan work plans.

TS 14 COMMISSIONER BRADFORD: Let me just ask that if you can,
TS 15 could you focus a little on the overview in^a somewhat different
16 sense as well, that is, it is now about 16 or so months since
TS 17 at least the SSIR went^a round. It is about a year since NMSS
18 felt that it could no longer make an affirmative concurrence on
19 U.S. exports, and I gather we are talking about a period sometime
20 in early '79 before we have a set of plans designed to address
21 the concerns raised between a year and 16 months ago.

TS 22 One question I would like to come ^{To} terms with a little
TS 23 better today is: How long are we talking^{about} until the types of
24 concerns raised by NMSS a year ago are actually addressed in the
TS 25 form of the kind of concrete information you may feel you need,

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1 and also, what further guidance you all may need from the
2 Commission to move in that direction?

3 MR. SHERR: I can cover that.

4 I hope we can track with the handout, whoever has got
5 copies. It has got a whole bunch of presentations, no vu-graphs.
6 I think I can handle that, cover it in some degree in Part 4.
7 What I plan to cover is just briefly go over the action plan
8 process, the status of the work plan development and then talk
9 about the potential benefits of the action plan -- that can be
10 derived from the action plan in terms of the impact on staff
11 conclusions regarding safeguards, ^{implementation} ~~implementations~~ and ^{finally to} ~~then get~~
12 ^{discuss} ~~in to the issue of~~ the status of implementation. I can address,
13 I think, in that context the timing when we can expect results,
14 at least the optimistic timing we can expect results.

15 CHAIRMAN HENDRIE: Could I just check and see if I have
16 got the paper you have got. Nothing terrifies the Commissioner
17 more of the prospect that the table may have a paper that ---

18 MR. SHERR: I can guarantee it.

19 CHAIRMAN HENDRIE: I think I've got it. This is it?
20 (indicating) You are back on section 4.

21 MR. SHERR: That's it. Well, no. I was just going through
22 ~~at~~ page 2.

23 CHAIRMAN HENDRIE: Oh, you are going to start at the
24 beginning? Oh.

25 MR. SHERR: Yes.

CHAIRMAN HENDRIE: Okay, good.

MR. SHERR: As Ken mentioned, in the action plan process, page 3 the action plan -- the current version of the action plan was developed in May of 1978. It basically has two objectives. One ^{objective} is to increase the availability of safeguards implementation information to the U.S., and the second ^{objective} ~~purpose~~ is to provide U.S. support to strengthen IAEA safeguards, and in many cases, actions relating ^{these objectives} ~~to both of them~~.

This action plan is viewed as what existed as of May '78, which is the latest version as kind of the first version. We kind of look at it as this thing will need to be revised as time goes on, ^{as} ~~and~~ certain needs are satisfied and when other needs arise. So we expect it to be kind of a living document in that sense.

As Ken mentioned, the work plans support each action in the action plan, and the work plan attempts to identify what has to be done, when it needs to be done, who is responsible for doing ^{it} ~~the action~~, and by what mechanism.

Now, part of the briefing we will talk about the status of those work plans. At this point we expect the work plans to be completed in January of '79. The implementation of the various steps that are identified in the work plans, and these involve activities going on today, as well as those that we will probably be doing five years from now.

COMMISSIONER BRADFORD: Does "completed" in all cases mean

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1 to put into effect or is that ---

TS 2 MR. SHERR: No. All "completed" means is that the steps
3 to be taken have been agreed upon by all the members of the
4 action plan working group.

5 CHAIRMAN HENDRIE: This is the U.S. side?

6 MR. SHERR: Yes, right. I mean, this is a U.S.
7 document, completely.

8 CHAIRMAN HENDRIE: Where it says, "implementation" one
9 goes forward to see what others might think about---

10 MR. SHERR: And hopefully -- that's right.

TS 11 Most ^{of the} time, implementation is, in fact, requesting the
12 mission to take action with the agency or with other nations, and
13 we will see some of that.

TS 14 Now, ^{for} ~~for~~ this presentation and given the time
15 constraints and the particular context of SECY 78-35A, I have
16 concentrated on the purpose of the availability of IAEA
TS 17 implementations information. So I really am not going to talk
18 too much about those aspects of the action plan for strengthening
19 IAEA safeguards. That would take probably 2 to 3 hours. If
TS 20 you want to get in to that, I think we should do it at a different
21 time.

22 On page 4, then the next section is to basically
23 just briefly describe what the status of work plan development
TS 24 is. This ^{Chart} ~~page~~ lists the work plans that have been completed,
25 which is 18, as Ken had mentioned.

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1 Then, on page 6 there are those work plans that are
2 currently under review, at least one draft has been put together
3 and in many cases -- in one case, I know we are on the fourth
4 draft. We expect that these will be completed within the next --
5 either ^{at} the next meeting or the meeting following that.

6 Then there are three work plans that are indicated on
7 page 7 that we have yet to have a first draft. None of them are
8 involved in the information aspects.

9 Now, the potential benefits of the action plans
10 regarding the availability of information, I start to get in to
11 when we get to page 8. I think I should describe this in
12 relation to the kind of conclusions -- the change and the kind
13 of conclusions that ^{NMSS} ~~NMSS~~ could make in the export licensing
14 process as different types of information became available.

15 Now, I have identified this by the source of information,
16 different types.

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COMMISSIONER BRADFORD: What would be an example of the type of information, which, were it missing would enable you to say that the IAEA couldn't do its job?

MR. SHERR:

1 COMMISSIONER BRADFORD: Now, can the IAEA require those
2 measures to be taken on its own or does that have to be a
3 formal State system?

4 MR. SHERR: Okay, it does -- INFCIRC 153 lays out all of
TS 5 ~~those~~^a requirements. They are general, you know, you take an
6 inventory you will have a measurement system, you will have air
7 generation and things like that. As we will see later on,
TS 8 one of the things under development is ~~a~~ guideline^s for ~~the~~^s State
9 systems of accounting and control, which is an attempt to
10 provide a little more meat and substance in terms of -- not
TS 11 ~~just~~^{only} that you have to have this kind of thing, but what its nature
12 must be.

TS 13 COMMISSIONER BRADFORD: But then, if the ~~the~~^s State is
14 functioning under INFCIRC 153, under that regime~~xx~~, would that,
15 in itself satisfy what you described in that first bullet?

16 MR. SHERR:
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24 COMMISSIONER GILINSKY: What would you conclude if the
TS 25 system didn't allow for this sort of IAEA evaluation, the ~~the~~^s State

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TS 1 system itself wasn't there?

2 MR. SHERR: If the ⁴state system didn't have all of the
3 elements which would enable that, we would say that.

4 COMMISSIONER GILINSKY: What would we do then?

5 MR. SHERR: I don't know.

6 COMMISSIONER GILINSKY: No, what I'm saying is ---

7 MR. SHERR: There are a myriad of considerations that
8 need to be brought to bear on that type thing.

9 COMMISSIONER GILINSKY: Well, I mean, I guess I just
10 don't think it goes very far.

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14 MR. SHERR:

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16 COMMISSIONER GILINSKY:

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19 MR. SHERR:

20 COMMISSIONER GILINSKY:

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22 MR. SHERR:

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1 you get on a privileged basis versus information that you get
2 through the formal channels.

3 COMMISSIONER BRADFORD: You are considering the SIR
4 to be on a privileged basis?

5 MR. SHERR: There are aspects of the SIR which, in fact,
6 are on a privileged basis, but ---

7 COMMISSIONER GILINSKY: Well, what difference does it
8 make that it is on a privileged basis. I mean, we are here to
9 decide some of these questions. I mean, you know, you can
10 whisper in our ear.

11 MR. SHERR: No, no. What I'm saying is we are getting
12 this information informally by word of mouth, in many instances,
13 and maybe ---

14 COMMISSIONER GILINSKY: You mean it is not reliable.

15 MR. SHERR:
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22 Yes, I think a lot of times we get in to that kind
23 of situation.

24 COMMISSIONER GILINSKY: Maybe I'm interrupting you too
25 early, but ---

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1 MR. SHERR: Well, that was my point here, but this is,
2 to some degree, an ascending order in what we started -- this
3 is what the minimum we got, and then I'm going to go on in terms
4 of what kind of increases of information we have had through
5 various actions and work plans.
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TS 15 The second bullet basically says with completion of
16 full implementation of ^A ^{V.A.1} ^{V.B.2} ^{V.B.3} ~~SA-1~~, ~~SB-2~~ and ~~SC-3~~ -- and incident-
17 ally, when I say full implementation I'm saying this is
18 potentially what could come out of it. It is kind of the
19 optimistic outlook.

20 COMMISSIONER GILINSKY: This is if the IAEA agrees, right?

21 MR. SHERR: If we can get everybody to cooperate ---

22 COMMISSIONER GILINSKY: Is that what you are saying?

TS 23 MR. SHERR: Yes. ^{the IAEA and} ~~A~~ or other nations.

24 COMMISSIONER GILINSKY: Other countries.

25 MR. SHERR: In many cases it is that.

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1 We would end up with this guide that I had referred to
TS 2 earlier ~~on four~~ ^{for} ~~four~~ ⁴ state systems of accounting and control,
3 which is an attempt to provide more meat than what exists in
TS 4 DFCIRC 153 in terms of what constitutes an adequate ⁴ state
5 system, sets an international criteria for that.
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1 COMMISSIONER GILINSKY: You are talking about years
2 from now.

3 MR. SHERR: Yes. As a matter of fact, I have got a
4 little indication of timing which I was going to get to a little
5 later on, but I would view that about 2 to 4 years on the
6 optimistic side.

7 COMMISSIONER GILINSKY: Just to have a better feeling
8 for the ⁴state system of accounting?

TS 9 MR. SHERR: To get international compliance ^{with} ~~so~~
10 guidelines that haven't even been accepted yet. I think it is
11 a year until we get those guidelines accepted, and that has been
12 a very difficult process. It is a long drawn out ---

13 COMMISSIONER AHEARNE: You are saying that you are.
14 asking this -- that within 4 years, everyone will be in
15 compliance?

16 MR. SHERR: What I said is that if you asked me when
17 this could happen, I would say optimistically 2 to 4 years.
18 It may never happen.

19 COMMISSIONER GILINSKY: Optimistically 2 to 4 years?

TS 20 MR. SHERR: Yes, yes. It may never happen. It just
21 depends on how much cooperation we can get ~~from~~ ^{from} other nations,
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25 COMMISSIONER GILINSKY: But this is all of the things that

1 the United States is doing. This isn't NRC, right?

TS 2 MR. SHERR: That's right. The ^A ~~action~~ ^P plan is the
3 U.S. efforts.

4 COMMISSIONER GILINSKY: You are just talking about this
5 governmental plan?

6 MR. SHERR: Yes. But NRC is a very key point in this
TS 7 thing. As you will see later on, ^{I.B.I request} ~~13-1 identifies~~ the NRC and
8 DOE to identify what their information needs are and there are
9 many.

10 COMMISSIONER GILINSKY: All right, so we have got this
11 long-range thing going on, kind of a proliferation MUF and in the
TS 12 mean time, what is the staff going to be doing to help us make
13 these decisions?

14 MR. SHERR: Decisions with regard to approving
15 exports?

16 COMMISSIONER GILINSKY: Or disapproving them.

17 MR. SHERR: Okay. Well, I think -- Well, it might
TS 18 be worth while to hold that until the end if we can, but I
19 think the thing is, it depends on what kind of information we
20 get.

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COMMISSIONER GILINSKY: I guess the thing -- I'm sorry

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1 to take so much time, I'm interrupting your presentation, but
 2 the thing that troubles me about this is that it sort of
 3 presents the United States plan and it has these options, which
 4 I think are kind of phoney in a way.

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TS MR. SHERR: Oh, you are talking about the Commission
 paper now ~~not~~ ^A ~~the action group~~ ^{PLAN}?

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COMMISSIONER GILINSKY: Yes.

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MR. SHERR: No, that's not in this paper.

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COMMISSIONER GILINSKY: No, no. I'm jumping back
 and forth there, but the action plan is important and obviously
 it is something we want to do and it is an important effort and
 we want to support it, and we want to strengthen IAEA safeguards,
 and we want to play our role in it to the extent that we can,
 based on our competence. But that doesn't deal with our present
 problems, and they are not sort of -- the NRC options aren't
 whether to support the action plan -- obviously we are going to
 support it and we want to, as I said, play our role. But what
 is the NRC staff going to do?

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or we are

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1 going to look to these sorts of cases and try to do the following --

2 MR. SHERR: Okay, let me get to the end and tell me ---

3 COMMISSIONER GILINSKY: -- and if it is there, I
4 apologize.

5 MR. SHERR: I think it is.

6 COMMISSIONER GILINSKY: Okay.

7 MR. SHERR: If I understand what you are saying, I
8 think it is.

9 Okay, so with this -- maybe I should go to the next
10 one.

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21 COMMISSIONER AHEARNE:
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25 MR. SHERR:

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7 COMMISSIONER AHEARNE: Does the State Department have
8 any comments?

9 MR. LABOWITZ: On the question of getting additional
10 information, I think the record so far has been fairly encouraging.
11 These things do take time and Commissioner Gilinsky, I think,
12 indicated a certain amount of impatience, but we began the effort
13 which produced the first information report about a year and a
14 half before -- or more before we got the report.
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21 I think we have come a fairly long way from what the
22 situation was just a few years ago where the situation with
23 agency safeguards was that no news is supposed to be good news
24 as long as there was no report to the contrary to the Board, we
25 would all assume that everything was working well. Well, we knew

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1 that was not the case. So we took steps to get some information
2 out. I think this is a step-by-step process that will evolve
3 over time. I don't know that we will ever be in a position
4 such as Commissioner Gilinsky would obviously prefer, which is
5 to be able to say with respect to every country in which the
6 agencies are applying safeguards, that someone sitting back
7 outside of that system, outside of the process could be able to
8 exercise the judgment as to whether the job is being done
9 sufficiently well. I don't know that we could ever achieve that
10 goal. I think there are a number of things, many of them in the
11 action plan, which, if they are pursued, I think the Secretariat
12 is receptive as long as each step is not too drastic a departure
13 from the previous -- what has been previously acceptable to the
14 member States.

15 Other steps, as Mr. Sherr has pointed out, will
16 require the cooperation of other countries.

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1 system of accounting and control meeting certain standards.
2 That proposal was made, as I recall, two years ago, within the
3 Executive Branch.

4 The first question that came up is what standards.
5 Well, there were no standards. We have discussed with the
6 Secretariat of the agency of having a set of standards developed
7 that were acceptable to a broad representation of the
8 member States. That process is still going on. Several meetings
9 have been held. The next one, I believe, is scheduled early
10 next year. We hope that in the February meeting, I believe it
11 is, that an agreement will be reached on a set of recommended --
12 recommendations, guidelines for State systems of accounting and
13 control. Perhaps it won't be achieved in February and we will
14 get another meeting 6 months later,

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17 So that process will take probably 3 years from the time this was
18 identified as a useful step. So we have to take these things
19 in due course.

20 COMMISSIONER AHEARNE: Thank you.

21 MR. SHERR: Prior to coming this morning, somebody
22 called me and asked me how long this was going to take, I said,
23 well if you can guarantee me a soliloquy, I'll guarantee you
24 30 minutes.

25 Okay, so if, in fact, we get more detailed information

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1 NMSS may be able to provide more definitive conclusions on
2 I would expect that would be
3 the case.
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COMMISSIONER BRADFORD:

MR. SHERR:

COMMISSIONER BRADFORD:

MR. SHERR:

COMMISSIONER BRADFORD:

MR. SHERR:

COMMISSIONER BRADFORD:

COMMISSIONER AHEARNE:

MR. SHERR:

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1 COMMISSIONER AHEARNE:

2 COMMISSIONER GILINSKY:

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4 MR. SHERR:

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8 COMMISSIONER BRADFORD: But when you say for that
9 particular year, that would be '76. Before that there was no
10 systematic ---

TS 11 MR. SHERR: Yes, the '76 SSIR was the first reporting,
12 and as Allen mentioned, that was getting them to provide that
13 reporting mechanism was a big step in this area.

14 COMMISSIONER AHEARNE

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17 MR. SHERR: That's part of the IAEA statutes. They
18 are required to do that.

19 COMMISSIONER AHEARNE: So that the particular action
20 then is that after, do the statutes require the States to report
21 what action they take?

TS 22 MR. SHERR: I'm not sure. I don't think that is
23 *explicitly covered* ~~exclusively~~ but I'm not sure. Maybe somebody else ^{it} ~~would~~ ^{might} know.

TS 24 COMMISSIONER AHEARNE: I was just trying to figure
25 out what in this ---

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1 MR. SHERR:
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8 Okay, other sources of information basically relates
9 to -- action 1B-1 calls for NRC and DOE to identify whatever
10 information needs it has in addition to information that is
11 currently -- that it currently has access to. In general, what
12 we try to do is get the information through formal mechanisms
13 without having to create any international incidents or to avoid
14 any discomfort.
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18 COMMISSIONER GILINSKY: Let me ask you a question: We've
19 got applications coming up, for example, there is one on India.
20 Does NMSS take any initiative in seeking information on the
21 subject or do you just sort of passively wait to see what
22 crosses your desk or what? I mean, what do you regard as your
23 responsibility, just in deciding whether you agree or disagree
24 with ---
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MR. SHERR: Well, I hesitate to speak for NMSS, but let

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1 me give it a shot anyway.

2 I think, at this point, you know, the Commission
3 review procedures are before we make a decision on this -- yes --
4 on 78-35A, is that, if in fact, the export is subject by IAEA
5 safeguards and satisfies that criteria, and you know, the NMSS
6 qualified conclusion at the bottom basically says, ^{on which} Hey, that's
7 the basis, ~~that~~ this thing has been reviewed, but remember we
8 don't have any information on the effectiveness of IAEA safeguards.

9 Now, we have been -- you know -- it takes a lot of
10 efforts ---

11 COMMISSIONER GILINSKY: Well, I guess I don't think the
12 law reads that way, but go ahead.

13 MR. SHERR: I'm not -- you know -- I'm just saying that's
14 my perspective in terms of where we are at.

15 COMMISSIONER GILINSKY: Yes.

16 MR. SHERR: You know, what we are legally bound for
17 on it.

18 And I think the NMSS statement is just to remind the
19 Commission that that's the way we are interpreting the situation.

20 COMMISSIONER GILINSKY: So you don't see any responsibility
21 to inquire, I mean, quite apart from whether the IAEA would
22 provide this information, and you know, without getting in ^{to} go all
23 these sorts of questions we are talking about here, the
24 sensitivities abroad and so on, but let's say within the U.S.
25 Government you don't say, "See, we'd like to know about the

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TS 1 following area. Does anybody know about it? "

2 MR. SHERR: Well, I think Dr. Smith's attitude, you
3 know, and that's all I can really speak to here is that, you
4 know, he has an area where he takes initiative, but he also has
5 an area where he has bounds, as the Commission does, and as
6 the President does. And I think Dr. Smith's and this is my
TS 7 impression of what Dr. Smith's attitude ~~are~~ on this thing, is
TD 8 that until there ^{is} ~~was~~ a decision on SECY-78-33A, that all the
9 Commission wanted him to do was, in fact, determine whether
10 IAEA safeguards applied to that export.

11 COMMISSIONER GILINSKY: Which, of course, we didn't
12 need them before.

13 MR. SHERR: I understand.

14 And, in fact, in terms of the review from the material
15 control and accounting aspects, you know, essentially zero
16 resources have been devoted to that task.

17 COMMISSIONER GILINSKY: But questions have come up
18 about various exports

19 and these questions end up
20 getting raised at the Commission level, and I guess I'm not
21 surprised that you don't feel -- I mean, I understand that
22 there are certain bounds that one can't go beyond and there is
23 IAEA information that is not accessible and so on, but there are
24 things that can be done. You can't get a comprehensive view
25 of things, you can't necessarily get information in every case, but

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1 I guess I would expect the staff to take some initiative in
2 thinking about what are the problems here, what ought we try
3 to know, does anybody in the government know this?

4 MR. SHERR: Well, I agree with you.

5 COMMISSIONER GILINSKY: I mean, that is what seems to
6 me to be interesting and important in terms of immediate
7 decisions. I mean, the rest of it is just the government-wide
8 program, and as I said, of course, we ought to be supporting
TS 9 it and trying to ^{im}prove it to the extent we can and so on. That's
TS 10 a long-range effort and ^{one}we ought not kid ones self that it is
11 going to ---

TS 12 MR. SHERR: Let me say that I think ^{at}this decision
13 point, if, in fact we go with Alternative 3, I think we are in
14 that mode and staff would be doing that type of thing.

15 COMMISSIONER GILINSKY: Well, it is not down ---

16 COMMISSIONER AHEARNE: In which mode?

17 COMMISSIONER BRADFORD: The more active mode.

18 COMMISSIONER AHEARNE: If it goes Alternative 3, in
19 which mode would ---

20 MR. SHERR:

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24 MR. DIRCKS:
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1 COMMISSIONER AHEARNE: I thought we went with
2 Alternative 3?

3 MR. SHERR: But Commissioner Gilinsky is referring to:
4 *TS* *what* ~~well~~, we have been doing it in the past, and what I understand is
5 that I think at this decision juncture, we would be doing things
6 differently in the future.

7 COMMISSIONER AHEARNE: Let me clarify. I thought we
8 had previously decided to go with Alternative 3?

9 MR. DIRCKS: I don't think we have got the official
10 word that you have gone for Alternative 3.

11 COMMISSIONER AHEARNE: Oh.

12 CHAIRMAN HENDRIE: We've got -- Let's see. Have you
13 voted? I don't find yours.

14 COMMISSIONER GILINSKY: I have said we ought to do at
15 least that.

16 CHAIRMAN HENDRIE: That's what Peter said, but Peter
17 wanted us to have this briefing. There hasn't been the
18 Chilkoogram to staff that says go.

19 COMMISSIONER BRADFORD: That's right. I just wanted
20 to be sure that Alternative 3 had some real meaning and that
21 it wasn't the last stage in which we could still be doing other
22 alternatives ---

23 COMMISSIONER GILINSKY: But I didn't understand it as
24 an alternative.

25 COMMISSIONER AHEARNE: It was identified as an

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1 alternative in SECY-78-35A.

2 MR. DIRCKS: It was that one of seven options that
3 was ---

4 COMMISSIONER GILINSKY: Yes, but I mean, we ought to
5 do it and we ought to support the government program and so on.

6 MR. SHERR: I think it goes beyond that. I think, when
7 we finish -- if you don't feel it does, tell us. I think it
8 really does.

9 CHAIRMAN HENDRIE: Sam, did Vic ---

10 MR. CHILK: He has not voted. Four of you have
11 voted for Alternative 3 and he has not.

12 COMMISSIONER GILINSKY: I signed one and typed the
13 words, you know.

14 CHAIRMAN HENDRIE: Okay, we must have a vote sheet
15 here some place.

16 COMMISSIONER GILINSKY: There used to be an
17 evaluation panel on nuclear weapons that ^{Bethe} ~~Beta~~ used to chair
18 where they do it very hardly and then they would have to run
19 off and catch airplanes before this thing was typed, and ^{Bethe} ~~Beta~~
20 would sign sheets of paper at ~~every~~ two-inch intervals down
21 the page so that however the report came out, they had a sheet
22 with his signature in the right place.

23 (Laughter)

24 COMMISSIONER BRADFORD: I've done that.

25 MR. SHERR: Okay. This last thing, in terms of other

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TS 1 sources, the point here is that we tried to get information --
 2 once information ^{are} ~~was~~ identified ^{by the NLC}, State would pursue all kinds
 3 of mechanisms for getting it.

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 9 Again, I would imagine that most of this kind of
 10 information would be where, in fact,

11 or something, we have an
 12 indication of a problem but we want more specifics in terms of
 13 what the situation is. And that would be going back and going
 14 through that kind of mechanism.

15 COMMISSIONER AHEARNE: But to be clear, as far as
 16 NMSS is concerned, they have not yet received any formal
 17 response on 35 or 35A?

TS 18 ^{SHERR}
 MR. ~~SHERR~~: That's right.

19 COMMISSIONER AHEARNE: And, Sam, the reason they
 20 haven't received any response is because you had an outstanding
 21 request for a briefing, plus one Commissioner not voted?

22 MR. CHILK: (Nods in the affirmative.)

23 COMMISSIONER AHEARNE: So that when those are done ---

24 MR. SHERR: Yes, that's why ---

25 Okay, the next area is just in response to Commissioner

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1 *concerning*
2 Bradford's request, what things have been accomplished to date
3 and what remains to be done. And in line with your question
4 at the beginning, what kind of timing that I can imagine.

5 Again, the only actions that I'm focusing on in this
6 briefing are, in fact, those relating to gaining more information
7 on implementation. I have identified 14 on pages 12 and 13
8 that fall in that category. There are 19 other actions that
9 strictly relate to improving IAEA safeguards. Of those, the first
10 7 are what I would consider the most important, and those are
11 the ones laying in our covering detail.

12 CHAIRMAN HENDRIE: A summary detail, because I'm going
13 to have to close this out before too long.

14 MR. SHERR: I will go through this as quickly as I can.

15 I.A.I.
16 Okay, ~~12-1~~,
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COMMISSIONER BRADFORD: Is there a word missing from
^{I, A. 2.2}
~~1.2.2~~ Board agenda' or something of that sort?

MR. SHERR: Yes. That's what it means.

-- and this was done last year. It was included on the Board and the -- as, I don't know, I think Al had mentioned that the statement by the U.S. representative did, in fact, reflect comments from State, ACDA, DOE and NRC, and we would expect these same steps to be pursued every year.

TS

Now, 1B-1 is a critical action in terms of what's before us. This work plan has been developed. As I have mentioned this is the action that ^{requires} ~~for~~ DOE and NRC to identify any additional informational needs that it has, and this is the impetus for other actions that are related to implementation information.

COMMISSIONER BRADFORD: Now, let me just ask: We sent a letter, Jim signed a letter of September 29 on this subject to State. What is it going to take for us, actually, to get specific on that point? Are we in a situation in which you are sort of waiting for the Commission to tell you what ought to go into a letter like this, and perhaps we are waiting for you to tell us what, from a technical point of view, NMSS feels

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TS 1 ought to go in to a letter like this, because ---

2 MR. SHERR: See, I hit that a couple minutes ago.
3 But I think on the basis of what Ken says already, if the
4 Commission approves SECY 78-35A, it says immediately that the
5 Commission should ask State

6 That was subsumed in those alternatives

7 In fact, the Commission may want to consider going
8 beyond that and request them to get information
9

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11 As far as implementation of this thing, you know, as
12 you indicated, NRC has not identified any information and neither
13 has DOE. So nothing has been -- there hasn't been anything to
14 spark this thing to date.

15 COMMISSIONER BRADFORD: One other question there:
16 Is there anything, Jim, in the Executive Branch -- in the
17 format for the Executive Branch responses that would be
18 responsive to this? Any of the points made in there that
19 would tend to reflect on safeguards adequacy?

20 MR. SHEA: I believe there are some items in there.
21 Maybe Jerry could perhaps recall what it was in that format
22 just exactly how the wording was.

23 COMMISSIONER BRADFORD: Well, we don't need to go back
24 through the format in detail, but I suppose we do have to be
25 conscious of a certain amount of overlap in that document and

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1 this requirement.

2 MR. SHEA: That's right. That's spelling it out
3 so that regularly on the export reviews they would include
4 these points. They are looking at that right now to see
5 whether they agree with that proposed point.

6 MR. OPLINGER: But I think the way their analyses are
7 being sent to us now, they don't really address these questions
8 about whether the implementation of safeguards is being adequately
9 carried out or whether there is an adequate ^{TS} state system of
10 accounting and control to do that. They simply say what the
11 agreement contains, whether or not there is an agreement
12 applying IAEA safeguards and it stops there.

13 COMMISSIONER BRADFORD: Yes.

14 But clearly, this action plan item and the Executive
15 Branch format ought to be kept in parallel, I should think.

16 MR. OPLINGER: And they could be, I mean, this could
17 be one vehicle through which you would try to seek the information.

18 MR. SHERR: So basically, all the steps you need to be
19 one as request, NRC and DOE have to identify information needs.
20 Once those are identified through various mechanisms they
21 would seek the information,

22 Depending on
23 what is the most convenient, or more than one, which will provide,
24 in some cases, for cross check.

25 Page 17, actions relating to ^{IC.1} ~~IC.1~~ and ^{IC.2} ~~IC.2~~. This, as

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1 I briefly described earlier,
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8 This paper has been reviewed by the working group.
9 There weren't any problems indicated with regard to the substance
TS 10 of the ^{paper}~~thing~~. The only concern was that we need to reflect what
11 the Board can do more in the context of what the Board
TS 12 procedures are and ^{that}~~this~~ type of thing. So we are working on that
13 aspect right now.

14 The details in terms of the kind of implementation
15 problems that are identified in that work paper are included
16 in this package, and I'll get to those shortly.

17 Once the NMSS paper is agreed to, then this can be
18 looked in terms of what the legal basis is for the various
19 types of information, which, not being a lawyer, I don't think
20 there is any legal problems with that. You can take it for
21 what it is worth.

22 Working out proposed procedures for how that infor-
23 mation can be gathered, what mechanisms and in dealing with the
24 mission to have them investigate with the agency and other States
25 to get that information, and along the lines of those questions.

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1 I look at this as being a two to three year optimistic
2 type situation.

3 COMMISSIONER BRADFORD: I think what happened is
4 Howard took his last comment as a challenge. He's clicking his
5 finger against the microphone.

6 MR. SHAPAR: I'm registering no challenge.

7 (There was a microphone noise at this time during the
8 meeting.)

9 COMMISSIONER AHEARNE: Just a silent protest.

10 COMMISSIONER BRADFORD: Something is -- is your mic
11 perhaps hitting against the edge of the table?

12 MR. SHERR: Okay, the next section,
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15 Nothing much has been done to date, but
16 the first real action called for is in January '79 where we are
17 going to put together draft proposals for consideration for SAGSI
18 to, in fact, have this ingrained into the IAEA procedures. And
19 we will see what kind of reactions we get from the other SAGSI
20 representatives at that time.

21 Again, I look at this as a one to three year type
22 proposition.
23

24 The last action that I was going to review in detail
25 is ^{V.B.3} ~~SS-3~~ which is the one that we have already discussed,

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TS The work plan itself is still under development, but things are going on, as Al had⁴ indicated the guidelines for SSAC, there have been several meetings on it. The next one is scheduled in February. NRC has been involved in that aspect.

COMMISSIONER GILINSKY: Can I ask you: What is the level of effort in NRC and international safeguards dealing with these sorts of questions?

TS MR. SHERR: Yes, in the area of strengthening international safeguards, in '79 it was four~~man~~-years and in '80 there is three~~man~~-years, and \$265,000.

COMMISSIONER GILINSKY: And how much is devoted to dealing with exports?

MR. SHERR: If I recollect, it is only in the physical security area on exports, and I think it is two or three~~man~~-years, but don't hold me to that.

MR. BURNETT: It is two~~man~~-years and it is . . . by physical security at this point.

COMMISSIONER GILINSKY: So we don't do anything in the way of evaluating exports from ---

MR. BURNETT: For material accounting control, that was put in as an option pending your selection on this type. It was a set-aside in the '80 budget and there were two main ---

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1 COMMISSIONER GILINSKY: You mean it is controlled by
2 the budget?

3 MR. BURNETT: It was identified, pending your selection,
4 two^{TS} man-years in a set-aside and it^{still} is in that condition.

5 COMMISSIONER GILINSKY: And it has to do with this
6 paper here?

7 MR. BURNETT: It has to do with the basic paper ^{and} of which
8 option you go with.

9 COMMISSIONER BRADFORD: Which option would have pulled it
10 out of the set-aside and into the budget?

11 MR. BURNETT: Well, had you gone with option 1.
12 there would have been nothing.

13 COMMISSIONER BRADFORD: I understand.

14 MR. BURNETT: If you had gone, say, with option 5,
15 then ^{the} ~~that~~ two ^{man-years} probably would have been ---

16 COMMISSIONER KENNEDY:

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18 COMMISSIONER BRADFORD: What happens with option 3?

19 ^{TS} MR. BURNETT: It's about two-man-years.

20 COMMISSIONER BRADFORD: So it comes out of the set-aside
21 and into the budget?

22 MR. BURNETT: Well, the set-aside is a fictitious thing,
23 you understand.

24 COMMISSIONER GILINSKY: At this point?

25 MR. BURNETT: At this point, because now the budget has

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1 gone to OMB. It was only a set-aside for getting that package
2 ready.

3 COMMISSIONER GILINSKY: But the two~~man~~-years are
4 going to be devoted to what?

5 MR. BURNETT:

6
7 plus general upgrading of the
8 whole IAEA system.

9 COMMISSIONER GILINSKY: But what about non-IAEA
10 information on exports?

11 MR. BURNETT:

12 COMMISSIONER GILINSKY:

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14 MR. BURNETT: Well, that's included in the two-man
15 years. That is just -- there are a lot of partial people in
16 that two~~man~~-years. But that was how we priced out.

17 MR. DIRCKS: But that's only the increment over the
18 physical security. I mean, they have people evaluating ---

19 COMMISSIONER GILINSKY: I understand that.

20 MR. DIRCKS: -- and other information in
21 NMSS now.

22 MR. BURNETT: Yes.

23 COMMISSIONER GILINSKY: I guess I regard this as a lot
24 more important than the physical security.

25 MR. BURNETT: Sir, up until this time, we have had no

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TS 1 guidance as to what depth to look at material, ^{central} and accounting.
 2 It wasn't until the paper came to you asking guidance ^{on} ~~into~~ which
 TS 3 options ^{and} ~~as~~ how deep you wanted us to go. Up until that paper,
 4 generally we accepted IAEA ---

5 COMMISSIONER GILINSKY: You know, the question here
 6 isn't sort of whether or not you approve or you have a sign-off
 7 or can you sign-off or not sign-off. It is can you provide
 8 the information that is helpful in making decisions. Can you
 9 shed some light on it. Even if you don't sign off or even if
 10 you decide, you know, you have only got partial information, this
 11 is the best you can do and you can't come to any judgment on
 12 it and you leave it up to the Commissioners, but I just don't
 13 see any mechanism that churns up this sort of information, and
 14 it ends up being, you know,

15 MR. BURNETT:
 16 Of course, we were feeding that up to the Commission to reason
 17 in their own way, but you are right, up until now, we have
 18 accepted IAEA acceptance as the only criteria.

19 COMMISSIONER KENNEDY: What information would we be
 20 talking about?

21 What are we talking about?

22 MR. BURNETT:

23 if I go back to options 2 or 3, 2 is some information---

24 COMMISSIONER KENNEDY:
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1 MR. BURNETT:

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4 COMMISSIONER KENNEDY: How would you -- where would
5 you get that, other than through the mechanism that we are
6 talking about right^T here?

7 MR. BURNETT: You wouldn't. Nobody has ever suggested
8 anything other than going to State for that information.

9 Now, State does not have that information now, it would
10 only be through the action plan that they would be given access to
11 it.

12 COMMISSIONER GILINSKY: Well, I'm not sure that the
13 information doesn't exist in bits and pieces. I mean, it doesn't
14 exist in any sort of organized way, but here and there there is
15 information that is useful, and to the extent that it is
16 available or can be obtained, we ought to have it.

17 MR. SHERR: Again, I think at this point, at this
18 decision structure, you know, whether we should have been doing
19 that or not is kind of behind us. The fact is that with a
20 decision on 3, I think, in fact, it says that we are going to
21 do that in the future.

22 COMMISSIONER GILINSKY: Okay.

23 CHAIRMAN HENDRIE: Let's see, could we round up here
24 very rapidly.

25 COMMISSIONER KENNEDY: Al, you look very inquisitive.

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1 MR. LABOWITZ: Mr. Kennedy, I didn't hear that last.

2 COMMISSIONER KENNEDY: Would you repeat it, please?

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3 MR. SHERR: ^{AL} ~~OK~~, I just made the point that, you know,
4 the fact that we haven't done that in the past, now that we have
5 a decision on SECY-78-35A we would be doing that in the future,
6 putting together whatever information we do have.

7 Okay, I'm trying to wrap this up.

8 Page 20 shows three things that we think or that I
9 think, at least, are priority Commission activities regarding
10 IAEA implementation of information. One is, as Ken had
11 indicated in the introduction, if, in fact, we have approved
12 35A, which it appears that we have, we should be requesting State

13
14 This would be implemented through
15 action plan 1B-1 and I have been asked by Mr. Dircks to be sure
16 to make evident that this would be -- this would involve, in
17 terms of reviewing that kind of information and formulating
18 staff conclusions, would result in two to three ~~man~~-years
19 requirement. That is along the lines of what Bob just mentioned.

20 COMMISSIONER AHEARNE: But what you are saying is that
21 we ought to, at this stage, if we are going to say "yes" we
22 want that done, recognize you are going to take two to three ~~man~~-
23 ~~man~~-years out of something else that you would have already been
24 doing or are you saying, Bill, that you think that this is an
25 agreement that we are going to try to find two to three ~~man~~-years

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TS 1 someplace else than put them in to NMSS.

2 MR. DIRCKS: A couple of ways to do it. One way
3 has already been sort of ruled out, and that's to go to OMB
4 and we didn't do that. That may be in the supplementals and so
5 on.

6 The second way is to say, yes, go ahead and do it
7 and ask NMSS to say what they are not going to do. Another way
TS 8 is to tell us to go find two to three-man-years some where else
9 in the agency and then we will tell you what else we are not
10 going to do. But some way or another two to three-man-years
11 are going to be needed in this function.

12 COMMISSIONER KENNEDY: So I take it that if you are
TS 13 instructed to proceed on ^{alternative} ~~option~~ 3, you will be coming back to us
14 and telling us where you are going to get the two to three-man
15 years and what you are not going to do?

16 MR. DIRCKS: My natural reaction is to go to NMSS and
TS 17 tell them to put the two to three-man-years in and they will
18 come back and tell us what they can or cannot do and then we
19 will look around elsewhere in the agency.

20 MR. BURNETT: I think it only fair to mention at this
21 point, NMSS has been cut drastically in the new budget. Yes,
22 we can do the job if we are told, but we will have to identify
23 the areas that will suffer.

24 COMMISSIONER KENNEDY: I guess we would like to know
25 what they are.

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1 MR. BURNETT: Yes, sir.

2 COMMISSIONER KENNEDY: I would in any event.

3 MR. SHERR: The other thing is for the Commission to
TS 4 consider, it doesn't automatically ^{follow-on} ~~fall-on~~, but it is a logical
5 fall-on, to identify with State the kind of additional information
6 that I would like to see.

7 My personal feeling is the kind of information that
8 we have identified in that working paper in support of LC-1, which
9 is the rest of the package that we have here, is the kind of
10 information that we would like to get

11

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14

15 As I said, that paper has been reviewed by the action
16 plan working group and no concerns have been registered with
17 regard to the information itself, only with the discussion of
18 some of the mechanisms.

19 Finally, just a matter that when we find out where
20 those two to three ~~man~~ years come from, it doesn't come out of
TS 21 the staff activities for developing and implementing the ^A action
TS 22 plan and all of the supporting activities to strengthen IAEA
23 safeguards, and the Commission should continue to give high
24 priority to staff activities, too.

25 As I mentioned, the rest of this identifies the kinds of

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TS 1 information that we could, in fact, request from State under
2 ~~I.B.1~~ ~~I.C.1~~ ~~I.C.1~~

3
4 CHAIRMAN HENDRIE: All right. Very good. I thank
5 you very much.

6 COMMISSIONER BRADFORD: Let me just ask, that last point,
7 that is laid out, is it now, as something that you need guidance
8 from us on, that's the list you can ask if the Commission wants
9 or is that a list that you intend to ask?

10 (Commissioner Kennedy departed the hearing.)

11 MR. SHERR: I had identified this more -- you know --
12 it seems to be a logical thing to me for the Commission to
13 pursue at this time. And, in fact, it would -- as far as the
14 timing that we expect things to get done, if the Commission did
15 that, I think it would give a lot more impetus to a lot of
16 those actions that can be a source of information. And, in fact,
17 it is information that is basic to knowing what the implementation
18 problems are.

19 COMMISSIONER BRADFORD: This is the list of items
20 starting on page 21?

TS 21 COMMISSIONER AHEARNE: ~~I.C.1~~ ~~I.C.1~~ at the top?

22 MR. SHERR: That's right.

TS 23 COMMISSIONER BRADFORD: ~~I.C.1~~ ~~I.B.1~~ or ~~I.C.1~~?

TS 24 MR. SHERR: ~~I.C.1~~ ~~I.C.1~~. This is -- well, ~~I.B.1~~ ~~I.C.1~~ is the
25 action that calls for identifying information needs and ~~I.C.1~~
requires identifying what that information is.

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1 COMMISSIONER AHEARNE: Now, would you view what we
2 have done -- Mr. Chilk will collect all the forms and send a
3 letter down saying, Alternative 3 is approved, would that then
4 trigger your going through the steps and providing that as the
5 list of information we want?

6 MR. SHERR: No. I think if Sam sends down the letter
7 that said the Commission has approved Alternative 3~~X~~ of the
8 action plan and instructs staff to prepare a letter to State
9

10 then I would say yes.

11 COMMISSIONER AHEARNE: And you and Bill-- EDO will be
12 coming back with something about where the two to three-man
13 years are coming from. Is that right?

14 MR. DIRCKS: Right.

15 COMMISSIONER GILINSKY: Physical security.

16 MR. SHAPAR: Commissioner's assistants.

17 COMMISSIONER AHEARNE: ELD has just mentioned how many
18 lawyers they have.

19 CHAIRMAN HENDRIE: Thank you very much. I will
20 adjourn this, and the Commission will move on to the next
21 meeting.

22 (Whereupon, the Commission moved on to other
23 Commission business and adjourned at 3:15 p.m.)
24
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