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NUCLEAR REGULATORY COMMISSION

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IN THE MATTER OF:

PUBLIC MEETING  
BUDGET PRESENTATIONS

Place - Washington, D. C.

Date - Thursday, 26 July 1979

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UNITED STATES OF AMERICA  
NUCLEAR REGULATORY COMMISSION  
PUBLIC MEETING  
BUDGET PRESENTATIONS

Room 1130  
1717 H Street, N. W.  
Washington, D. C.

Thursday, 26 July 1979

The Commission met, pursuant to notice, at 2:15 p.m.

BEFORE:

- DR. JOSEPH M. HENDRIE, Chairman
- VICTOR GILINSKY, Commissioner
- RICHARD T. KENNEDY, Commissioner
- PETER A. BRADFORD, Commissioner
- JOHN F. AHEARNE, Commissioner

ALSO PRESENT:

Messrs. Stello, Donnelly, Thompson, Gossick, Engelhardt,  
Barry, Higginbotham, Mosely, and Schwink.

P R O C E E D I N G S

(2:15 p.m.)

CHAIRMAN HENDRIE: We come to order.

The Commission meets this afternoon to consider budget matters further. This afternoon we hear from the Inspection & Enforcement contingent, and we'll look for a brisk presentation.

Commissioner Ahearne has to leave us at 3:45. So why don't you go ahead, Vic.

MR. STELLO: Okay, thank you.

Let me begin by asking Lloyd Donnelly to pass out a markup of a document that the EDO sent down to you, so that, as I go through the presentation --

(Laughter.)

COMMISSIONER AHEARNE: The funny part is, he still (Inaudible) the Commission mark.

MR. STELLO: He stole my punchline.

COMMISSIONER AHEARNE: We just sign here at the bottom, Vic.

MR. STELLO: To assist you in --

CHAIRMAN HENDRIE: That's a little more convenient than the other offices are bringing up there. They leave the blanks and you've got to think for yourself.

(Laughter.)

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MR. STELLO: The place that was convenient to mark up --



1 there was a convenient blank left which was entitled  
2 Commission mark. But we did want to make sure that in red  
3 pencil we annotated closely to the EDO mark, so you'd be able  
4 to very quickly see what the differences were. And as we go  
5 through it, I'll be identifying, or I'm discussing something,  
6 the particular page on this package that it refers to. So  
7 hopefully it'll make it go a little quicker for you.

8           However, if you choose to leave the marks that we've  
9 indicated, why, we'd be most grateful.

10           I have with me already --

11           COMMISSIONER AHEARNE: Vic, tell me again. The  
12 red, then, indicates what? It is your --

13           MR. STELLO: The red is here -- are either people  
14 or dollars --

15           COMMISSIONER AHEARNE: Right.

16           MR. STELLO: For which I will be presenting to you --

17           COMMISSIONER AHEARNE: Your recommendation.

18           MR. STELLO: -- our recommendation for what your  
19 mark ought to be.

20           COMMISSIONER AHEARNE: Right.

21           MR. GOSSICK: So it's either my mark or my mark plus  
22 his requirement; is that correct?

23           MR. STELLO: That's correct.

24           What I will be doing at the conclusion, the last  
25 three slides will identify those areas specifically where

1 there is an item of reclama and what that item is. So when  
2 we get to the end, I'll get right to each of the areas of  
3 reclama and speak to them again. Okay.

4 I have with me Dudley Thompson and Lloyd Donnelly,  
5 who is -- Lloyd was very active in preparing the budget, and  
6 he will be available to go into any of the details on the  
7 bases as to how we arrived at any of the numbers, should he  
8 be needed.

9 And I have with me the principal division directors  
10 from headquarters who are responsible for the various programs  
11 we're talking about, and if need be we'll call on them.

12 COMMISSIONER AHEARNE: They're down here (Inaudible).

13 MR. STELLO: Oh, I'm sorry. I was hoping that John  
14 could join us. And if you'd pull up a chair, John, I'd appre-  
15 ciate it.

16 John has agreed to come down and help with some of  
17 the bases behind the budget, where I unfortunately may not be  
18 able to reach back for some of the reasons we are where we are.  
19 And he so graciously accepted my invitation to come down and  
20 help me today.

21 Let me begin with Slide 2 to identify the mission  
22 that the Office has before it, which is principally to conduct  
23 its activities in such a way that we ensure that the health and  
24 safety of the public and the environment are protected to the  
25 maximum extent possible.

1           There have been a large number of studies of the  
2 activities within the Office. As I recall, there were about  
3 11 different study modules over the past several years that  
4 have been developed to look at the entire I&E operation. And  
5 I would say that in general it's my understanding that the  
6 results of these studies generally support that the activities that  
7 are in the Office of Inspection of Enforcement are generally  
8 correct.

9           There are a number of recommendations and ideas that  
10 came out of these studies, however, that have not yet been  
11 fully implemented, and they will be ongoing even over the next  
12 several years. I don't intend to get into those details. I  
13 wanted to make the very simple point that the program that  
14 we'll try to describe is one that I think has been studied  
15 exhaustively, and for which I think there is the strength of  
16 that study, where it's been a reflective look at the operation.  
17 And I think the conclusion that they've come to is that the  
18 program is in fact a good program.

19           COMMISSIONER AHEARNE: You still have several studies,  
20 though, don't you, or at least the results of them? You owe  
21 OMB a study in the fall, and I guess the Congress a study in  
22 the spring.

23           MR. STELLO: I'll be getting to those. Those are  
24 new studies to be initiated, and I'll be speaking directly to  
25 those in the process. The 11 modules that were studied are

1 in the past tense. There are still some ongoing studies, that's  
2 true.

3 And Slide 3. What I wanted to do is to highlight  
4 very quickly. There has been a revised inspection program,  
5 which generally had with it the resident program, a regional  
6 based program, the performance appraisal system or performance  
7 appraisal teams, which were an integral part of the resident  
8 program and a program of independent measurement and career  
9 development.

10 The slide reflects a slight difference, because I  
11 think it needs to emphasize a new aspect, which is a sizable  
12 increase in the budget in this office, and it has to do with  
13 the concept of unit residents, which we'll be getting into in  
14 quite a bit of detail, since it is a significant increase in  
15 Office resources.

16 So that the title of the inspection program has been  
17 changed to reflect that it now has a different emphasis than  
18 it did in the past, but not in any significant way.

19 I will be getting into each of these in detail. And  
20 if I can quickly go to the next slide, which is the current  
21 resident inspector schedule --

22 COMMISSIONER AHEARNE: Can you explain why they go  
23 to zero --

24 MR. STELLO: At that point we -- excuse me.

25 COMMISSIONER AHEARNE: -- fuel facility wise?

1 MR. DONNELLY: Okay. The people in safeguards --  
2 these people at fuel facilities, who are basically safeguards  
3 type people, have evaluated the benefit of having resident  
4 inspectors at those facilities versus conducting that program  
5 out of the regions, and it's been their conclusion that there  
6 is no benefit over the regional program.

7 COMMISSIONER AHEARNE: NMSS has recommended dropping  
8 the resident inspectors at the fuel facilities?

9 MR. DONNELLY: NMSS has?

10 COMMISSIONER AHEARNE: Have they?

11 MR. DONNELLY: I do not know.

12 COMMISSIONER AHEARNE: Doesn't NMSS -- aren't they  
13 a customer? I'm asking, have they recommended that?

14 MR. STELLO: I don't know the answer. John, do you  
15 happen --

16 MR. SCHWINK: I can address that.

17 We evaluated the time use versus what amount of time  
18 they're available to conduct inspections at the fuel facilities,  
19 and what we're fixing is that, number one, they're not discovering  
20 anything in exception to what the regional inspectors are  
21 discovering; and the second thing is that their time is pre-  
22 dominantly being consumed in health safety matters rather than  
23 reactor safeguards activities.

24 COMMISSIONER AHEARNE: In other words -- the  
25 question really is, has NMSS recommended that; and then the

1 second part is, if they haven't recommended it, have they  
2 agreed to it? Because in a sense I view them as, in a way, a  
3 customer, or at least a coordinator, at least as far as that  
4 goes.

5 MR. STELLO: Walt, do you know if we've had any  
6 NMSS --

7 MR. SCHWINK: I believe we've discussed it with them  
8 on that problem, but I'd have to confirm that.

9 MR. STELLO: Okay. We don't know the answers to the  
10 two questions, but we'll get them.

11 CHAIRMAN HENDRIE: I guess it would be useful to  
12 confirm it, and you could do that with a short note to us.

13 COMMISSIONER AHEARNE: And also, I would certainly,  
14 for myself, put a question mark on -- I'd like to -- although  
15 it's only two people, still, there's a concept involved of  
16 eliminating the resident inspector for a certain type of  
17 facility. And so it would be a question to me of whether or  
18 not that's a good idea.

19 MR. STELLO: Okay. Point well taken.

20 Now, what I wanted to emphasize in this particular  
21 chart, though, is the reactor site inspectors and the reactor  
22 unit inspectors, which I clearly see as a new program that will  
23 start in fiscal year 1980, at which time 98 unit inspectors  
24 will be added to the program, which is a sizable increase in  
25 resources. And we'll point that out and we'll discuss that

1 further.

2 COMMISSIONER GILINSKY: What is the number of  
3 inspectors?

4 MR. STELLO: The concept is that each facility, if  
5 there are two units, that each unit will have its own unit  
6 inspector, and there will, in addition, be a site inspector.  
7 So at any particular facility there will be N plus one  
8 inspectors, N being the number of units. All of them will have  
9 what are called here reactor site inspectors, and starting in  
10 1980 each of the operating units would have an inspector.

11 Let me go to the next slide.

12 CHAIRMAN HENDRIE: One of the things I want to do  
13 here as we go along is to keep track of the 146, the famous  
14 146. So 93 are unit inspectors.

15 MR. STELLO: I'll -- we're going to cover that later.  
16 Probably it would be best if we wait until we get to that  
17 particular --

18 CHAIRMAN HENDRIE: Okay.

19 MR. STELLO: -- decision point.

20 The next one identifies those facilities for which  
21 resident inspectors are either assigned or are to be assigned.  
22 I would like to make a point at this time that one area I have  
23 been looking at very carefully is the way in which residents  
24 are being assigned to construction sites: Are they being  
25 assigned to those construction sites where there is at least

1 the possibility for getting the maximum benefit? There are  
2 some sites where we clearly are having considerably more  
3 difficulty at the construction stage than others. That, prior  
4 to today -- yesterday -- hadn't really been a consideration.  
5 And yesterday I asked Mr. Kepler, in light of the difficulty  
6 we've been having at Marble Hill, to start making arrangements  
7 to have the equivalent of a resident inspector at that site,  
8 with the aim of having a full-fledged resident inspector there  
9 as soon as we can get around to put someone --

10 COMMISSIONER GILINSKY: What does the equivalent  
11 mean? Someone who will --

12 MR. STELLO: I want someone there 40 hours a week,  
13 now. I can't say he's a resident, because he clearly isn't  
14 living there, but the equivalent of it.

15 COMMISSIONER GILINSKY: When does that start?

16 MR. STELLO: I wanted him to start it today. And  
17 there are -- in fact, I asked him also to send a team of  
18 people out there, who arrived at the site today. There are  
19 actually five inspectors at the site today, looking into the  
20 problems that we have been having.

21 COMMISSIONER GILINSKY: Did we announce that, that  
22 we're going to have the equivalent of a resident inspector?

23 MR. STELLO: We haven't announced it to anyone. I  
24 just told him to do it last night. Each of the Commissioners'  
25 assistants were --



1 COMMISSIONER GILINSKY: It wasn't announced publicly?

2 MR. STELLO: No, not yet. I feel the need to have  
3 the results -- I feel the need to have the results. There  
4 have been a number of problems at that facility. I feel the  
5 need to get a first-hand look at what the inspectors come up  
6 with in about a week, and to get an understanding of what's  
7 going on there.

8 I intend to be looking very carefully at that  
9 particular site during the next week.

10 COMMISSIONER KENNEDY: I would suggest that, if we're  
11 going to talk about that site for a minute, there's a more  
12 generic problem, and that's a little QA/QC problem, which I  
13 addressed on a number of occasions with a number of memos, to  
14 which I received relatively few responses.

15 So you will be receiving later today a copy of the  
16 original after that one, in which I'm telling you I want a  
17 response about the whole QA/QC program by the 8th of August.  
18 And it will have a significant influence upon my view of this  
19 whole budget.

20 MR. STELLO: Well, we'll have to address the memo  
21 when it comes forward. But your concern is precisely what I'm  
22 getting at. There clearly is something --

23 COMMISSIONER KENNEDY: It's been my concern for  
24 several months, as all my memos will carefully note.

25 MR. STELLO: I want to be very specific for the

1 moment. With respect to Marble Hill, there does appear to be  
2 a question in the adequacy of the whole QA/QC program. The  
3 recent memorandum from the National Board of (Inaudible)  
4 Inspectors caused me to be concerned as to if something else  
5 is going on there and we aren't receiving it; is there some-  
6 thing that we're not doing as well as we could do. And that's  
7 one of the reasons for getting the equivalent of a resident  
8 there and having this team of inspectors, to try to get an  
9 answer to that question.

10 I'm not prepared to try to generalize. I don't  
11 think it's appropriate to do that at this meeting, if we could  
12 not spend too much time, except to note that --

13 MR. GOSSICK: Excuse me. I think that a press  
14 announcement of some sort is probably in order, and certainly  
15 Wendell Ford and Birch Bayh and a few others have been writing  
16 us a lot of letters on Marble Hill, and I think we ought to  
17 make sure we get that word to OCA and to them.

18 MR. STELLO: Okay, it will be done.

19 I wanted to raise a point at this time, because  
20 there is something else that we'll be getting into in the  
21 budget as an item.

22 COMMISSIONER AHEARNE: Your asterisks -- before you  
23 turn to the next page, your asterisks mean that they are --  
24 that's the places where people today actually are?

25 MR. STELLO: Those are the places where people

1 physically -- well, they're all -- for those plants listed for  
2 1978, they're all there.

3 COMMISSIONER AHEARNE: Yeah.

4 MR. STELLO: For those that are in '79, they are all  
5 at those places for which there are asterisks.

6 COMMISSIONER AHEARNE: And plan to be at the rest by  
7 the end of '79?

8 MR. STELLO: And there are probably two or three  
9 other plants which we might make in 1979 that are not now on  
10 this list, that are listed for fiscal year '80, and there  
11 could be one or two which we might not quite get to.

12 COMMISSIONER KENNEDY: Construction residents in the  
13 1978 group are actually on site, is that right?

14 MR. STELLO: Yes.

15 COMMISSIONER KENNEDY: And --

16 MR. STELLO: None of them are --

17 COMMISSIONER KENNEDY: -- those asterisks -- oh,  
18 none of them are for the 1979 group?

19 MR. STELLO: That's correct.

20 Now let me move to Slide 6.

21 A very important part, in my view, of the resident  
22 program is the need to have within the office some capability  
23 to, independently fund the activities within the region; and  
24 the management of the I&E system in watching the program, to  
25 have some comprehensive way to appraise the resident program.

1 The need for this arose as part of the resident program. And  
2 as I recall, the key issue was assurance that the objectivity  
3 of the resident inspectors remains as high as we'd like it to,  
4 and hence one of the principal elements of the performance  
5 appraisal objectives is in fact to confirm the objectivity of  
6 the NRC inspectors.

7 It clearly will provide, from an overall national  
8 perspective point of view, the capability to get an overall  
9 evaluation of the licensee performance, as well as a first-hand  
10 view of the entire inspection program. That program is just  
11 beginning. I think it is a very important program, and one  
12 in which, again, it is an issue of reclama, it is an issue  
13 which I wanted to make a very special point.

14 COMMISSIONER AHEARNE: And it's also an issue where  
15 you owe OMB a report, don't you?

16 MR. STELLO: That's true. I think it's October is  
17 the report due to OMB, and one due to Congress in January.

18 COMMISSIONER AHEARNE: Do you have report under way  
19 or --

20 MR. STELLO: No. That's part of a study contract  
21 that I'll be getting to as we get onto it. There is a contract  
22 which is to be let about the middle of next month that will  
23 be speaking to that point.

24 COMMISSIONER AHEARNE: I note that you've got three  
25 purposes for the national objective: evaluating performance,

1 evaluating the effectiveness of the inspection program, and  
2 then the objectivity of the inspectors.

3 The way it's worded, I would conclude that -- is it  
4 correct it's no longer focused on residents alone?

5 MR. STELLO: The principal reason it exists is  
6 because of the resident program.

7 COMMISSIONER AHEARNE: Yeah, but that --

8 MR. STELLO: That's the reason it's there. I think  
9 it will add some additional understanding to help in the judg-  
10 ments that we have to make on our licensee performances in  
11 our licensee performances in general from a national perspec-  
12 tive point of view. And I think it will help us to understand  
13 how effective our program is, and in this sense it will be  
14 the resident program as well as the regional based program.  
15 So it would be looking at the effectiveness of both. I don't  
16 think it will be able to separate the two.

17 One might argue if you didn't have the resident  
18 program, should you still have such a program. And I think  
19 a very reasonable argument can be made to have this program  
20 independent of the resident program. But it clearly historically  
21 has been tied and coupled very strongly to the resident  
22 program.

23 COMMISSIONER GILINSKY: What are you going to do to  
24 evaluate performance in the licensees? Are you going to  
25 continue this report card system?

1 MR. STELLO: No, no. This particular program is  
2 completely separate and independent from the results of the  
3 studies. That was part of the modules that I mentioned earlier.  
4 This is a separate activity from that.

5 This will be a team of people who will go out and  
6 independently go in and look at the facilities, aside from  
7 the resident inspectors, aside from the regional based people.  
8 And it's a team of people who will have a special module  
9 developed -- have developed -- for going in and looking at  
10 each facility.

11 COMMISSIONER GILINSKY: Then what's the result of  
12 that inspection?

13 MR. STELLO: The result will produce a report for  
14 that particular facility, looking at strengths and weaknesses  
15 in the particular facility. And it will come up with whatever  
16 problems are apparent in the management of the facility  
17 itself, as well as problems that might be apparent as a result  
18 of the particular resident program, or even the regional  
19 program.

20 And hopefully, when you have all of the reports in  
21 front of you, you ought to be able to see the differences even  
22 in regions. Is there a regional dependence on the results  
23 of the inspection program? Can you see results of different --  
24 the effect of different regions in how they go about their  
25 inspection activities?

1           COMMISSIONER AHEARNE: Has any thought been given to  
2 using a combination of OIA and contractors, instead of the  
3 PATT?

4           MR. STELLO: I haven't. I don't know if there has  
5 been in the past.

6           John?

7           MR. DAVIS: No, there was none to use OIA or a  
8 contractor. We felt that in order to do the type of appraisals  
9 that we wanted, we would skim the inspectors and get the very  
10 best inspectors to go out and do this type of work. And that  
11 is in fact what the teams consist of now -- our more mature,  
12 more experienced, more aggressive inspectors, who are thoroughly  
13 familiar with the program, thoroughly familiar with the way  
14 we've structured the program.

15           COMMISSIONER AHEARNE: Would it be correct from that  
16 description of the membership that, were we to decide that  
17 the highest priority item was to get residents on site as soon  
18 as possible, that that would be a group of people you could  
19 take?

20           MR. DAVIS: That would be a group of people who  
21 would be qualified to be resident inspectors.

22           MR. STELLO: Okay, if I may move on --

23           MR. DAVIS: Excuse me, I'm sorry. With the exception  
24 of -- we do have specialties of the reactor operations on that  
25 team. I mean IE does.

1           COMMISSIONER KENNEDY: There are 12 in that program  
2 right now, are there not, PAT teams?

3           MR. STELLO: There are 12 positions assigned there  
4 at the moment, yes.

5           COMMISSIONER KENNEDY: This proposes 14 more, more  
6 than doubling it.

7           MR. STELLO: Well, there are two proposals that are  
8 in the budget that we need to speak to. One is an additional  
9 14 that are identified for the unit resident program, and an  
10 additional 10 for just the program as it exists independent of  
11 the unit resident program.

12           COMMISSIONER AHEARNE: Is that an additional 24?

13           COMMISSIONER KENNEDY: So 4 plus 12 -- 36 total.

14           MR. STELLO: And I -- yes. I'll be coming to those  
15 particular issues and I'll wish to make some points about that.

16           Let me move to Slide 7.

17           COMMISSIONER GILINSKY: Inspection reports are  
18 published, aren't they?

19           MR. STELLO: Yes.

20           Slide 7 identifies the independent measurement  
21 resources and identifies the number of people that are working  
22 in this particular activity, as well as the dollar resources  
23 that are applied. And as is fairly obvious, in the area of  
24 environmental monitoring, which is the activity that the  
25 health physicists in fuel facility and material safety, a



1 great deal of effort is devoted to independently going out and  
2 measuring environmental effects of operation, radiological  
3 releases. So that clearly is the bulk of your program.

4 There is a great deal of independent measurement in  
5 the safeguards which could be material control and accounta-  
6 bility, and that, again, is the next biggest item. Excuse me.

7 I think it's clear that the amount of activity in  
8 terms of reactor operations or construction, that that is an  
9 area where we have been spending very little resources in terms  
10 of independent measurement, and it is an area that I believe  
11 deserves some more attention in the future to decide what more  
12 we can do to get an independent measurement of what goes on  
13 in facilities.

14 We'll be speaking of these a bit later, especially  
15 with respect to some of the NDE work that can be done --  
16 radiographic examination, ultrasonic examination of walls,  
17 and even possibly some destructive testing, which we do do if  
18 there's a problem in a particular facility and there is a  
19 failure of a pipe. We might get our own sample and indepen-  
20 dently look at what was the cause of that failure or indepen-  
21 dently get samples of concrete and make our own measurement.  
22 So some of that goes on now, but to a lesser extent.

23 COMMISSIONER KENNEDY: What's the nature of your  
24 aerial radiological surveys, and who are they done by and how  
25 often?

1 MR. STELLO: As I recall, they're done by EG&G.  
2 They have the airplane stationed there and they go in and  
3 attempt to get a survey of a reactor facility before it goes  
4 into operation, so we can see what the general levels of  
5 radioactivity are around the site, and then at intervals which  
6 are, as best I know, random. But maybe there is a schedule  
7 for frequency with operating reactors.

8 Do you happen to know, Walt, Leo?

9 MR. HIGGINBOTHAM: The main work we're doing now is  
10 preoperational surveys. We've tried to establish a frequency  
11 of about five years for resurvey operations.

12 MR. STELLO: Of course, at Three Mile Island --

13 COMMISSIONER KENNEDY: The purpose is to measure  
14 background, as contrasted with any --

15 MR. HIGGINBOTHAM: Effects of operation.

16 MR. STELLO: Effects of operation.

17 COMMISSIONER KENNEDY: -- effects of operation.

18 MR. STELLO: Right.

19 Three Mile Island --

20 CHAIRMAN HENDRIE: Wasn't it also used up there --  
21 let's see, around that Attleboro? No.

22 MR. HIGGINBOTHAM: No, we did not use it there.

23 CHAIRMAN HENDRIE: There's a site up in Illinois  
24 that I can remember seeing some aerial plots.

25 MR. HIGGINBOTHAM: Yes, we did get -- yes, sir, we

1 did --

2 CHAIRMAN HENDRIE: What's the name of that place?

3 MR. HIGGINBOTHAM: (Inaudible) Chicago.

4 CHAIRMAN HENDRIE: Yeah, it's a Kerr-McGee.

5 MR. HIGGINBOTHAM: And we ran one of the ALAMPS over  
6 it.

7 CHAIRMAN HENDRIE: Yeah.

8 MR. HIGGINBOTHAM: (Inaudible).

9 COMMISSIONER AHEARNE: Vic, on the TLD, you have an  
10 expanded TLD program. That's what we've heard about several  
11 times, where it's going out. How many sites do you have on  
12 that program where you intend to be locating TLD setups?

13 MR. STELLO: Leo, do you know how many we finished?

14 MR. HIGGINBOTHAM: All of them.

15 MR. STELLO: How many were finished?

16 MR. HIGGINBOTHAM: 50 is what we're planning for in  
17 the initial phase, 50 sites. It would be the sites of all  
18 the operating reactors plus some of the larger fuel facilities.

19 COMMISSIONER AHEARNE: I guess I must have then  
20 misread the -- I thought the BRG package seemed to indicate  
21 it was just 32 sites that you had money in for. Is that a  
22 misreading?

23 MR. DONNELLY: It could be phased, '80 and '81. I  
24 don't remember.

25 COMMISSIONER AHEARNE: (Inaudible.)

1 MR. DONNELLY: (Inaudible).

2 COMMISSIONER AHEARNE: During this budget cycle or  
3 was it split?

4 MR. HIGGINBOTHAM: During this budget cycle.

5 COMMISSIONER AHEARNE: Okay.

6 MR. STELLO: Okay. Well --

7 CHAIRMAN HENDRIE: Vic, there's kind of a crosscut  
8 on the independent measurements here across a series of  
9 decision units. Do you have any idea what the man-year totals  
10 would look like for '79 at the authorized -- you know, at the  
11 authorized 715 strength, total strength of the Office? I don't  
12 have that. Could you give me any idea -- well, even if the  
13 first two are zero, why, it increases to 1.1 and 1.2, so that's  
14 how much?

15 MR. HIGGINBOTHAM: It's half.

16 MR. STELLO: About half.

17 MR. HIGGINBOTHAM: About half.

18 MR. STELLO: For fuels. And in safeguards, I imagine  
19 it's about the same. Okay. So it would be -- my guess would  
20 be in the neighborhood of a couple dozen, 24 man-years, versus  
21 34.

22 CHAIRMAN HENDRIE: And this large group on fuel  
23 facility and materials safety are --

24 MR. STELLO: It's about half that.

25 CHAIRMAN HENDRIE: It's about 12.

1 MR. STELLO: Does that -- corresponding dollar  
2 figures, too?

3 MR. HIGGENBOTHAM: The dollar figures are about the  
4 same.

5 MR. STELLO: The dollars are about the same?

6 CHAIRMAN HENDRIE: Do I read it right, then, that  
7 the increase in independent measurement activities in terms of  
8 staffing, the request, the increase is pretty much all in the  
9 fuel facility and materials safety area?

10 MR. THOMPSON: Yes, sir, most of it.

11 CHAIRMAN HENDRIE: And this has to do with looking  
12 at all of the radiographers and technicians or what?

13 MR. HIGGINBOTHAM: No, sir. That will be some of the  
14 effort, a small effort. A large part is some dedicated  
15 specialists who run some of the more sophisticated equipment  
16 we have now and some of the (Inaudible).

17 COMMISSIONER AHEARNE: Such as?

18 MR. HIGGINBOTHAM: The TLD program, for one.

19 CHAIRMAN HENDRIE: Spectrometers and one thing or  
20 another.

21 MR. HIGGENBOTHAM: We -- well, we have (Inaudible).

22 The increase in workload in the other regions, who already  
23 had laboratories, mobile laboratories, is in doing more of  
24 our own work in-house, analysis (Inaudible). It's that type  
25 of work.

1 CHAIRMAN HENDRIE: Okay.

2 COMMISSIONER AHEARNE: But you think there are about  
3 12 people in that?

4 MR. HIGGINBOTHAM: Yes, about 12. It also includes --  
5 that number also includes the manpower devoted to inspectors  
6 doing direct typing of (Inaudible).

7 COMMISSIONER AHEARNE: But that wouldn't be the  
8 increase? The increase, you're saying, is associated with the  
9 additional in Regions 4 and 5 is the labs and the cost of the  
10 TLD network.

11 MR. HIGGINBOTHAM: Plus the TLD network, plus --  
12 also, in Regions 1, 2 and 3, the increased effort there of  
13 doing more of our work in-house rather than contracting it out.  
14 It's a combination of all that.

15 MR. STELLO: Okay. If there are no more questions,  
16 let me move to Slide No. 9. Okay. By decision unit, then.

17 Let me identify very quickly. The total number of  
18 resources that we requested to the EDO for fiscal year '81  
19 are identified, as well as the request that we will be making  
20 today to the Commission. We'll be explaining all of the  
21 differences, where they exist.

22 COMMISSIONER AHEARNE: And the EDO's mark does what?

23 MR. STELLO: The EDO mark, I don't have it. No, I  
24 don't have it.

25 MR. DONNELLY: I think it consisted of both a

1 reduction in the set-aside. If my notes are correct here, it  
2 was a reduction of 23 in the set-aside of 195.

3 CHAIRMAN HENDRIE: Have I missed --

4 MR. STELLO: I haven't totaled up the EDO numbers,  
5 but our number when we get through will be 1037, and we'll be  
6 speaking for the set-asides as well as several other areas  
7 where there are some differences.

8 MR. DONNELLY: What EDP approved was 833 people, and  
9 the set-aside was 195.

10 MR. STELLO: 1028. So we have a difference of nine  
11 positions we're talking about.

12 COMMISSIONER AHEARNE: Nine positions plus the  
13 set-aside.

14 MR. STELLO: Plus the set-aside.

15 Okay. The major reasons which are reasonably clear  
16 for the increase -- the area of reactor operations carries the  
17 largest single increase, and clearly that's the unit resident  
18 program that is a principal reason for that particular increase.  
19 There is also a large increment, relatively speaking, in the  
20 fuel facility and materials safety. We'll be getting the  
21 reasons for that. And construction is up significantly.

22 COMMISSIONER AHEARNE: Are any of the unit residents  
23 included in construction?

24 MR. STELLO: No.

25 And the total -- those three by themselves total

1 roughly about 90 percent of what the increase is all about.  
2 The rest of it is growth, which -- we'll be going through them  
3 now one at a time.

4 If I can go quickly to Slide 10.

5 I wanted to make the point of how the resources are  
6 split between the regions and the headquarters, and you can  
7 see that the bottom line indicates what the ratio looks like  
8 from fiscal year '80, including the supplemental, through  
9 fiscal year '81.

10 I guess I want to make the point at this time that  
11 I don't know if there has been a sincere attempt made to try  
12 to artificially constrain the size of the headquarters staff.  
13 I think the size of the headquarters staff needs to be a  
14 concern. It's something we must pay attention to. But there  
15 are areas that I am concerned that there just is inadequate  
16 staffing to handle the problems.

17 And I think Three Mile Island got us to the point  
18 where the total of the headquarters staff has all it can do  
19 to handle items such as response to requests for information  
20 from the Commission itself and Congress. It's getting to be  
21 a totally reactive effort, and the ability to devote the  
22 resources to monitoring the program that it's about is getting  
23 constrained.

24 And I'm going to be looking very, very hard at the  
25 resources for the headquarters staff, and I guess I wanted to



1 make the point that I didn't intend to try to constrain myself  
2 to these ratios. If they're right, they're right. But if  
3 they're not, if in the past there has been a commitment, and  
4 I think there may have been, I don't wish to make the point  
5 that I'm going to abide by it. I think I need to look at what  
6 the resources are.

7 COMMISSIONER AHEARNE: You could always attempt to  
8 move some of the functions that are done in headquarters to  
9 the regions.

10 MR. STELLO: That clearly we're looking at.

11 COMMISSIONER AHEARNE: Are the PATs included in the  
12 headquarters numbers or mixed?

13 MR. STELLO: They're in the regions.

14 COMMISSIONER AHEARNE: PATs are included in the  
15 regions?

16 MR. STELLO: There's one person in headquarters at  
17 the moment and the rest of them are in the regions.

18 If I may move to Slide 11. This is a summary of  
19 the dollar figures. And again, I think the increases, as you  
20 can see, are consistent with the same decision units that we  
21 have been talking about. I will be discussing these together,  
22 so I don't intend to dwell on this slide too much. As we go  
23 to each decision unit, we'll be talking about them together  
24 and what the reasons are.

771234

25 COMMISSIONER AHEARNE: And just to be sure I

1 understand, the EDO's mark ended up being around 5631, and then  
2 there was about a 1400 set-aside. So if I add the set-aside  
3 to the EDO's mark, it's about 300, \$400,000 below yours to the  
4 Commission.

5 MR. DONNELLY: I think it's 300 or \$400,000 above.

6 MR. GOSSICK: I don't understand your 696691,  
7 because the request for program support, with the set-aside,  
8 as you point out, is 7031. And --

9 MR. DONNELLY: The difference, Mr. Gossick, is that  
10 one of the items you set aside we are not requiring.

11 MR. GOSSICK: Okay.

12 MR. DONNELLY: That explains why that difference.  
13 That is, the program development money associated with the PAT  
14 contribution to the unit resident program, which I think is  
15 about 350,000.

16 MR. STELLO: Which brings us directly to the next  
17 slide, explaining for the reactor construction inspection  
18 program, where a total of 51 positions are suggested as an  
19 increase in this particular program. And let me break those  
20 down for you very quickly.

21 21 of those positions are a result of what I feel  
22 are an impact evaluation of what the effect of the resident  
23 program would be on the labor rates. We can get into that if  
24 we need to. 771235

25 COMMISSIONER AHEARNE: When you say "the labor rates,"

1 there you're talking about the number of inspection hours  
2 required to accomplish your modules?

3 MR. STELLO: Yes.

4 COMMISSIONER AHEARNE: And I gather you're concluding  
5 that it was an overestimate or an optimistic estimate of what  
6 reduction would take place?

7 MR. STELLO: Yes, very much so. (Inaudible.)

8 COMMISSIONER AHEARNE: And that's based upon having  
9 had some experience? It's not a re-estimate; you're saying  
10 it's based upon your actual experience?

11 MR. DONNELLY: That's right. We re-looked at what  
12 we had planned as a labor contribution with a combined  
13 resident and region based program. And in the operating area,  
14 our planning looked very close to what experience bore out.  
15 In construction we were way off.

16 Part of the answer -- we discussed this with  
17 Mr. Davis to figure out -- maybe he could have some insight  
18 into what we did in the past, and one of the things that's  
19 happened that's influenced this is a severe increase in the  
20 amount of reactive work that we've had to do in the construc-  
21 tion area.

22 As I understand it, a year and a half ago we had  
23 very little effort going into the reactive area, and now it's  
24 as high, if not higher, than what we do in the operating  
25 reactors. And there's no way we can meet our commitments

1 under the resident program and get the job done, with the labor  
2 that we had previously identified. And we just have to face  
3 up to that fact now and put forward the right amount to get  
4 the job done.

5 MR. STELLO: Let me move on very quickly to get  
6 these numbers. Then I'll go into them in detail next.

7 24 of the positions are associated with the PAT,  
8 24 positions plus \$340,000 for program support, which explains  
9 the difference we were talking about a moment ago between the  
10 EDO mark and our mark.

11 COMMISSIONER AHEARNE: The PAT is listed under  
12 reactor construction, but you're not saying that those 24  
13 positions -- or are you -- that all of those would be tabbed  
14 pointing towards reactors under construction?

15 MR. STELLO: No. They're listed here because there  
16 is a question as to where we ought to put the management  
17 activity of the PAT program within the headquarters staff.  
18 The principal activity is out in the operating reactors, and  
19 since you're trying to get some measure of independence, it  
20 would seem appropriate to not put that activity under the  
21 division director responsible for the basic program itself.  
22 You try to get as much independence.

23 They've been assigned, then, under the reactor  
24 construction program, and there is a question as to whether  
25 or not that is the correct place for it to be. Ought we to

1 look a little bit harder and decide whether it ought to be  
2 organizationally placed someplace else, which I intend to do.

3           Within that 51, an item of reclama, so let me  
4 emphasize it a bit, is three positions for the purpose of  
5 looking at the problem sites under construction, early construc-  
6 tion, such as Marble Hill, where clearly it looks like the  
7 concept of a resident inspector is a good idea. And we've  
8 indicated we want to at least try that with three positions,  
9 and three of those 51 are for that purpose. And the head-  
10 quarters growth is another three positions.

11           Now, if I can, I --

12           COMMISSIONER AHEARNE: May I ask Tom a question?  
13 Tom, why did the BRG feel that the three residents for problem  
14 sites was not a good idea?

15           MR. ENGELHARDT: Well, one, that we felt that there  
16 had been built into the budget structure sufficient personnel  
17 resources in the reactive effort area to accommodate any  
18 requirements for on-site trouble areas.

19           Secondly, we felt that during construction period  
20 there are a number of expert -- a number of areas of expertise  
21 that are warranted to really do a decent inspection job. We  
22 couldn't understand how they could assign a resident inspector  
23 who was an all-purpose construction expert, who could deal with  
24 cement problems, with construction and structure problems and  
25 related construction activities at the site.

1           So on the strength of that reaction on our part, and  
2 the lack of further refinement in their thought process as to  
3 what they were -- how they were going to do this, we decided  
4 to put that aside.

5           COMMISSIONER KENNEDY: How are you going to do that?  
6 Carefully?

7           MR. STELLO: I guess very carefully.

8           I guess I'm going to be doing what I did in the case  
9 of Marble Hill. I'm going to find a way to do what seems to  
10 be indicated that's needed and try to do it, recognizing that  
11 something else will clearly have to suffer. It will mean  
12 some other --

13           COMMISSIONER KENNEDY: Where are you going to get  
14 these all-purpose people that Tom's talking about?

15           MR. STELLO: Well, the issue that I see --

16           COMMISSIONER KENNEDY: Do they in fact need to be  
17 that?

18           MR. STELLO: They don't need to be that, because the  
19 issue that I see is not one where I want a specialist, anyway.  
20 I think that the whole concept of the way a licensee goes  
21 about his QA/QC program, rather than getting into the details  
22 where a specialist might be required, where I think a fellow  
23 will have to devote his efforts, he'll need to look very hard  
24 at the overall program that the licensee has on site, because  
25 I think that most of the problems that we do see are a result

1 of management breakdowns at one place or another, that isn't  
2 allowing the QC/QA program to go down the road in the way in  
3 which we thought it would.

4 So the kind of people that we've applied to this  
5 program aren't the kind that can have this wide-range specialist  
6 background. If you get early enough in the site, though, you  
7 might try to find someone who has an overview, who might have  
8 a particular strength in perhaps civil engineering, and use  
9 those people and augment that civil engineering background with  
10 training to get more of the general picture.

11 So I don't think that the object is to have  
12 specialists perform this activity. We clearly need to continue  
13 to rely on the regional based program for that specialist  
14 type activity, and that is the intent.

15 MR. DONNELLY: And I might add, to supplement that,  
16 that this is an addition, not a substitute for, the current  
17 effort, specialist effort, that we've put into the regions, and  
18 it's specifically to focus on that QA program.

19 MR. STELLO: Okay. Now if I may go to Slide 13.

20 Taking these issues one at a time, the first item,  
21 on PAT growth. As I've indicated earlier, I think this is  
22 an extremely important program, one which we've got to go  
23 forward with to accomplish the objectives. I think it's  
24 intimately tied to our whole resident program. It has some  
25 other advantages, which I feel very strongly about.



1           We have a difference of view between the BRG and  
2 ourselves, and they set aside the 14 positions for the unit  
3 resident program and \$340,000. While arguments could be made  
4 to augment that, I concluded that I would rather forego the  
5 14 and the set-aside and emphasize the need for the 10 positions,  
6 which was the previously approved program growth for PAT as it  
7 was originally conceived, and just drop the issue of reclama  
8 of the 14 positions and the \$340,000.

9           So what I'm appealing to -- and I'll again say this  
10 when we get to the last three slides -- I'd like to get the  
11 10 positions for the PAT and forego the 14 which are in the  
12 EDO set-aside.

13           The additional residents I think we have already  
14 discussed sufficiently. We've asked for three positions for  
15 that particular program.

16           COMMISSIONER AHEARNE: Vic, I noticed you require  
17 that PAT -- you said the PAT growth is absolutely essential.  
18 It's No. 4, however, on your list of reclaims. Do I guess the  
19 other three -- this is absolutely essential, but the other  
20 three are a little bit more.

21           MR. STELLO: I want them all most.

22           (Laughter.)

23           MR. STELLO: But I will -- if we don't get additional  
24 resources for PAT, it appears that the cycle for going around  
25 and looking at sites might be as long as four years. And I



1 just think that having the results spread out over four years  
2 is going to be very, very difficult, looking at those results  
3 over a four-year span, trying to do it. I think if we get the  
4 additional resources, we probably can get something closer to  
5 like a year and a half, which to me would be a much more  
6 meaningful collection of reports to look at, to try to then  
7 evaluate what these differences are and what they mean.

8           If we don't do it, I'm fearful that we won't be  
9 able to accomplish the original objectives, and I'm not sure  
10 that we won't have to look real hard at some perhaps major  
11 redirection of the program. And I feel very nervous about  
12 that, since it was tied and coupled so closely with the  
13 resident program. It was pretty carefully thought out as an  
14 important ingredient to it. And we do feel strongly about it.

15           Let me go on, then. I don't want to talk any more  
16 about the additional three man-years, except to say that  
17 Marble Hill in the last several days has convinced me that we  
18 need to implement this and we're going to find a way to go  
19 about it. If we don't get the three positions, it's going to  
20 mean cutting back elsewhere, clearly, and I am prepared to do  
21 that. I think it's just essential to do it.           7/12/42

22           We had some money in the budget for getting some  
23 additional -- next slide, 14 -- for some technical equipment  
24 to increase our capability to do some nondestructive examina-  
25 tion, \$240,000. And we've come to the conclusion that we

1 already have one unit in the budget now, and we've thought about  
2 it and agreed with the EDO that we'd just sit back and wait  
3 until we see how successful that is and then try to augment  
4 the program as we get that experience.

5 If we could go to Slide 15.

6 Reactor operations. Here's we need to now try to keep  
7 track of the numbers. The 146 Chairman Hendrie has asked about  
8 applies to this, and I guess it would be just best if we wait.

9 MR. DONNELLY: If you go to backup Slide 8 when  
10 you're ready, I think we can get the 146.

11 MR. STELLO: Okay.

12 Let me very quickly try to summarize the reasons  
13 for the increase before we get to that. We have the unit  
14 resident program, and in terms of the fiscal year '80 supple-  
15 mental, it's 135 man-years and \$100,000 in support.

16 COMMISSIONER AHEARNE: 135 of the 170.

17 MR. STELLO: 135 of the 170.

18 And let me very quickly get to the 146. There is  
19 an additional 11 positions for training which are necessary  
20 for it. So if you add the 11 to the 135, you come up with the  
21 100 -- that's the 146 number. **771243**

22 The 28 man-years are to implement the 24-hour  
23 operations center within the regions. And as you are all  
24 aware, we've --

25 CHAIRMAN HENDRIE: Wait a minute. Hang on there.

1 MR. STELLO: These are -- excuse me. I've not been  
2 paying attention. These are pages 8 and 9 of your EDO  
3 package, and 8 and 9 with the red marks that we gave you were  
4 your packages, pages 8 and 9.

5 CHAIRMAN HENDRIE: Let me ask -- Back when we looked  
6 at the resident inspectors, way back here some slides ago --  
7 oh, yeah, the one that showed site inspectors, fuel facility  
8 inspectors, the one where they went to zero in fuel, and then  
9 it had reactor unit inspectors, and in '80 it showed 98, and  
10 then '81 108.

11 Of the 146 positions tacked in by the Congress --

12 MR. STELLO: Yes.

13 CHAIRMAN HENDRIE: Do I read this to be 98 are  
14 designated for reactor unit inspectors and 11 for training,  
15 and where are the rest?

16 MR. STELLO: Go to backup Slide No. 8. Backup slide.  
17 Okay.

18 First call for fiscal year '80, breakdown at --

19 CHAIRMAN HENDRIE: This is not in here.

20 MR. STELLO: That is not in here.

21 COMMISSIONER AHEARNE: Could I -- could you send me  
22 a copy of that?

771214

23 MR. STELLO: Surely.

24 CHAIRMAN HENDRIE: Yeah, I think that'd be a useful  
25 one to have, because what we do or are going to do is of great

1 interest all around, to Congressional staffs and everybody else.

2 So that would be --

3 MR. STELLO: That's how it breaks down: 98 on the  
4 unit inspectors; clerical support, 22; the supervision, 10;  
5 headquarters program management 5; and the training is 11.  
6 And we'll get you a copy of that slide.

7 Okay. Any more questions on that one?

8 CHAIRMAN HENDRIE: Hang onto it until I get a note  
9 made.

10 MR. STELLO: We'll make a note to make sure that we  
11 get copies of that one. In fact, why don't we make sure that  
12 we Xerox copies and just leave them here.

13 CHAIRMAN HENDRIE: Okay.

14 MR. STELLO: Okay.

15 CHAIRMAN HENDRIE: Now -- but it also means that the  
16 unit inspector program, as you see it, grows over the period  
17 out through '83 by another 38 people as unit inspectors, and  
18 I suppose -- well, other proportional increases in other  
19 elements?

20 MR. STELLO: That breaks out --

21 CHAIRMAN HENDRIE: Not in training? 771245

22 MR. DONNELLY: With the exception of the headquarters  
23 and the training, the clerical and supervisory resources  
24 increase proportionately.

25 MR. STELLO: Well, the training will come up to a

1 peak and then it'll fall out as you're bringing in new people,  
2 and that's exactly what you can see up there. It hits a peak  
3 in '81 at 17 and then starts dropping back off. Clearly the  
4 numbers are coming back down.

5 Go back to Slide 15.

6 I believe I hit two of the reasons, and there's one  
7 more I wanted to pick, and that's with respect to in head-  
8 quarters, it's to provide an increase in reactor expertise in  
9 the operating reactor areas, especially with respect to getting  
10 the capability to deal much more effectively with problems,  
11 especially by reactor type, to deal with the LERs that are  
12 coming out, examine them and start to do some evaluation of  
13 what I&E needs to do as it sees the experience from the LERs.

14 Going to Slide 16, and we'll now go through each of  
15 these again very quickly.

16 Originally our intent was to have the 24-hour watch  
17 maintained within the regions, and that was a large resource  
18 commitment to do that. And we have subsequently provided the  
19 capability with electronic equipment within the regions to  
20 provide that coverage through headquarters, and have subse-  
21 quently decided that we didn't have to add additional resources  
22 for that activity and have concurred with the EDO mark, which  
23 allows no increase in this particular area.

24 CHAIRMAN HENDRIE: Are the communications links  
25 established now with regard to headquarters back to the

1 regional duty officer, so that they're standing down from  
2 actually --

3 MR. THOMPSON: In the process of actually being  
4 implemented now, Mr. Chairman.

5 MR. STELLO: Three of the regions --

6 MR. THOMPSON: Three --

7 MR. STELLO: -- are already functioning, where we  
8 have the electronics, the diverter that brings the calls back  
9 into headquarters, with us getting back to the duty officers  
10 as needed.

11 CHAIRMAN HENDRIE: Yes.

12 MR. STELLO: We -- we've already discussed the unit  
13 resident program, so I don't think we need to do that again.

14 If I go to the vendor and contractor, which is --

15 COMMISSIONER AHEARNE: Just so I can put in a request,  
16 because I think I may disappear before the briefing is over,  
17 could you give me, I guess in the next few days, a manpower  
18 dollar estimate for a program were you to be going towards  
19 only one inspector per unit.

20 MR. STELLO: Instead of N plus one, just N?

21 COMMISSIONER AHEARNE: That's right.

22 MR. STELLO: Yes.

771247

23 COMMISSIONER AHEARNE: And it's not -- obviously,  
24 that's a different character of individual than your unit  
25 resident.

1 MR. STELLO: Yes.

2 COMMISSIONER AHEARNE: (Inaudible).

3 MR. STELLO: Well, I think at least one of them  
4 would have to be, if there were multiple units --

5 COMMISSIONER AHEARNE: Yes.

6 MR. STELLO: -- one of them would have to be a senior  
7 person.

8 Slide 17, and this is in your EDO package on page 6.  
9 It's the vendor inspection program, a modest increase -- excuse  
10 me -- three positions over what we are now.

11 COMMISSIONER AHEARNE: Is there an outstanding  
12 request still to OMB for a review of that program?

13 MR. STELLO: I'm not aware of any. John?  
14 Where'd John go?

15 COMMISSIONER AHEARNE: At one point OMB wanted a  
16 report to review that program, and I don't --

17 MR. GOSSICK: I believe that's been cleared.

18 MR. BARRY: That's been done.

19 COMMISSIONER AHEARNE: They no longer have a --

20 MR. BARRY: They no longer have a hangup on that.

21 Two years ago, we kind of committed ourselves to  
22 hold the program level. Whether they would make any kind of  
23 a comment this year because we go up three--I think it was  
24 three positions -- I don't know.

771248

25 COMMISSIONER AHEARNE: But BRG had no problem with it?

1 MR. ENGELHARDT: BRG felt that this was perfectly  
2 justifiable. There's a great bang for the dollar in that parti-  
3 cular area of activity.

4 MR. STELLO: With that comment, let's go to Slide 18.  
5 Thank you.

6 This is on your EDO package --

7 COMMISSIONER KENNEDY: With that kind of endorsement,  
8 does the BRG consider that the program might be even increased  
9 or that it had been gratuitously selected at precisely the  
10 right level?

11 MR. GOSSICK: I really don't think the BRG has ever  
12 gotten in that frame of mind on any issue.

13 (Laughter.)

14 MR. GOSSICK: They have so many the other way.

15 MR. STELLO: The next slide is the summary slide for  
16 the fuel facilities and materials growth. I mentioned it, I  
17 thought I did. It's on page 7.

18 The increases, again, to break them down very quickly.  
19 I'll only break them down for the fiscal year '81. Caseload  
20 growth is worth eight positions. The increased reactive effort  
21 is believed to be worth two positions, and I might add again,  
22 the concept of reactive effort in just about every area is  
23 starting to grow by leaps and bounds.

24 COMMISSIONER AHEARNE: Do you have -- our rough cut  
25 tended to be -- the estimate was it was getting to be about

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1 25 percent of your effort was in reactive effort, inspection  
2 effort.

3 MR. DONNELLY: It varies somewhat from program to  
4 program, but I would say that's a fair average.

5 MR. STELLO: Pre-TMI, I think I would be inclined to  
6 agree. I think post-TMI the numbers probably, when we have  
7 the data in, are going to turn out to be significantly larger.

8 COMMISSIONER KENNEDY: Larger than 25 percent?

9 MR. STELLO: I think so. I think if you look at  
10 what TMI has been costing us, it's going to come out to be  
11 over, through the end of the fiscal year, about 75 man-years  
12 by itself.

13 COMMISSIONER KENNEDY: But that's focused on TMI.

14 MR. STELLO: But that's reactive.

15 COMMISSIONER KENNEDY: Yes, I understand that.

16 MR. STELLO: It takes away from the routine programs.

17 COMMISSIONER KENNEDY: Sure.

18 But when you say TMI, are you talking about all  
19 TMI-related activities? For example, all that activity at  
20 other B&W reactors?

21 MR. STELLO: Yes.

22 COMMISSIONER KENNEDY: Not just TMI, but all --

23 MR. STELLO: It's the result. It's the impact of  
24 what TMI has done to us, and over a fairly short period of  
25 time, 75 man-years in like six months, that's 150 positions,

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1 150 people working on the problem. And that point itself, that  
2 one particular aspect looks like that's on the order of  
3 20 percent of the resources. So if our routine level had been  
4 looking around 20-25 percent, I suspect when all the data are  
5 available we're going to be up in the near 40 percent.

6 COMMISSIONER AHEARNE: Now, which leads me to my  
7 next question: Put in TMI in the five-plant shutdown effort,  
8 which you may also have -- I don't know to what extent that  
9 ended up having a greater reactive burden upon I&E -- to what  
10 extent is that, that kind of increased effort, which might be  
11 viewed as an anomaly, incorporated into the budget projections?

12 MR. STELLO: In the sense that we did ask for those  
13 other resources to compensate --

14 COMMISSIONER AHEARNE: Both of those represent a  
15 substantial increase in reactive effort which you put at for  
16 TMI.

17 MR. STELLO: Right.

18 COMMISSIONER AHEARNE: Did your budget, when you're  
19 requesting additional spaces, for example here, for reactive  
20 effort, is it based upon sort of the assumption that you're  
21 going to have to be maintaining that type of increased effort,  
22 or is it the increase that you were projecting based upon  
23 pre-TMI?

24 MR. STELLO: It's pre-TMI that was the basis for  
25 the judgment, and if I were to have considered post-TMI, what

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1 that might mean in terms of reactive effort, the budget  
2 increased would be significantly greater.

3 COMMISSIONER AHEARNE: All right.

4 MR. STELLO: Let's see. I lost my spot.

5 COMMISSIONER AHEARNE: In reactive effort.

6 MR. STELLO: All right. And increased headquarters  
7 staff, seven positions.

8 Earlier inspection of new materials licensees, seven  
9 positions; expanding the effort in emergency planning, 14 posi-  
10 tions; expanding the effort in in-plant protection, radwaste  
11 processing and environmental protection --

12 COMMISSIONER KENNEDY: (Inaudible) work in emergency  
13 planning?

14 MR. STELLO: The anticipation is that, with respect  
15 to the state emergency plans and licensee emergency plans,  
16 that there's going to be a significant increase on behalf of  
17 I&E in developing programs with the states, as well as with  
18 licensees. I might ask Leo, if he's available, to expand on  
19 what I've said.

20 MR. HIGGINBOTHAM: One of the areas (Inaudible)  
21 frequent observation of licensee emergency drills (Inaudible).  
22 Presently, we get now -- we presently are on site with at  
23 least one inspector (Inaudible) preoperational effort. Then  
24 after that we usually -- our program now calls for our people  
25 to (Inaudible) again observe a drill about every other year.

1 We intend now to increase that effort to observe and evaluate  
2 every drill, but not only with one inspector, but at least two  
3 inspectors.

4 The other effort in emergency planning will be --  
5 heretofore we've looked at --

6 COMMISSIONER KENNEDY: To what extent, Leo, has this  
7 been coordinated with state programs and NRR, which talk about  
8 the same kinds of things?

9 MR. HIGGINBOTHAM: What we're looking at is the  
10 licensee's drill, not the drills of the off-site support.

11 COMMISSIONER KENNEDY: There's obviously a relation-  
12 ship.

13 MR. HIGGINBOTHAM: Yes. When they do conduct a  
14 coordinated drill with off-site authorities, yes. (Inaudible).  
15 It's a coordinated review team. There haven't been (Inaudible).

16 COMMISSIONER AHEARNE: Has this increase, though, of  
17 14 people been coordinated with the increases recommended by  
18 State Programs and the increases recommended by NRR?

19 MR. HIGGINBOTHAM: They're aware of the increases.  
20 I'm not quite sure what you mean by --

21 COMMISSIONER AHEARNE: Well, in other words, as we  
22 look at it, should we be viewing it, here was a coordinated  
23 increase in emergency planning personnel, of which there's a  
24 14 block piece of I&E; or is there several sets of increases  
25 for emergency planning?

1 MR. HIGGINBOTHAM: There are several sets. Part of  
2 the other effort would be in, say, more stringent evaluation  
3 of the feasibility of the off-site support for the licensee.  
4 Heretofore, our effort in that area has been primarily to  
5 verify or assure ourselves that there is adequate coordination  
6 of communications with the licensee.

7 MR. STELLO: And I believe I had the mail/telephone  
8 program for low-priority existing licensees, and that was  
9 six man-years, six positions.

10 If I then can move to Slide 19 --

11 CHAIRMAN HENDRIE: Caseload growth to aid the  
12 reactive effort, two; headquarters staff was what, again?

13 MR. STELLO: Seven.

14 CHAIRMAN HENDRIE: Response capability?

15 MR. DONNELLY: That's a money consideration. There's  
16 no -- that's just dollars.

17 CHAIRMAN HENDRIE: Yes.

18 Earlier inspection of new materials licensees?

19 MR. STELLO: Seven.

20 CHAIRMAN HENDRIE: Emergency planning?

21 MR. STELLO: 14.

22 CHAIRMAN HENDRIE: Expand in-plant protection?

23 MR. STELLO: 14. That's the other one I missed.

24 CHAIRMAN HENDRIE: Six for the mail/telephone

25 program?

1 MR. STELLO: That's correct.

2 CHAIRMAN HENDRIE: And the whole body counter is  
3 dollars.

4 MR. STELLO: Yes.

5 CHAIRMAN HENDRIE: And it should now scan. 10, 15,  
6 29.

7 MR. STELLO: Okay. Now, Slide 19.

8 COMMISSIONER AHEARNE: Could you just say a moment  
9 about that 14 of the in-plant protection costs? These are  
10 additional inspectors, health inspectors?

11 MR. STELLO: Yes.

12 COMMISSIONER AHEARNE: Is this still focused primarily --  
13 primaril focused upon reactors?

14 MR. STELLO: Yes.

15 Okay. Now, I want to cover --

16 CHAIRMAN HENDRIE: This correlates to a thing back  
17 here at the beginning someplace. You give me too many papers.  
18 I begin to sag out.

19 These have -- I don't know what the number is, but  
20 it's the one called independent measurement resources, which  
21 gave a crosscut of I&E independent measurement resources and  
22 activities, and we're now looking--I guess this -- yeah.

23 Those 14 folk and the dollars under environmental monitoring  
24 are part of the, part of the 24 and the million and a half,  
25 and so on and so on?

1 MR. STELLO: Yes.

2 Those were -- these are summaries, and these are  
3 picking up the individual components.

4 CHAIRMAN HENDRIE: Okay.

5 MR. STELLO: And I believe I was up to Slide 19.

6 COMMISSIONER KENNEDY: Wait a second. Before you  
7 leave that, this is 19?

8 MR. STELLO: That is 19.

9 COMMISSIONER KENNEDY: Okay.

10 CHAIRMAN HENDRIE: Thought you'd missed one, huh?

11 COMMISSIONER KENNEDY: No, I thought I was going to.

12 MR. STELLO: Okay. We talked about expanding the  
13 reactor program in emergency planning. The six positions to  
14 have the mail/telephone program for the low-priority --

15 COMMISSIONER KENNEDY: The set-aside is only one.  
16 That means the EDO approved five.

17 MR. DONNELLY: No. He approved one.

18 COMMISSIONER KENNEDY: Oh, he approved one.

19 MR. DONNELLY: He approved one, yeah.

20 COMMISSIONER KENNEDY: Oh, I was looking at the  
21 thing -- oh, I see. I'm sorry, okay. Right, that's his mark.  
22 He approved one.

23 MR. STELLO: The original intent was to try to --

24 COMMISSIONER KENNEDY: Could you explain one?

25 MR. DONNELLY: I think I recall that. We have one

1 person who focuses on this area now.

2 MR. STELLO: He's there.

3 MR. DONNELLY: He's kind of managed our pilot program  
4 and sent out some sample questionnaires, and evaluated whether  
5 there was payoff to expand or whether there wasn't. And if I  
6 remember the BRG mark or Mr. Gossick's mark correctly, they  
7 felt that we ought to continue further the evaluation process.

8 CHAIRMAN HENDRIE: This would be a 100 percent  
9 increase in that program, then?

10 MR. DONNELLY: Well, we really don't have a program.

11 COMMISSIONER KENNEDY: This would be a level program.

12 CHAIRMAN HENDRIE: No, they've got one and it's plus  
13 one.

14 MR. DONNELLY: No.

15 COMMISSIONER KENNEDY: That is the one. Right now  
16 they have one, but he's not --

17 CHAIRMAN HENDRIE: They don't get credit for him?

18 COMMISSIONER KENNEDY: No, they're taking him from  
19 something else.

20 MR. DONNELLY: That's right.

21 COMMISSIONER KENNEDY: He's there. All they're  
22 doing is making him legitimate.

23 You know, it says here there is a benefit for low  
24 cost. What is this cost-benefit ratio? What are we achieving?

25 MR. STELLO: These are licensees we almost never



1 get to and quite often really never get to. From the time the  
2 license comes in to the time it's expired, we have never even  
3 had an inspection. It's the low-priority licensees. And as  
4 I recall, there are on the order of 5,000 such licensees. 5,000?

5 MR. HIGGINBOTHAM: 4500.

6 MR. STELLO: 4500.

7 The intent was to go out with a mail program to try  
8 to reach those licensees, to have some physical presence in  
9 the regulatory process.

10 COMMISSIONER AHEARNE: That's the U.S. Post Office.

11 COMMISSIONER GILINSKY: We don't inspect them at all?

12 MR. STELLO: For all practical purposes, we don't  
13 inspect them.

14 (Simultaneous discussion.)

15 MR. STELLO: What is the frequency for those, once  
16 every what?

17 MR. HIGGINBOTHAM: Out of the 4500 licensees, those  
18 with (Inaudible) inspection priorities, about roughly -- about  
19 2,000 of them are inspected with a frequency of about every  
20 ten years, and the remainder --

21 COMMISSIONER KENNEDY: Every ten years?

22 MR. HIGGINBOTHAM: Yes, sir. 771258

23 COMMISSIONER KENNEDY: Do you find that they're still  
24 there?

25 (Simultaneous discussion.)

1 MR. HIGGINBOTHAM: Some of them are not by the time  
2 we get around to them.

3 The remainder are not inspected -- well, the frequency  
4 actually turns out to be about every 20 years, because these --

5 COMMISSIONER KENNEDY: 20 years?

6 MR. HIGGINBOTHAM: Yes, sir, because --

7 COMMISSIONER KENNEDY: They live that long?

8 MR. HIGGINBOTHAM: Some of them. Some of the  
9 licensees --

10 COMMISSIONER AHEARNE: What kind of licenses are  
11 these?

12 MR. HIGGINBOTHAM: These are very small programs.  
13 It might be a source in a gas chromatograph. It might be a  
14 set of civil defense sources that are used for callibration and  
15 training purposes. Small amounts, but because of (Inaudible),  
16 they're required to be licensed.

17 COMMISSIONER GILINSKY: How do you decide whom to  
18 inspect? Would the licensee know whether he's going to be  
19 inspected or not?

20 MR. HIGGINBOTHAM: No, sir. That's another problem  
21 with the unannounced inspection policy. There's (Inaudible)  
22 out there and there's a risk he may not be there.

23 COMMISSIONER AHEARNE: Do they get the license by  
24 mail?

25 MR. HIGGINBOTHAM: Yes.

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1 COMMISSIONER AHEARNE: A mail order license.

2 MR. HIGGINBOTHAM: Another part of the problem is  
3 that there's no pre-licensing inspection. They --

4 COMMISSIONER AHEARNE: You send in.

5 MR. HIGGINBOTHAM: Yes. They're provided an applica-  
6 tion. It's reviewed in NMSS. They have to submit procedures  
7 and whatever is required. It's reviewed there and the license  
8 is issued.

9 And then we may inspect it initially, perhaps, maybe  
10 before it expires.

11 COMMISSIONER AHEARNE: Are these licensees, in  
12 general, what they're holding is considered to be a low  
13 (Inaudible).

14 MR. HIGGINBOTHAM: Yes, sir. That's why they're on  
15 an extended inspection frequency.

16 COMMISSIONER AHEARNE: It's not the size of the  
17 organization?

18 MR. HIGGINBOTHAM: (Inaudible.)

19 COMMISSIONER AHEARNE: The discrimination is on  
20 health hazard.

21 MR. HIGGINBOTHAM: The license may be (Inaudible) by  
22 fairly large companies.

23 COMMISSIONER GILINSKY: And what do you propose to  
24 do now?

25 MR. HIGGINBOTHAM: Sir?

1 COMMISSIONER GILINSKY: What is the proposed program?

2 MR. HIGGINBOTHAM: We came forward a couple of years  
3 ago, I think, and asked for 15 additional people because we  
4 wanted to inspect these people at least at a minimum frequency  
5 of every three years. That would let us catch them about twice  
6 during the license duration, a five-year license duration.  
7 What was proposed then was that we take a look at some type of  
8 a report that we require the licensees to provide once a year  
9 or at some frequency.

10 After looking at that, we decided that rather than  
11 a report, that we would have to describe in some way in a rule  
12 and list the various items that they would have to report to  
13 us, we decided that perhaps what we could try on a trial basis  
14 was to develop a questionnaire of 15 to 20 questions, mail it  
15 to the licensees, and ask them to answer the pertinent questions.  
16 He would provide this to us. We would take a look at the  
17 questions, and on the basis of his reply we would then follow  
18 up with a sampling of direct inspections of those people who  
19 provided, who answered the questions, to verify the answers  
20 on both a sampling basis -- both those that may have had  
21 questionable answers and those that, you know, that the  
22 answers looked out of line.

23 What it came out to was, in this case, when we asked  
24 for six additional people, that we would be able to handle  
25 about a thousand questionnaires a year and a follow-up

1 inspection effort of an additional 220 or 240 on-site inspec-  
2 tions. That's with the six people.

3 COMMISSIONER AHEARNE: You have had a pilot program?

4 MR. HIGGINBOTHAM: Yes, sir, we conducted a very  
5 limited one. And the way we did that is, we said what we would  
6 do is take some of the resources that we use now in inspecting  
7 these licensees and divert that to running a small pilot  
8 program.

9 We did that and we had some fairly good response. It  
10 was well received. The people said they -- the licensees  
11 themselves, that it was beneficial.

12 COMMISSIONER KENNEDY: They were probably surprised  
13 to hear from us.

14 (Laughter.)

15 COMMISSIONER AHEARNE: Did we follow up any of those?

16 MR. HIGGINBOTHAM: We're in the process of doing  
17 that. You mean on-site inspection?

18 COMMISSIONER AHEARNE: Yes.

19 MR. HIGGINBOTHAM: We're in the process of doing  
20 that.

21 COMMISSIONER AHEARNE: You haven't done that yet?

22 MR. HIGGINBOTHAM: That should be finished by maybe  
23 next (Inaudible).

24 COMMISSIONER GILINSKY: Did the inspectors come up  
25 with anything? Was it worth inspecting the licensees?

1 MR. HIGGINBOTHAM: Yes, sir. Well, it was one of the  
2 common complaints of the inspectors. They say we license these  
3 people, why don't we ever inspect them. GAO said that, too.

4 COMMISSIONER AHEARNE: But did they come up with  
5 anything?

6 MR. HIGGINBOTHAM: We find that the kind of violations  
7 that occur, the noncompliances that occur in these places, are  
8 largely administrative. Say, in a training program, posting  
9 and labeling of material or posting of certain things that they  
10 are supposed to according to Part 19 -- posting, labeling,  
11 that sort of stuff, largely administrative.

12 COMMISSIONER KENNEDY: But those kinds of noncom-  
13 pliances could lead to health hazards in some cases.

14 MR. HIGGINBOTHAM: Yes, sir. Not only that, they're  
15 indicative, too, that in large part the licensee may not  
16 understand what the requirements are.

17 That was another purpose of the questionnaire, to  
18 get to him and jogging him every once in a while --

19 CHAIRMAN HENDRIE: I see. Your list of questions  
20 that you'd send to a licensee in effect amounts to a  
21 self-inspection.

22 MR. HIGGINBOTHAM: Yes, sir.

23 CHAIRMAN HENDRIE: It says -- you know, you'd say,  
24 did you, as you should have under regulation so and so, put  
25 up a guard, lock the door, or whatever it is. And it's

1 not exactly, you know, an inspection that tests the truthfulness  
2 of his answers, unless you go and look.

3 On the other hand, I expect most people, as you say,  
4 who are at some level of noncompliance, it's more because  
5 they have forgotten or don't -- you know, they hired the guy  
6 last year and he never did know about that, and in fact that  
7 kind of a jogging operation could be very useful.

8 Well, I --

9 COMMISSIONER GILINSKY: Where do your radiographers  
10 fall?

11 MR. HIGGINBOTHAM: Radiographers, they are in an  
12 inspection priority where they're inspected at least once a  
13 year..

14 COMMISSIONER GILINSKY: All of them?

15 MR. HIGGINBOTHAM: All of them, yes, sir.

16 CHAIRMAN HENDRIE: At least the ones that irradiate  
17 nothing but film, and the others are seen more frequently?

18 COMMISSIONER AHEARNE: Those are the ones that we  
19 license.

20 (Simultaneous discussion.)

21 MR. STELLO: Let me go on. The last item on the  
22 slide, the whole body counter. The Commission has raised an  
23 issue as to whether or not, such as at Three Mile Island,  
24 where we had to go bring in a counter, if there was a potential  
25 for a conflict of interest.

1 COMMISSIONER AHEARN: Whose counter did we bring in?

2 MR. HIGGINBOTHAM: Excuse me?

3 COMMISSIONER AHEARNE: Whose counter did we bring in?

4 MR. HIGGINBOTHAM: We used Kelverson and RMC both.

5 COMMISSIONER GILINSKY: You used Kelverson and RMC's  
6 both?

7 MR. STELLO: Both. And both were also being used by  
8 the licensee.

9 COMMISSIONER GILINSKY: Well, wasn't that the  
10 problem, rather than that it was not NRC equipment?

11 MR. STELLO: It was not NRC equipment.

12 COMMISSIONER AHEARNE: Appearance of conflict.

13 MR. STELLO: No, we used the equipment. We physically  
14 obtained it from the licensee, brought it down to downtown  
15 Middletown and set it up.

16 But I don't think it's an issue --

17 COMMISSIONER KENNEDY: If it's callibrated, what  
18 difference does it make?

19 MR. STELLO: Yeah. I don't think it's an issue  
20 that's worth devoting the resources to, and I personally do  
21 not recommend to you that we ought to spend that money because  
22 there's a potential conflict of interests. It was raised, and  
23 after I'd thought about it a little bit, I just don't see the  
24 problem, to have our own equipment. So I cannot recommend it  
25 to you.



1           COMMISSIONER BRADFORD: Well, let's see. I think I  
2 can agree as to callibrated equipment, Vic. But these are  
3 operators who one day are operating it for Met Ed and then the  
4 next day operating it for us. And we rely on their readings.

5           MR. STELLO: We rely on the readings from the  
6 operators with callibrated equipment. And as I recall, they  
7 were operators from the parent corporation, not licensee  
8 operators.

9           COMMISSIONER BRADFORD: No, but the parent corpora-  
10 tion at the same time is working for both us and the licensee.

11          MR. STELLO: Not at the same time.

12          MR. THOMPSON: Not at the same time.

13          COMMISSIONER BRADFORD: It is the same contractor  
14 working for both.

15          MR. STELLO: And we had our people --

16          VOICE: You mean that he stopped working for Met Ed  
17 at the moment that he started working for us in this particular  
18 case?

19          COMMISSIONER KENNEDY: I doubt it.

20          MR. STELLO: We were paying for it. We paid for it.

21          VOICE: We bought a chunk of time and then that time  
22 was ours.

23          MR. HIGGINBOTHAM: He had -- excuse me a minute.  
24 He had two pieces of equipment. One of them was used for a  
25 period of time, primarily by us (Inaudible). The other was

1 being used by the licensee. The work that we had done, we  
2 did our own callibration check on the things and we did a check  
3 on it. So we did do a quality check on how this would work.

4 But the two units more or less concerned at certain  
5 times were working for us and (Inaudible).

6 COMMISSIONER KENNEDY: He was under contract to us.

7 MR. HIGGINBOTHAM: Yes.

8 COMMISSIONER KENNEDY: He was our employee.

9 MR. HIGGINBOTHAM: Yes.

10 MR. STELLO: Okay. If I may move to Slide 20. In  
11 the safeguards area, identifying again very quickly -- and I'll  
12 give the areas of growth in the fiscal year '81:

13 Implement the new Part 75 materials control and  
14 accounting procedures as part of the IAEA is three positions.  
15 An upgrade of the material control and accountability program  
16 for fuel facilities is two positions and \$110,000 program  
17 support.

18 Spare parts for our existing mobile labs and other  
19 portable equipment to go in and monitor --

20 COMMISSIONER KENNEDY: How many of those labs are  
21 there now, three?

22 MR. SCHWINK: There are three vans and one portable  
23 equipment (Inaudible).

24 MR. STELLO: Fuel shipment inspections for irradiated  
25 fuel shipment inspections, a total of three positions.

1 Caseload growth -- and that's principally reactors -- four  
2 man-years.

3 COMMISSIONER AHEARNE: Can I ask you, Vic, on this  
4 spent fuel shipments. The BRG had raised an issue of saying  
5 that the amount of effort that you had programmed appears to  
6 be less than adequate. Did you have any reaction to their --

7 MR. SCHWINK: Vic, could I address that?

8 MR. STELLO: Yes.

9 MR. SCHWINK: We asked for five initially, and  
10 Commissioner Bradford came back with a recommendation of 2.5.  
11 And from that we went back and reevaluated and tried to deter-  
12 mine where we could revise our inspection for the irradiated  
13 fuel shipments, and we wound up with 2.77 for the manpower  
14 equivalent.

15 But the question that the BRG raised was an issue  
16 that we'd also taken up on our own and we had discussed  
17 previously with Commissioner Bradford.

18 COMMISSIONER KENNEDY: I'm not really following  
19 this. Peter?

20 VOICE: I didn't understand the answer.

21 VOICE: Thank you.

22 COMMISSIONER KENNEDY: Could you please give us a  
23 memorandum on this, so all of us will know what you're talking  
24 about?

25 MR. SCHWINK: Yes, sir. Would you like a copy of it or

1 COMMISSIONER KENNEDY: I certainly would.

2 Tom?

3 MR. ENGELHARDT: I can offer some clarification, a  
4 little bit, and that is, in SECY 79-278, dealing with the  
5 physical protection of irradiated fuel shipments, there was a  
6 response to Question 5 directed to I&E's inspection plan.  
7 There was a personnel requirement for an additional five and  
8 one-half man-years of effort to accommodate the inspection of  
9 irradiated fuel shipments. And apparently there was some  
10 discussion and some question, and the program has been revised  
11 to reduce the manpower requirement to approximately 2.5  
12 man-years, as suggested by Commissioner Bradford and quoted  
13 by Mr. Chilk in his memorandum dated May 30, 1979.

14 So there is a track to that point --

15 COMMISSIONER BRADFORD: Yes --

16 MR. ENGELHARDT: -- and that's the concern.

17 COMMISSIONER BRADFORD: -- it may mean that there  
18 is a SECY response sheet. But I don't recall -- in fact, I  
19 know that I didn't have discussion beyond that myself. It  
20 would be highly conceivable that you talked with someone in  
21 my office. That's the best I see.

22 MR. ENGELHARDT: So that's where the matter  
23 generated.

24 COMMISSIONER AHEARNE: But the BRG suggested that the  
25 amount was less than adequate.

1 MR. ENGELHARDT: Well, it certainly was less than  
2 I&E proposed to do the job that they felt was necessary to do.  
3 And you know, they were going to have to accommodate within the  
4 2.5 limit what could be done. So the BRG was --

5 COMMISSIONER AHEARNE: Well, I'm confused where the  
6 2.5 limit comes from.

7 COMMISSIONER BRADFORD: I think that actually what's  
8 interesting, I guess, is that I would not have thought that a  
9 response sheet of mine alone would have imposed a limit unless  
10 the secretary went around to other Commission offices and  
11 found a level of agreement.

12 MR. STELLO: I've been having a little bit of a  
13 conversation on the side, and as I understand it, after your  
14 memo came back, the division director of that Office looked  
15 at it and he reconsidered it and he concluded he could do it.

16 MR. DONNELLY: He could do a program with a given  
17 frequency within that amount?

18 COMMISSIONER KENNEDY: Yeah --

19 MR. DONNELLY: That was the actual --

20 COMMISSIONER KENNEDY: But he could do one with one .

21 MR. DONNELLY: Yes, he could. Yes, he could.

22 COMMISSIONER KENNEDY: He could do one with ten, too.

23 MR. DONNELLY: He certainly could.

24 COMMISSIONER KENNEDY: Pick a number.

25 MR. DONNELLY: It's really a question of how often

1 and how much ought to be applied to these shipments.

2 MR. STELLO: Okay, let's move on now.

3 COMMISSIONER AHEARNE: Vic, I'm sorry. I have to  
4 leave. Could I make arrangements to come out --

5 MR. STELLO: Surely.

6 COMMISSIONER AHEARNE: -- and perhaps see some of  
7 your people next week and go through the parts that I'm missing.

8 MR. STELLO: Sure.

9 COMMISSIONER AHEARNE: Thank you.

10 MR. STELLO: All right. Now, let's see. Slide 21.

11 The three positions that are here deal with the IAEA  
12 treaty, which, as I recall sitting here last year talking  
13 about it, it was going to be passed and we're going to have  
14 to devote some resources to get on with it. And I guess  
15 again we're here to discuss it.

16 It's not yet been passed. But if it's imminent,  
17 which I don't know how to make the judgment, it would seem that  
18 we ought to be putting it in the supplemental. If it looks  
19 like it's going to go on, then we ought to include it in the '81.  
20 I don't know where the guess is. I thought last year it looked  
21 like a certainty, so I don't know what more to say about it.

22 With respect to the next item, which is to upgrade  
23 the material control and accountability program --

24 CHAIRMAN HENDRIE: Let's see. When you say plus  
25 three in '80 and plus three in '81, is that plus six total?

1 MR. DONNELLY: No, sir, that's straight line.

2 MR. STELLO: That's level.

3 I guess, Mr. Chairman, the question is as to when it  
4 looks most likely. If it looks like it is imminent, I think  
5 it ought to go in the supplemental. If it doesn't, if it looks  
6 like it's off in '81, if it's off beyond that, then I could  
7 see putting it off further.

8 But we are getting more and more involved with  
9 dealing with the issue and trying to do more and more  
10 preparatory work, and it is an issue that we ought to somehow  
11 come to grips with, because it does impact. And I know in  
12 NRR there are many of the same questions, and certainly in  
13 NMSS there are many questions relating to it.

14 MR. DONNELLY: What these three, as I understand it,  
15 are specifically for is for the development of what we call  
16 facility attachments, which will lay out the basis of inspection  
17 under a joint program. These really do have to be laid out  
18 before we can start inspecting. And if we don't get them laid  
19 out, it's a problem.

20 CHAIRMAN HENDRIE: I'll tell you what will happen  
21 then. We'll get a request from some adamant Commissioners  
22 saying: How can we deal with you; you don't have facility  
23 attachments.

24 MR. DONNELLY: True. It would serve us right.

25 MR. STELLO: The upgrade of the material control

1 and accounting program. We had a study done at Battelle, as  
2 I recall, that indicated taking a real good hard look at the  
3 systems approach in our accounting procedures.

4 COMMISSIONER GILINSKY: Let me ask you a general  
5 question on this.

6 MR. STELLO: Yes.

7 COMMISSIONER GILINSKY: It's not precisely on this,  
8 but I think it applies to the entire presentation. You haven't  
9 factored out special assignments for enforcement as opposed to  
10 inspection, have you?

11 MR. STELLO: There are specific individuals assigned  
12 that task.

13 COMMISSIONER GILINSKY: But you haven't separated  
14 them out in the budget?

15 MR. STELLO: They're not, because they could fall in  
16 any one of the categories. You have an enforcement activity  
17 for -- as a result of something in an operating reactor, or  
18 materials or construction or whatever. So each of the decision  
19 units have within them that --

20 COMMISSIONER GILINSKY: Are there specific --

21 MR. STELLO: The same people do both.

22 COMMISSIONER GILINSKY: Well, that's what I was  
23 going to ask. I thought Vic was saying --

24 MR. STELLO: There's an enforcement coordinator in  
25 each of the regions, plus the two in headquarters.



1 MR. THOMPSON: Three positions in headquarters,  
2 designated full-time enforcement.

3 MR. STELLO: For that purpose and for that purpose  
4 only. And each of the inspectors, as they do that work, part  
5 of that time is clearly devoted to a specific enforcement  
6 activity. But I haven't broken out positions for --

7 COMMISSIONER GILINSKY: Do you have any feeling for --  
8 I suppose it has to be intuitive -- about what fraction of the  
9 effort goes into enforcement?

10 MR. STELLO: It's awful -- I don't know how to make  
11 that judgment, because as an inspector goes through and finding  
12 an item of noncompliance or a potential item of noncompliance,  
13 I wouldn't know whether that's the point at which to make the  
14 judgment that that's enforcement, because it eventually does  
15 lead to an enforcement action, versus as part of the inspection  
16 activity.

17 COMMISSIONER GILINSKY: There's an enforcement  
18 group --

19 MR. STELLO: Coordinator in each region.

20 COMMISSIONER GILINSKY: I was thinking as a lawyer.  
21 Is it ELD that has a group that deals with you on enforcement  
22 matters?

23 MR. STELLO: Jim Murray's group has the responsibility  
24 to deal with enforcement.

25 COMMISSIONER GILINSKY: Do they have lawyers that

1 just work specifically on enforcement together with I&E, or  
2 do --

3 MR. THOMPSON: They do, but I'm not sure that they  
4 are exclusively enforcement.

5 MR. ENGELHARDT: Maybe I can answer that question a  
6 little more with certainty in that regard. There is our  
7 Division of Rulemaking and Enforcement, which consists of  
8 approximately six attorneys, who divide their time between  
9 rulemaking activity and enforcement activity. I would say  
10 that the Division is about 80-20, 80 percent of the time and  
11 effort devoted to enforcement and 20 percent, sometimes a good  
12 bit less than that, to rulemaking activities, depending on  
13 what is under way before the Commission.

14 COMMISSIONER GILINSKY: So we've got less than two  
15 lawyers?

16 MR. ENGELHARDT: No, you have about four lawyers  
17 who are working essentially full-time, dealing full-time in  
18 enforcement matters, working with the Division of Inspection  
19 and Enforcement in counseling and in litigation, where appro-  
20 priate.

21 COMMISSIONER GILINSKY: Have you given any thought  
22 to having lawyers attached to your own office?

23 MR. STELLO: I'm giving it thought. I've had some  
24 conversations with Mr. Shapar about finding a way, before  
25 coming to grips with the decision, if there's a way to develop

1 a relationship with the attorneys who are working with I&E to  
2 be more responsive to what are the I&E problems and to be more  
3 integral to the organization, rather than strictly being  
4 available on call.

5 I'm feeling the need to have attorneys much in the  
6 way they are in NRR, of understanding what are the NRR problems  
7 and dealing with them constantly. There clearly are many more  
8 attorneys used for that purpose. But then, their suggestions  
9 or philosophy can evolve as a result of more of a balance  
10 between the office and the clear ELD function.

11 I'm not yet decided one way or the other. I'm still  
12 considering it. I do feel clearly there's got to be a way to  
13 get a little bit closer in terms of views. I think there's an  
14 I&E view and there's an ELD view.

15 COMMISSIONER GILINSKY: I think it would be good to  
16 give more prominence to enforcement activities.

17 MR. STELLO: I guess I'd want to give it quite a bit  
18 more thought before deciding whether that prominence ought to  
19 be accomplished through more visible action of attorneys being  
20 present.

21 COMMISSIONER GILINSKY: No, those are two separate  
22 problems.

23 MR. STELLO: Okay. Yes, I think we have to have a  
24 much more aggressive role in the way in which we deal with  
25 enforcement actions. We're very slow. By the time we're

1 taking the action, they are months behind. I think a great  
2 deal is lost. We've got to be considerably more aggressive  
3 about getting on with it.

4 As I mentioned earlier --

5 COMMISSIONER KENNEDY: In the process, don't forget  
6 the need for due process and fairness, however.

7 MR. STELLO: I think we are too fair at the moment.  
8 and I say this because --

9 COMMISSIONER KENNEDY: If you're going to err on one  
10 side or the other, you're on the right side.

11 MR. STELLO: No, I think there are enforcement  
12 actions --

13 COMMISSIONER KENNEDY: Because less than fair is  
14 unfair. That's not my ballpark, okay?

15 CHAIRMAN HENDRIE: He just wants to get back to  
16 fair completely.

17 (Laughter.)

18 COMMISSIONER KENNEDY: But if he has to err on one  
19 side or the other, I think he's on the right side.

20 COMMISSIONER BRADLEY: I think perhaps if you had  
21 said too much process, you would have struck a more responsive  
22 chord.

23 MR. STELLO: I think there's a tendency for us to  
24 reach a conclusion that when we're talking an enforcement  
25 action, we have to have absolute certainty that we are going

1 to, quote, "win the case." That's what I mean by "too fair."  
2 I think that our judgment ought to be a stronger enforcement  
3 activity, yet being fair. But at the same time, when a licensee  
4 comes back and he has some good arguments, where he has made  
5 those arguments and made them well, we ought to be willing to  
6 change our mind and, if need be, drop the enforcement action;  
7 but take it in a more timely way and I think a much more  
8 aggressive way than we have been.

9 COMMISSIONER KENNEDY: (Inaudible).

10 MR. STELLO: When the notice of violation goes out  
11 and we get something that's meaningful back, by God, we ought  
12 to be willing to change our mind when the case is made,  
13 publicly, yes, sir.

14 COMMISSIONER KENNEDY: Right.

15 MR. STELLO: And I guess that's what I meant when I  
16 said I think we're leaning over backwards.

17 COMMISSIONER KENNEDY: That's fine.

18 MR. STELLO: Let me get back to -- I believe I was  
19 up to spare parts.

20 CHAIRMAN HENDRIE: Let's hear it for spare parts.  
21 I think we could pass on. I'm willing to believe that the  
22 equipment won't work without spare parts.

23 MR. STELLO: I'll move now to Slide No. 22.

24 Let me not dwell on training too long. This is on  
25 page 5 of your package. We've already covered --

1 CHAIRMAN HENDRIE: These are the 11 of the 146.

2 MR. STELLO: That's the 11 of the 146.

3 I think we've covered this already. So if I may,  
4 I'll skip Slide 22 and 23 and move to management direction and  
5 resource growth. And there's an increase in six positions.  
6 The six positions that we're asking for are to try to deal  
7 with the 24-hour watch that we are now in headquarters. We  
8 clearly have to use those resources from within the Office now,  
9 and it is a small office and it is a very difficult thing to  
10 deal with.

11 We're hoping to make some suitable arrangements to  
12 have NRR help us in the meantime. But it clearly is an addi-  
13 tional activity and one which I think that resources ought to  
14 be set aside, rather than having to go into the program to  
15 accommodate.

16 The big budget item that is on here for the  
17 four wheel drive vehicles for the reactor sites with resident  
18 inspectors, I think it is an issue that's been tied in the  
19 supplemental, and is coupled a little with respect to the  
20 resident program, and I think to some degree to the unit  
21 resident program.

22 I do feel it is an area that we could --

23 COMMISSIONER KENNEDY: How many vehicles are we  
24 talking about?

25 MR. STELLO: Excuse me? Each -- well, there would

1 be 50, 50 vehicles.

2 COMMISSIONER KENNEDY: And they're all in here?

3 MR. STELLO: They're all --

4 COMMISSIONER KENNEDY: All 50?

5 MR. DONNELLY: They are phased along with our site  
6 residents, and they equal the number of site residents we have  
7 each year.

8 MR. STELLO: What's the number?

9 MR. ENGELHARDT: The number that we have for the  
10 vehicles is 76 vehicles, 76 vehicles in '80.

11 MR. DONNELLY: I think the total number of resident  
12 inspectors that we will have in '80 is very close to 76.

13 MR. STELLO: 74.

14 MR. ENGELHARDT: Okay. Well, the number was to  
15 equate -- we had the number 76. It's in the EDO budget  
16 package.

17 MR. STELLO: Well, the number of sites with  
18 inspectors should be 74 by that time.

19 MR. ENGELHARDT: So we're over by two vehicles.

20 CHAIRMAN HENDRIE: Got a couple of spares.

21 MR. STELLO: By the time we buy them, the price of  
22 them will more than compensate for the difference, I'm sure.

23 If I can now move to Slides 25, 26 and 27, I think  
24 I can move through these very quickly, because these are the  
25 reclama items, which we would have, hopefully, have discussed

1 in detail.

2           The first item deals with a set-aside from the EDO  
3 on his part. I think we've talked about it enough, and our  
4 recommendation is that the Commission approve it for both the  
5 supplemental --

6           COMMISSIONER KENNEDY: If one approves it the first  
7 time, doesn't it automatically, essentially, require approval  
8 of the second?

9           MR. STELLO: Oh, yes.

10          COMMISSIONER KENNEDY: So that really that is one  
11 package.

12          MR. STELLO: Yes, and I view it that way. If we  
13 don't get the additional training resources, I think the  
14 program would clearly not be meaningful. So the two of them  
15 are a package.

16          In the emergency planning, I think we've discussed  
17 what we do need to do in that particular area. It is a  
18 set-aside, and I'd urge Commission approval in both the  
19 supplemental and the '81 budget. And if we cannot get your  
20 approval, we will make an effort to try to move into the  
21 program, which will mean cutting back in our reviews and  
22 evaluations of other areas to try to get some resources in it.  
23 It's a very undesirable thing to do, but I think there would be  
24 a need. So if we can't get approval, I think we're going to  
25 have to come up with some resources within the program to help.



1 I've already, I think, talked sufficiently on the  
2 programmed PAT growth. I suggested earlier foregoing talking  
3 about the set-aside of the 14. It is in the EDO mark. And I  
4 urge you to approve ten as part of the program as it now exists  
5 and forego dealing with the set-aside on the 14.

6 The next item, No. 5, or rank Item No. 5 -- and  
7 again, let me urge you that these rankings are very, very  
8 close. These are all most desirable items.

9 Yes?

10 COMMISSIONER KENNEDY: All ten are in the first group?

11 MR. STELLO: Yes.

12 The mail/telephone program. I do feel a strong need  
13 to find some way to get more of a regulatory presence, and it  
14 needs to deal with the fact that we will go out and inspect  
15 these particular programs. Even if it's at random, which is  
16 about what we will do if we have the mail program, and following  
17 up from it, I think the word gets out and the people are aware  
18 that we are doing it. I think it's something that does need  
19 to be done.

20 I don't think we can continue to issue licenses and  
21 licenses and just never go see them. It's disturbing to me.

22 The EDO has suggested, in Item 6, not proceeding  
23 with the upgraded material control and accounting program.  
24 And I would propose that we would take on this new activity,  
25 which will represent new modules in our program, take the

1 activity on and we'll take it at the cost of reduced inspection  
2 frequencies in other areas to accomplish it.

3 Item No. 7 on the -- with respect to the IAEA treaty,  
4 I think we've discussed enough, and I don't know how to clearly  
5 come out on that. But if there is a judgment that can be made  
6 that the program is imminent, I think we ought to put it in the  
7 supplemental.

8 The additional residents for problem sites. If I  
9 were to rearrange this ranking and were to do it today in light  
10 of the developments of Marble Hill yesterday, I would probably  
11 put this first. Marble Hill has created a concern for me. I  
12 do think that we have to have the flexibility, and I intend to  
13 go back and look at the way in which we have developed a  
14 criteria for putting inspectors at construction sites. I feel  
15 very strongly that, looking at where we are having problems --  
16 find a way in which to get our presence there early.

17 COMMISSIONER GILINSKY: That makes a lot of sense to  
18 me.

19 CHAIRMAN HENDRIE: Why doesn't this tuck within the  
20 unit inspectors?

21 MR. STELLO: Well --

22 CHAIRMAN HENDRIE: Or within the general resident  
23 inspectors?

24 MR. STELLO: The unit program at the moment is  
25 operating reactors.

1 CHAIRMAN HENDRIE: But you had a couple of construc-  
2 tion sites in it and there always were intended to be construc-  
3 tion --

4 MR. STELLO: Those are for site residents, not unit.  
5 We've had construction sites identified as having site resi-  
6 dents, not the unit residents.

7 MR. DONNELLY: And the key there, in the way of  
8 history, as I understand it, the reason we're concerned about  
9 the early sites versus the late sites -- late sites were  
10 approved by OMB as acceptable to put some residents at, but  
11 the early sites, because of the small manpower contribution  
12 that we make there, would have been such an additional cost,  
13 if you will, or a larger incremental cost, that they said stay  
14 with the late sites.

15 And what we're saying now is, we see some selected  
16 activities in the early phases that we believe warrant that  
17 higher incremental amount.

18 MR. STELLO: Well, I think, to answer the Chairman's  
19 question --

20 CHAIRMAN HENDRIE: Well, you know, the Congress is  
21 laying 135 people over the original '80 request and saying,  
22 put this into the resident inspector program, these resources.  
23 And we haven't got 135 operating units. We won't have for a  
24 long time.

25 I think the resident is prescribed in the

1 appropriations legislation. It clearly covers construction  
2 residents, and whether -- whether we choose for particular sites  
3 to extend that back to an earlier time in the construction  
4 sequence or keep it a later time or whatever, seems to me well  
5 within, you know, sort of the agency discretion level. We may  
6 have to argue with OMB or we may not. It seems a little odd to  
7 have an addition to the overall resident inspector program of  
8 the agency which runs 135 people, and then, but you need three  
9 more over here for problem sites in construction for a  
10 resident.

11 MR. STELLO: Well, that's a good point. And I guess  
12 if you're suggesting that we ought to be able to readjust this  
13 program --

14 CHAIRMAN HENDRIE: Well, what I'm saying is that if  
15 I could see myself going forward and explaining to the Congress,  
16 thanks very much for 135 people and I need three more for the  
17 resident -- for the residents program -- and I'm going to have  
18 a lot of trouble why my precision of estimate of the need is  
19 as good as three parts in 135.

20 Now, they could say, they could allow 135 and can you  
21 tell the difference, and I bet you I can't assure them that I  
22 can tell the difference. I think -- I think the reason you  
23 haven't done it here is a matter that you've set for yourself  
24 some definitions, which are to a certain extent arbitrary and  
25 within our scope collectively to readjust. And having set those

1 definitions, I guess you decided that, well none of the 135  
2 were eligible for this need over here. But I think those are  
3 rather arbitrary.

4 MR. BARRY: Doesn't your unit program as defined  
5 include the pre-op studies?

6 MR. STELLO: Yes, but not early construction. The  
7 reason --

8 MR. BARRY: No, no. But the pre-op stage, which is  
9 what, two and a half years before operations? So you're back  
10 that far.

11 MR. STELLO: But the reason it wound up being a  
12 specific item, a specific issue, is my understanding that there  
13 was considerable resistance to putting inspectors at sites  
14 during the early phases of construction, that there was, at  
15 least as I understood it -- and unfortunately, John has left --  
16 a considerable concern at the OMB specifically telling us not  
17 to do that.

18 CHAIRMAN HENDRIE: It was a way -- it was a way of  
19 keeping the total numbers down.

20 MR. STELLO: Well then, if that's it, then I don't --

21 CHAIRMAN HENDRIE: And -- yes?

22 MR. STELLO: I've got no problem, and I guess I've  
23 made the point about as clear as I know how that it is my  
24 intention to go back and look at the early sites, and if we  
25 have problems we're going to get residents out there. And I

1 think there's a tremendous benefit.

2 CHAIRMAN HENDRIE: Well, I think when you get to the  
3 point where you're getting correspondence from the National  
4 Board saying they're getting ready to pull authorization of one  
5 of our -- one of our license holders, why, a lot of knuckle-  
6 cracking is due and you do what you have to do.

7 MR. STELLO: Yup.

8 CHAIRMAN HENDRIE: Okay. Onward.

9 MR. STELLO: I think we were on replacement parts  
10 and we'll leave with replacement parts and --

11 CHAIRMAN HENDRIE: \$70,000. I want an extended  
12 Commission debate on the \$70,000 for spare parts here.

13 COMMISSIONER GILINSKY: Let me ask you about this  
14 IAEA business. Why -- the IAEA does the inspection. What  
15 would we be doing?

16 MR. STELLO: Well, we're supposed to get together  
17 the documents that are approved documents for them to use for  
18 them when they come in to do the inspection.

19 COMMISSIONER GILINSKY: Facility attachments.

20 MR. STELLO: Yes, facility attachments.

21 CHAIRMAN HENDRIE: You know, when we ask, how come  
22 this place here that wants the fuel doesn't have the facility  
23 attachment yet, why don't those people shape up, well --

24 COMMISSIONER GILINSKY: That's part of the negotiation  
25 and I thought this was something beyond that.

1 MR. GOSSICK: Isn't NRR and NMSS also working on this?

2 MR. STELLO: Yes, it affects all three. That was my  
3 point.

4 COMMISSIONER GILINSKY: Is it for developing facility  
5 attachment or is it something beyond that?

6 MR. STELLO: That's my understanding.

7 COMMISSIONER GILINSKY: Is it all for that or  
8 predominantly that?

9 MR. SCHWINK: Predominantly that. We have one person  
10 on a dedicated basis, whenever they call to review documents and  
11 so forth, NMSS documents. But the attachments which are sup-  
12 posed to play the heaviest part in verifying what the facilities  
13 have designated in the material control and accounting areas  
14 are (Inaudible).

15 COMMISSIONER GILINSKY: Well, at least we'll find out  
16 what they look like.

17 (Laughter.)

18 CHAIRMAN HENDRIE: If we develop expertise, we can  
19 start reviewing them seriously.

20 Isn't this going to be a several year effort, which  
21 then tapers off? That is, there are a group of facilities  
22 which will be negotiated between the U.S. and the IAEA as to --  
23 because they're not able to inspect all, and I gather -- so  
24 that means that not all of our facilities, but only what, a  
25 half dozen or something like that, in fact will need facility

1 attachments.

2 MR. SCHWINK: Yes, sir. One you need for each  
3 facility. There are plans to be six to ten facilities, and the  
4 exact number hasn't been designated.

5 CHAIRMAN HENDRIE: Well, once you get those in place,  
6 doesn't this then reduce to a pretty low level of maintenance  
7 activity?

8 MR. SCHWINK: Yes, sir. But those people would be  
9 used to actually go on the inspections. Supposedly the people  
10 that have helped develop the attachments in I&E would also  
11 be the ones that would go on the actual inspections themselves,  
12 which we've also estimated to be very close to that same  
13 manpower level.

14 CHAIRMAN HENDRIE: We do contemplate accompanying  
15 the IAEA inspectors?

16 MR. SCHWINK: Yes, sir.

17 CHAIRMAN HENDRIE: I see we're going to keep an eye  
18 on them.

19 MR. STELLO: Mr. Chairman, there is one item which is  
20 not in your package that I feel the need to raise. I think we  
21 need to prepare a Commission paper and have it sent up, and  
22 we're going to try to do that very quickly. But I think I need  
23 to call it to your attention. And that's in the area of  
24 dealing with transportation of low-level wastes, as to how  
25 much of this we ought to get into.



1           As you have heard earlier, the number of licensees  
2 that are involved are in the tens of thousands. It's approxi-  
3 mately 10,000 with the NRC and of the same order with the  
4 agreement states, 20,000. And of those, there are roughly  
5 about half of them in each category that are licensees that  
6 are producing and shipping quantities of wastes. And there are,  
7 in terms of volume, as I understand it, about the same volume  
8 as you were getting out of reactors.

9           How we go about the program and how much of that we  
10 ought to be looking in the future to plan for, based on a very  
11 quick look, could very quickly be a very large and manpower-  
12 intensive item. Depending on how much of it you do, you could  
13 be looking at resource requirements that go from a half a  
14 dozen to a hundred positions.

15           I don't think that the potential health benefit  
16 would warrant an inspection frequency consistent with the  
17 large number. But even the smaller number, adding a very few  
18 hours to a particular inspection, when you multiply it by a  
19 number like 4,000 or 8,000, is going to get to be a very large  
20 number.

21           So what I propose to do is to prepare a paper and  
22 deal with this subject at least contemporaneous with the  
23 budget cycle. And as I understand it, we can give it, if we  
24 need to, all the way up through October 1st through the  
25 supplemental process. So we'll be getting up a paper on this

1 subject in the very near future.

2 And I thank you for your patience, and that concludes  
3 that we had to say. And if there are any further questions,  
4 we'll be happy to try and answer them.

5 COMMISSIONER BRADFORD: Vic, if the Commission  
6 doesn't approve a program of some sort in the area of testing  
7 of components -- maybe I should ask Lee or both of you -- how --  
8 where would that appear from a budget sense and where should we  
9 be looking if we were planning to go in that direction?

10 MR. GOSSICK: Are you talking about qualification  
11 testing?

12 COMMISSIONER BRADFORD: Yes.

13 MR. STELLO: Qualification testing, I think, would  
14 probably, in terms of budgetary requirements, would most likely  
15 be in Research. You would need to have available, either under  
16 contract or somehow ourselves acquire laboratory facilities to  
17 engage in the testing.

18 I&E's function and role would be to --

19 CHAIRMAN HENDRIE: I think on balance you'd be better  
20 off to run those through Research, which is an operation that  
21 does its work in fact that way, rather than hands-on types.

22 MR. STELLO: We would be most likely involved in the  
23 process of assuring that the components that are being tested  
24 were the components that were being installed and used in  
25 facilities, and that the QA program -- that the components that

1 were purchased were consistent. So it would have an involvement.  
2 But the actual testing would, in my judgment, be -- and Lee,  
3 you might want to add to it -- be in the Research program.

4 MR. GOSSICK: I assume you're speaking of going  
5 beyond the business of putting out a standard or a requirement  
6 that there be a testing program carried out by the industry?

7 COMMISSIONER BRADFORD: That's right.

8 MR. GOSSICK: That kind of work is, you know --

9 COMMISSIONER BRADFORD: No, I'm talking about actually  
10 deciding to do a qualification program.

11 MR. GOSSICK: That's right, it would probably be more  
12 appropriate for Research.

13 COMMISSIONER KENNEDY: Why not "Standards"?

14 CHAIRMAN HENDRIE: Could. But because you need  
15 pieces of equipment and shaker tables and environmental  
16 chambers.

17 COMMISSIONER KENNEDY: Yeah, I know. I realize all  
18 that. It's just a question of whose money and whose management  
19 it would be. It doesn't seem like a research effort.

20 CHAIRMAN HENDRIE: They're suggesting Research  
21 because they are --

22 COMMISSIONER KENNEDY: They manage these kinds --

23 CHAIRMAN HENDRIE: Yeah, that's just right. They  
24 carry out their agency mission by working through contractors,  
25 so it's a perfectly normal, familiar mode of operation to them.

1 And I think that's where Standards doesn't work.

2 MR. GOSSICK: (Inaudible). But you'd want to make  
3 sure it wasn't labeled research, but perhaps managed by them.

4 CHAIRMAN HENDRIE: Yeah, it would be -- the NRC  
5 research staff would run for us a program which -- well, I don't  
6 know, confirmatory research? Because you wouldn't be aimed at  
7 sort of establishing yourselves as a Good Housekeeping seal of  
8 approval on everything, but rather an audit program, I think.  
9 They just -- to try to go the other way gets to be such an  
10 enormous enterprise that you really -- it's really getting out  
11 of hand. But some audit work, I think that fits, conformatory  
12 research.

13 I have some questions which have to do with the  
14 resident program, the famous 135. And there are a series of  
15 questions about it that have been raised by the BRG and OPE  
16 and one thing or another. I'll encourage them to take up  
17 their --

18 Now, if you'd just punched holes in these, you see,  
19 why then, you would have really been on top of the whole game.

20 The aspect that I'm interested in in particular is  
21 the separation between reactor site inspectors and reactor unit  
22 inspectors. And it isn't so clear to me why that is -- why  
23 they seem to carry a sense of being almost separate programs  
24 within the overall label of resident inspector programs. Now,  
25 it may be that it is more a budgetary convenience to list the

1 135 in that program line separately because the Congress seems  
2 determined to bless us with it.

3           The Commission may have to hurry to approve the  
4 program before it becomes the law of the land. But when we  
5 settle down to do it, even granting, as I do, that your sort  
6 of people and training standards and so on that you will be  
7 looking for for site inspectors will be more rigorous ones, and  
8 the site inspectors will be more senior people, it seems to me  
9 it's all part of a resident inspection program. And I would  
10 expect to see unit inspectors become site residents and then  
11 go on to become, I don't know, section leaders or whatever in  
12 the region, and spread through the rest of the organization as  
13 well.

14           That is, I don't see it as having substantial  
15 dividing lines, and I would think many elements of the training  
16 program in fact are the same; that there would not be a separate  
17 training staff; that you'd train them in the same rooms and with  
18 the same people that you train site residents. And I see a  
19 certain amount of nodding of heads.

20           Perhaps you can comment to confirm that that's  
21 agreement or tell me if that's disagreement or what.

22           MR. STELLO: I think you've described it very well.  
23 I would agree.

24           COMMISSIONER GILINSKY: What, that you don't need  
25 more than one inspector per site?

1 CHAIRMAN HENDRIE: No, no, I didn't -- no, no, I  
2 didn't talk about numbers per site.

3 COMMISSIONER GILINSKY: Sorry. More than one  
4 inspector per unit, or that there's really no distinction  
5 between the unit inspectors and the site inspectors?

6 MR. STELLO: Well, I didn't hear the Chairman --

7 CHAIRMAN HENDRIE: There is --

8 MR. STELLO: He made a clear distinction in my mind  
9 between the site and the unit, and I think there is.

10 CHAIRMAN HENDRIE: We've always felt that, in terms  
11 of the site residents, that because the program was laid out  
12 to put them out there by themselves, so that those individuals  
13 all by themselves represented the NRC and in fact the  
14 Federal Government, probably, in the town in which they were  
15 living, which tend to be smaller communities, away from  
16 population centers. Certainly at the plant they are by  
17 themselves, except on days when people were there from the  
18 regions.

19 And we recognized that these had to be pretty well  
20 trained, experienced, mature and, you know, well-collected  
21 individuals, and they're -- sort of their grade, the general  
22 grade level of the program reflects that.

23 I think we've also felt that if you increase that  
24 program so that, in addition to the site resident, which is  
25 the senior NRC person at the site, you also had -- let's take

1 a two-unit site so we get away from the single one -- that if  
2 you then added two more people, one to be the unit resident for  
3 Unit 1 and the unit resident for Unit 2, that since -- that if  
4 you kept, in addition to that, the site resident at that site  
5 as the senior -- senior person, that the unit residents in fact  
6 could be more junior people.

7 That would make them easier, a little bit easier to  
8 hire and train, and a little bit easier, on balance, probably,  
9 to move around as necessary in the program.

10 COMMISSIONER GILINSKY: Why couldn't you have one  
11 of them be the site representative then covering one unit --

12 CHAIRMAN HENDRIE: And make it N instead of N plus  
13 one?

14 COMMISSIONER GILINSKY: Yeah. I'm just curious.

15 CHAIRMAN HENDRIE: I think that's a subject for  
16 discussion, and nothing I've said here was meant to embark in  
17 fact on that discussion. I was just recognizing that as we  
18 thought about expanding the program to unit inspectors, we  
19 haven't said, well, we'll do away with the residents and just  
20 have unit inspectors. The concept has remained that there  
21 would be the sort of experience and maturity level and training  
22 level that we have always talked about for a site resident at  
23 the site, and then you'd add what could be more junior people.

24 COMMISSIONER KENNEDY: What is the supervisory  
25 relationship between the site resident and his unit resident?



1 CHAIRMAN HENDRIE: That's the next question I was  
2 going to ask.

3 MR. STELLO: None. They're all being supervised from  
4 the headquarters office -- excuse me, the regional office.

5 COMMISSIONER KENNEDY: The unit --

6 MR. STELLO: Yes.

7 COMMISSIONER KENNEDY: -- I mean the site resident,  
8 who is the more senior, has no supervisory responsibility over  
9 him?

10 MR. STELLO: Not supervisory.

11 MR. MOSELY: Could I say -- presently, if we go back  
12 to the non-resident site, the principal inspector has a  
13 coordination function for all of the inspection that goes on  
14 on the site. When he moves to the site or when the person  
15 goes to the site as a site inspector, he retains that, because  
16 there are -- because a lot of the inspection is still done  
17 from the regional office.

18 So the relationship between the site inspector and  
19 the unit inspector would be the same as we now have and have  
20 had in the past with the principal inspector and the other  
21 inspectors. So there is some history of development in this  
22 way and it gives you a sort of, for each site, the forest man,  
23 and then you have the tree people who come and do a lot of the  
24 inspection.

25 CHAIRMAN HENDRIE: It sounds to me like what you said



1 is that the site resident in fact supervises the unit -- the  
2 unit resident.

3 MR. MOSELY: Then I haven't done a very good job in  
4 explaining. It's a coordination role.

5 COMMISSIONER KENNEDY: But what you said sounded like  
6 if you didn't say that, that you should have.

7 (Laughter.)

8 MR. MOSELY: It's a coordination role, is the way  
9 I would have to -- it's the closest thing I can come to.

10 CHAIRMAN HENDRIE: I don't think you can have a  
11 series of NRC people assigned to one of these sites, two or  
12 three or four or whatever, without somebody in charge.

13 MR. STELLO: Now, with respect to who is going to  
14 speak for the NRC at the site, that will be the site resident,  
15 and that'll be recognized. The site resident will be the  
16 fellow who is responsible for the program that Norm has just  
17 described.

18 There are still going to be specialist inspectors.

19 CHAIRMAN HENDRIE: Sure.

20 MR. STELLO: He will have the same role of coordinat-  
21 ing those activities as if he were the principal inspector  
22 back in the regional office. That doesn't change, although he  
23 is now at the site. He retains that responsibility.

24 The bottom line of, does he --

25 COMMISSIONER KENNEDY: But there are two other guys

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1 who were not in this picture in the first place, that is, the  
2 two unit inspectors.

3 MR. MOSELY: But they're doing the same thing as if  
4 they had come from the regional office. They're doing inspec-  
5 tion which is outside of that which the site inspector does.

6 COMMISSIONER KENNEDY: No. You're still going to  
7 have people coming from the regional office doing specialized  
8 work, aren't you?

9 MR. MOSELY: Yes, sir. But this --

10 COMMISSIONER KENNEDY: These two guys are going to  
11 be doing the kinds of, if I understood it, essentially the kinds  
12 of things that the resident, the site resident would be doing,  
13 but at perhaps one lower level of experience.

14 MR. MOSELY: This is an extension of the program;  
15 it's not a duplication. These are things that are not being  
16 done at this frequency now.

17 MR. STELLO: There's no fundamental reason why the  
18 two unit inspectors can't take supervision from the site  
19 inspector, none that's apparent to me.

20 CHAIRMAN HENDRIE: I'll tell you. Let me just say  
21 that, whatever or however you sort of have envisioned the  
22 supervisory lines flowing, thinking, as you have, that the  
23 site resident was simply taking to the site his principal  
24 inspector for that, responsibilities for the given station,  
25 okay, and now he's got people coming in helping from the region

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1 and so on, and the unit inspectors just mean that some of that  
2 regional stuff is now resident at the site and there's more  
3 of it.

4 But let me tell you, the people there at the unit,  
5 both in the operating organization and everybody all the way  
6 up to the governor, are going to say: Who's in charge there?  
7 And they are going to want to know which one of those NRC  
8 people is the senior federal officer at the site. And they  
9 need to understand that he has the authority to say to the  
10 other federal officers, NRC officers at this site, you go there  
11 and you go there, if the need arises. And if he can't do that,  
12 why, we're going to present some peculiar, confused configura-  
13 tion.

14 Because we're inevitably going to run into places  
15 where the plant manager comes to the site resident and says:  
16 Look, your unit inspector Smith over here is doing some very  
17 peculiar things and I wish you'd straighten him out. And if  
18 the site resident says, I don't have the authority, but I'll  
19 call the branch chief in Glen Allen, why, it ain't going to  
20 wash.

21 I think the supervisory aspects you're going to have  
22 to think about.

23 MR. STELLO: I was going to say, could we leave it  
24 at least for us to go back and take a stronger look and really  
25 look at the advantages --

1 COMMISSIONER KENNEDY: You still owe me an answer to  
2 my question anyway, so maybe in that context.

3 MR. STELLO: All right.

4 COMMISSIONER KENNEDY: I wrote you a memo.

5 MR. STELLO: That's correct.

6 COMMISSIONER KENNEDY: That's a different one.

7 MR. STELLO: That's a different one.

8 We have lots of memos from the Commission, I might  
9 add.

10 COMMISSIONER KENNEDY: Yes, I'm sure you do.

11 MR. STELLO: Yes.

12 COMMISSIONER KENNEDY: Oh this subject -- on this  
13 subject, there are about seven, all on the same subject. An  
14 answer would have eliminated the need for more of them.

15 CHAIRMAN HENDRIE: Listen, Dick, every afternoon  
16 when they throw the pack up the stairs to see which ones get  
17 answered tomorrow, yours just haven't shown up.

18 COMMISSIONER KENNEDY: I know.

19 CHAIRMAN HENDRIE: It's just one of those statistical  
20 things. Next month you may get seven answers in a row.

21 (Laughter.)

22 CHAIRMAN HENDRIE: You know, you've got to be philo-  
23 sopherical about these things. Patience is a great virtue.

24 Well, why don't we -- okay, let's leave that, then,  
25 at this.

1 MR. STELLO: The N versus N plus one was another item  
2 of discussion.

3 CHAIRMAN HENDRIE: Yeah, I think let's haggle a bit  
4 about that.

5 N plus one for --

6 MR. STELLO: Well, look, let me make a general  
7 comment, which I think speaks directly to that issue. You have  
8 to decide what you want the unit resident inspectors to do.  
9 And based on what's now envisioned -- and it is, incidentally,  
10 my desire to use this as an excellent opportunity to provide  
11 a much closer liaison between NRR, from which I think we'll  
12 have a significant input into this issue in developing the  
13 detailed guidance, because I think we can go a long way in  
14 helping some of them with some of their problems, on working  
15 on some of the backlog of actions, by looking at how to do  
16 that.

17 I think these fellows may be able to be used somewhat  
18 for that purpose and you may want to take that into account.

19 But if you decide it's N versus N plus one, if you  
20 take a two-unit site and you have the principal, the site  
21 inspector, as Norm indicated a moment ago, he's going to be  
22 also doing some of the regional based program. And his, if you  
23 will, work activities are fairly well laid out.

24 Now, you ask yourself, what can the unit resident  
25 inspector do? If you put one in a two-unit site, he's going

1 to have to split his time between the units and he's going to  
2 get exactly half as much done, whatever that is.

3 CHAIRMAN HENDRIE: He'll spend exactly as much time  
4 on each unit as he would if there were two unit inspectors. On  
5 the other hand --

6 MR. STELLO: And if it's a one-unit site --

7 CHAIRMAN HENDRIE: You get a little -- you do a  
8 little bit better than that because you're dealing with one  
9 operating organization. And if you find some peculiar things  
10 in one place, the chances of finding it in the other are pretty  
11 good. So you get a little --

12 MR. STELLO: On the average, clearly you've got to  
13 expect roughly half of the amount of the presence being felt.

14 CHAIRMAN HENDRIE: Yes.

15 MR. STELLO: If he's doing a valve lineup in a  
16 facility, if it was intended he do that, and he tries to do it  
17 once a day --

18 CHAIRMAN HENDRIE: He'd do half as many per each unit.

19 MR. STELLO: -- he does half as many, exactly. Half  
20 as many verifications of -- what are the engineered safety  
21 features, are they ready and what's their status? Half as  
22 much.

23 CHAIRMAN HENDRIE: On the other hand, for that  
24 two-unit site, valve lineups will get looked at about three  
25 times as often as they do under the resident alone.

1 MR. STELLO: More than that, probably.

2 CHAIRMAN HENDRIE: Because the resident covering the  
3 whole operation really isn't -- you know, he isn't totally  
4 focused on that kind of operational safety matters.

5 MR. STELLO: Okay, let's go to a one-unit site. If  
6 we're back to N, then we only have the site inspector.

7 CHAIRMAN HENDRIE: Well, you might --

8 MR. STELLO: Then you don't get any --

9 CHAIRMAN HENDRIE: You know, you might decide that  
10 the rule is the total number at the site equals N, unless N  
11 is one, in which case the minimum is two, or somehow. I don't  
12 know. So that a one-unit site would have a resident in the  
13 unit, and a two-unit site would have two, and a three-unit  
14 site would have three, et cetera.

15 That is, there is that kind of shading which could  
16 be considered, argued over. I don't know.

17 MR. STELLO: You clearly accomplished the objective  
18 of increasing the presence and getting into the specific areas  
19 that we want to with the unit residents. His ability to do it  
20 in the plants for which there's now more than one unit, if we  
21 make N equal to two at least is less.

22 It's a matter of judgment as to is that still enough.  
23 My preference at the moment -- what I've seen at Three Mile  
24 Island suggests to me that the concept of the unit inspector,  
25 where he goes in and tries to, for the first time, do all:

1 I want to assess that the engineered safety feature status for  
2 all engineered safety features are operational, all of it. Not  
3 audit. No audit can tell him that he is to review all of the  
4 emergency procedures; not audit, every one of them. Go through  
5 them, actually do walk-throughs on the lines himself, verify  
6 valves, actually go in and look at the callibrations and do  
7 calculations.

8 It's considerably more of -- it would be desirable to  
9 have that more of equal at all facilities, which to me is an  
10 individual assigned that task at every operating unit. There  
11 are times when a unit is in a refueling and there are major  
12 problems, and they might be out of service for extended periods  
13 of time, four or five months, where major activity is going on.  
14 And I think that that's going to draw the attention of the  
15 unit inspector to that unit, rather than the unit that sits  
16 next to it that may very well be operating. Or the other way  
17 around.

18 My desire would be to go with N plus one. But clearly,  
19 backing off from that, as you describe, it's a significant  
20 improvement over what we have. It's a judgment that needs to  
21 be made.

22 CHAIRMAN HENDRIE: N is a significant improvement.  
23 And N not less than two is better. In particular, it assures  
24 that, as soon as you can staff the posts, you won't have any  
25 of these remote stations where one of our people is out there



1 all by themselves.

2 MR. STELLO: You eliminate that completely, which is  
3 also a very --

4 CHAIRMAN HENDRIE: Of course, get a two-person  
5 station and they hate each other, I don't know if that's better  
6 or worse than having one. It's probably better, because at  
7 least you're hating somebody from the same organization, and  
8 that makes it -- it's like being married. Even when you fight  
9 it's better.

10 (Laughter.)

11 MR. STELLO: Well, it's a difficult judgment call,  
12 and it is a judgment. You know, you can't -- you can analyze  
13 it and you can write reports all day long. But it becomes a  
14 final call, and until we've had it in existence for a while  
15 and see what results we get, we'd be hard pressed to make all  
16 the arguments of how great it is, too.

17 I don't know that there's much more to say.

18 COMMISSIONER GILINSKY: Could we get inspectors in  
19 place on the time and scale you've laid out?

20 MR. STELLO: Our commitment is that if we can get --  
21 or if we get the supplemental, our commitment is to have all  
22 qualified unit inspectors on site by the end of '81, fiscal  
23 year '81.

24 CHAIRMAN HENDRIE: Now wait a minute. Let me --

25 MR. STELLO: It's 98 additional.

1 CHAIRMAN HENDRIE: Did you say it that way, all  
2 qualified unit inspectors on station by the end of '81? And  
3 I assume that unqualified ones or unhired ones would not be on  
4 station by the end of '81.

5 How would you care to tell me -- did you mean that  
6 you hope to cover all the operating units by the end of '81?

7 MR. STELLO: That was the intent, yes.

8 CHAIRMAN HENDRIE: With qualified unit inspectors.

9 MR. STELLO: They will all be covered and all of them  
10 will be qualified. That is, they will have all been through  
11 the training program that's needed.

12 COMMISSIONER GILINSKY: That's a commitment to --

13 MR. STELLO: It's a commitment we made to the  
14 Commission when we were here a few weeks ago.

15 After I saw the --

16 CHAIRMAN HENDRIE: What are the practicalities of  
17 getting that number of people on board --

18 MR. STELLO: Well, you know, I've asked myself: So  
19 what if we miss? What's the big deal? We have them hired,  
20 they're there. They've yet got six months more training to go.  
21 So what? They are not going to go to a site unless there is  
22 a site resident inspector there first who is fully trained  
23 and qualified. And we have indicated that we would hire people,  
24 put them on the site, and they'd get their training while they're  
25 there. If we miss it by six months, I don't see that it's of

1 any concern to me. Their training won't be completed for yet  
2 another six months; so what?

3 CHAIRMAN HENDRIE: By the way, how about the -- we're  
4 going to have trouble keeping up to pace on the site inspection,  
5 site inspectors, aren't we?

6 MR. STELLO: No, I don't think so.

7 CHAIRMAN HENDRIE: You think you're going to make  
8 that?

9 MR. STELLO: Right now we have them identified and  
10 committed for all but two facilities -- excuse me, all but  
11 four facilities for this fiscal year, two -- none of which is  
12 an operating plant and three are construction. But then, in  
13 addition, we have three that were supposed to be for next  
14 year, fiscal year '80, that look like we're going to be able  
15 to get in this year.

16 And it doesn't appear that we have any major problem,  
17 and if we miss we'll miss it by one or two, and if we miss in  
18 terms of timing, it'll be on the order of a month or so. So  
19 we're not -- we're not in any major difficulty based upon what  
20 I got this afternoon.

21 MR. THOMPSON: We're beginning to -- we're beginning  
22 to feel the benefits of hiring efforts that took place 14 to  
23 18 months ago to bring these new hires in and get them ready.  
24 And they're beginning to come out the end of the pipeline a  
25 little bit now, and we're feeling those results. It'll be more

1 pronounced as we get into the next fiscal year. We've got to  
2 struggle a little bit, but it looks like we'll be able to make  
3 it.

4 MR. GOSSICK: Vic, you raised a point about having,  
5 you know, access to the rest of the staff for recruiting  
6 purposes. Do you want to cite a little bit what you had in  
7 mind there?

8 MR. STELLO: I never quite viewed it that way, as  
9 access to them.

10 MR. GOSSICK: Well, you said, you know, if you don't --

11 MR. STELLO: If we could get people from within the  
12 organization -- from within NRR particularly, where there are  
13 people who are clearly trained and knowledgeable, specifically  
14 knowledgeable in a particular plant, such as the project  
15 managers --

16 MR. GOSSICK: Is that a grade average, though, that  
17 you think you can handle?

18 MR. STELLO: Well, we're looking at that 13, 14 level  
19 for the site.

20 And the point came up, could we accelerate the  
21 program, and I think it could be accelerated if we had access  
22 to the people with that kind of training.

23 COMMISSIONER KENNEDY: Site inspectors are 13, 14,  
24 you say?

25 MR. STELLO: Yes, site.

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1 MR. MOSELY: The unit inspectors are --

2 MR. STELLO: That's for the site.

3 MR. MOSELY: Most of the site inspectors are 14.

4 MR. STELLO: Well, it's pegged at 13, 14, and 11 and  
5 12 for the unit.

6 CHAIRMAN HENDRIE: It inevitably tends to take the  
7 higher on any split grade.

8 COMMISSIONER KENNEDY: Unit is pegged at the 12 level?

9 MR. STELLO: 11 and 12.

10 MR. GOSSICK: Are there people like that in NRR,  
11 though, that you would expect to be, you know --

12 MR. STELLO: At the 14 level?

13 MR. GOSSICK: No, at the unit inspection level.

14 MR. STELLO: Oh, no. No, no, no, no. We -- no.

15 MR. THOMPSON: The question was the acceleration of  
16 the resident program.

17 COMMISSIONER KENNEDY: Oh, I'm sorry. I was asking --  
18 okay.

19 MR. THOMPSON: To qualify 14's.

20 MR. STELLO: Yes. Still, it requires some inspection  
21 techniques training, but much less, much, much less. In my  
22 view, if we had access to people with that kind of a background,  
23 you could even accelerate the program, the site resident  
24 program.

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25 MR. GOSSICK: Have they been active in applying for

1 these site jobs? They're posted, aren't they? Or are you  
2 saying that somebody's been discouraging them from applying?

3 MR. STELLO: No, I don't believe we are posting them.

4 MR. THOMPSON: We have not posted these. They are  
5 considered reassignments.

6 MR. STELLO: What we have done is, we have within  
7 the Office of Inspection & Enforcement looked at each of the  
8 regions to see if they had people there who were willing to go  
9 to these sites on a voluntary basis. And with the exception  
10 of four sites, we had volunteers for all of them.

11 I have since sent out another letter asking for  
12 other people in other regions who might wish to volunteer for  
13 sites in a different region. And now I get a call from  
14 Kepler. He tell me all the people up in the cold winters up  
15 there want to get down South and he's having to ration them.

16 But I think we can do it stringly on a voluntary  
17 basis.

18 CHAIRMAN HENDRIE: Have him explain that the air  
19 conditioning is going off down South and that they would be  
20 well advised to stay where they are.

21 Let's see. On the N -- you know, sort of on the  
22 number question. I'm not sure we need to crunch that with this  
23 budget, actually. I have -- you know, the Congress is moving  
24 pretty resolutely ahead with plus 146 for I&E or plus 135  
25 over the budget request. So I think we're not quite here, in

1 terms of the base program, in the position where we're making  
 2 a big -- trying to lay out a detailed program to show that we  
 3 know where we're going and make a big case for an '80 supple-  
 4 ment, for instance, or an '81 start.

5 In fact, the resources are, I think, pretty clearly  
 6 going to be appropriated and pretty quick.

7 Now, whether the increased resident program ends up  
 8 at N plus one or N or N but N not less than two, you know,  
 9 some variation like that, I'm not sure we have to -- you know,  
 10 I don't think it's critical for what we're doing here. The  
 11 people are coming in pretty clearly, and I think we need to  
 12 use them effectively.

13 We need to get started hiring and getting the  
 14 training set up. I think things like that problem -- residents  
 15 for problem construction sites ought to be folded into the  
 16 135. I don't think there's any limitation that prevents us  
 17 from doing that.

18 MR. STELLO: And while we could clearly start the --

19 CHAIRMAN HENDRIE: But the elements -- and in fact,  
 20 this is in some ways like the super -- like the who's the boss  
 21 on a given site question that I harangued you about earlier.  
 22 I don't think it necessarily has to be settled right at this  
 23 point and that we have to have a proposition that we vote  
 24 formally on here in order to go forward with the budget. The  
 25 manning level on the site --

1 MR. STELLO: It has to be done before the people get  
2 there.

3 CHAIRMAN HENDRIE: That's right, it has to be worked  
4 out before the people get there and long before, hopefully,  
5 because in fact, if we go in this direction, this probably adds  
6 a training element to the resident inspectors program, which  
7 people on station may -- you may have to bring them back in  
8 for some seminars and lectures and discussions. For the ones  
9 that haven't gone out, you may want to add some things in the  
10 training program.

11 But I think you ought to think, in terms of the  
12 supervision question, the site, the supervisory chain and  
13 who's in charge question. You have had at least some modest  
14 expression of views here. Sort of see what -- you might want  
15 to think about that.

16 On the number question, I think N or N plus one, I  
17 think the arguments you've developed for us for N plus one are  
18 valid arguments, and I don't know whether I end up convinced  
19 that way or not. I guess on the number question, about the  
20 only thing that I would be prepared to be pretty definite on  
21 at this point is, as long as increased resources in the  
22 resident inspector program are going to be available, I would  
23 propose that we set a minimum of two at any operating site.  
24 Construction sites, I'm willing to think about that, because I  
25 think that may be something different. But where you've got an



1 operating plant, why, I think there are all kinds of good  
2 reasons why you would not like to go below two, as long as  
3 you have the resources to cover all the operating sites at at  
4 least that level; and that then, with sites with more reactors,  
5 why, then you see how far you can go toward it.

6 MR. STELLO: Well, we can just start that way and --

7 CHAIRMAN HENDRIE: Yeah.

8 MR. STELLO: -- and just see how it goes.

9 CHAIRMAN HENDRIE: And see how it goes.

10 MR. STELLO: And I especially liked the interpretation  
11 that says that part of that pile -- I don't have to worry about  
12 the early construction sites. Remember, that commitment was  
13 made to --

14 CHAIRMAN HENDRIE: That was a set of discussions we  
15 had in part with the Commission, because the original resident  
16 inspector program was a cast of thousands, and before it got  
17 implemented, why, we tracked it here at the Commission. OMB  
18 was very concerned about it, and I think it got trimmed a  
19 little bit more with OMB. And cutting out the early construc-  
20 tion phases was a way of taking out of the program a need for  
21 a chunk of people.

22 I don't regard that as any sort of cross my heart  
23 and hope to die for all time commitment.

24 MR. STELLO: Good.

25 CHAIRMAN HENDRIE: Where there's good reason to put

1 somebody in Marble Hill and tell him to rattle a cage down  
2 there on a full-time basis, why, let's do it.

3 COMMISSIONER KENNEDY: It should be recalled that at  
4 least one year we had to remind OMB that this was the  
5 President's program that we were supporting, and they kept  
6 telling us it wasn't. We kept giving him the speeches back  
7 and saying, well, that's what he says. And I'm not sure if  
8 they ever agreed with us, but (Inaudible).

9 CHAIRMAN HENDRIE: Now, we haven't managed to harass  
10 you with some of the OMB and OPE comments about the resident --  
11 increased resident program. But you're in possession of those  
12 memoranda.

13 It seems to me that, since the Congress is going to  
14 do this resource for us and specify it for a resident program,  
15 that the question is not how to deal with some of the criticisms  
16 that have been made and develop a fully satisfactory program  
17 plan to present to the Commission immediately, so you can deal  
18 with the budget. I think that's sort of taken out, almost  
19 taken out of our hands. But rather, as you develop details  
20 for this program and will want to come forward with a  
21 Commission paper in due time that tries to lay it out in some  
22 detail, with the several stages of the site resident program,  
23 that you take a look at the grumps and hollers as well as the  
24 comments that have been made here and factor them into your  
25 planning. And then we'll get a chance to chew on it again

1 at another time.

2 But it's -- from the standpoint of budget review,  
3 it's almost moot.

4 Other comments on I&E's proposed empire here?

5 You sure you don't want to open another regional  
6 office?

7 MR. STELLO: As a matter of fact, there is a -- I  
8 knew you would say that.

9 CHAIRMAN HENDRIE: You just happen to have another  
10 handout?

11 (Laughter.)

12 MR. STELLO: Almost. There's a Commission paper  
13 probably coming out on the subject, on whether or not we ought  
14 to deal with the training program a little closer to where  
15 these simulators are and maybe save ourselves some money. So  
16 in seriousness, the answer is yes.

17 COMMISSIONER KENNEDY: I don't think that -- that's  
18 not a bad idea.

19 MR. STELLO: It might be a very good idea.

20 COMMISSIONER KENNEDY: I still think we ought to  
21 have regions that coincide with other people's regions.

22 MR. THOMPSON: But that isn't where our load is.

23 COMMISSIONER KENNEDY: Hmm?

24 MR. THOMPSON: That isn't where our load is.

25 CHAIRMAN HENDRIE: It takes all the fun out of it.

1           COMMISSIONER KENNEDY: Yeah. Well, EPA conforms to  
2 the standard federal regions, I believe. They're based upon --  
3 those are based on the demography and our regions are based on --  
4 what would we call it, the reactor-ography of this.

5           CHAIRMAN HENDRIE: Other questions? We seem to be  
6 running down.

7           MR. STELLO: Thank you.

8           CHAIRMAN HENDRIE: Thank you. I think you've success-  
9 fully worn us out.

10           (Whereupon, at 4:55 p.m., the meeting was adjourned.)

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25 Federal Reporters, Inc.

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771317

OFFICE OF INSPECTION AND ENFORCEMENT

FY 1980 SUPPLEMENTAL  
AND  
FY 1981 - 1983 BUDGET  
COMMISSION BRIEFING

JULY 26, 1979

RECEIVED  
JUL 26 1979  
OFFICE OF INSPECTION AND ENFORCEMENT  
U.S. DEPARTMENT OF JUSTICE

771318

771319

## MISSION

TO INSURE (PRIMARILY BY FIELD INSPECTION AND INVESTIGATION AND BY ENFORCEMENT) THAT FACILITIES AND MATERIALS UNDER NRC JURISDICTION ARE CONSTRUCTURE AND USED IN A MANNER WHICH PROTECTS THE PUBLIC AND ENVIRONMENT.

INTEGRATED INSPECTION PROGRAM

RESIDENT INSPECTION

- SITE RESIDENTS
- UNIT RESIDENTS

REGION BASED INSPECTION

PERFORMANCE APPRAISAL INSPECTION

CURRENT RESIDENT INSPECTOR SCHEDULE

	<u>FY 1978</u>	<u>FY 1979</u>	<u>FY 1980</u>	<u>FY 1981</u>	<u>FY 1982</u>	<u>FY 1983</u>
REACTOR SITE INSPECTORS	20	45	72	89	98	101
FUEL FACILITY INSPECTORS	2	2	2	2	0	0
REACTOR UNIT INSPECTORS	<u>--</u>	<u>--</u>	<u>98</u>	<u>108</u>	<u>122</u>	<u>136</u>
TOTALS	22	47	172	199	220	237



REACTOR SITES WITH RESIDENTS AND PLANNED FOR  
RESIDENTS

771322

FY 1978

FY 1979

FY 1980

FY 1981

OPERATIONS RESIDENTS

(All Physically On-Site)

(\*Physically On-Site)

B&W-Apollo & Leechburg\*\*  
Indian Point  
Millstone  
Peach Bottom  
Salem  
Brown's Ferry  
Hatch  
North Anna  
NFS-Erwin\*\*  
Oconee  
Surry  
D. C. Cook  
Dresden  
Prairie Island  
Arkansas Nuclear One  
Diablo Canyon  
Trojan

Beaver Valley  
\*Brunswick  
Calvert Cliffs  
Crystal River  
\*Ft. St. Vrain  
Davis-Besse  
LaSalle  
Palisades  
\*Rancho Seco  
\*Quad-Cities  
\*Sequoyah  
Shoreham  
St. Lucie  
\*Three Mile Island  
Turkey Point  
Wm. B. McGuire  
Wm. H. Zimmer  
\*Zion

Fitzpatrick  
Ginna  
Haddam Neck  
Maine Yankee  
Nine Mile Point  
Oyster Creek  
Pilgrim  
Susquehanna  
Vermont Yankee  
Yankee Rowe  
Farley  
Grand Gulf  
Summer  
Big Rock Point  
Braidwood  
Duane Arnold  
Fermi  
Kewaunee  
LaCrosse  
Monticello  
Point Beach  
Cooper Station  
Waterford  
San Onofre  
Washington Nuclear

Limerick  
Watts Bar  
Byron  
Clinton  
Marble Hill  
Midland  
Perry  
Commanche Peak  
Ft. Calhoun  
South Texas  
Palo Verde

CONSTRUCTION RESIDENTS

Commanche Peak  
Midland  
San Onofre  
Susquehanna  
Watts Bar

Bellefonte  
Callaway  
Catawba  
Hartsville  
Limerick  
Palo Verde  
Seabrook  
South Texas  
Washington Nuclear Project

Hope Creek  
Harris

Forked River  
Cherokee  
Phipps Bend  
Vogtle  
River Bend

\*\*Fuel Plants

PERFORMANCE APPRAISAL OBJECTIVES

FROM NATIONAL PERSPECTIVE:

- EVALUATE PERFORMANCE OF NRC LICENSEES
- EVALUATE EFFECTIVENESS OF NRC INSPECTION PROGRAM
- CONFIRM OBJECTIVITY OF NRC INSPECTORS

CONDUCT:

- MANAGEMENT APPRAISAL INSPECTIONS
- PROGRAM APPRAISAL INSPECTIONS
- LICENSEE REGULATORY PERFORMANCE EVALUATION
- SPECIAL OR SENSITIVE INVESTIGATIONS

INDEPENDENT MEASUREMENT RESOURCES, ACTIVITIES

DECISION UNIT	FY 1980			FY 1981		
	MYs	PS(\$000)	IE(\$000)	MYs	PS(\$000)	IE(\$000)
REACTOR OPERATIONS	1.1	\$ 35	---	1.5	\$ 40	---
REACTOR CONSTRUCTION	1.2	275	\$ 230	2.1	305	\$ 60
FUEL FACILITY & MATERIAL SAFETY	24.0	1,549	851	27.0	1,814	530
SAFEGUARDS	8.0	800	30	8.0	846	90
TOTALS	<u>34.3</u>	<u>\$2,659</u>	<u>\$1,111</u>	<u>38.6</u>	<u>3,005</u>	<u>680</u>

- EVALUATION OF APPLICABILITY/INCORPORATION OF INDEPENDENT VERIFICATION STUDY INTO IE INSPECTION PROGRAM.
- ENVIRONMENTAL MONITORING TO INCLUDE AN EXPANDED TLD PROGRAM.
- AERIAL RADIOLOGICAL SURVEYS.
- VERIFICATION OF LICENSEE MC&A SYSTEMS.
- NDE AND DESTRUCTIVE TESTING (REACTOR CONSTRUCTION)
- DEVELOP INDEPENDENT MEASUREMENT PERFORMANCE CRITERIA FOR PAT INSPECTIONS.

FY 1981 - 1983 BUDGET REQUEST

(INCLUDING FY 1980 SUPPLEMENTAL)

OFFICE OF INSPECTION AND ENFORCEMENT  
 MANPOWER RESOURCES  
 (FULL-TIME PERMANENT)

771326

<u>DECISION UNIT</u>	<u>FY80</u>			<u>FY81 REQUEST</u>		
	<u>FY79</u>	<u>CURR. EST.</u>	<u>SUPPL. P-Q.</u>	<u>TOTAL</u>	<u>To EDO</u>	<u>To COMMISSION</u>
REACTOR CONSTRUCTION	148	145	0	145	196	182
REACTOR OPERATIONS	197	203	170	373	408	381
VENDOR & CONTRACTOR	29	29	0	29	32	32
FUEL FACILITY & MATERIAL SAFETY	136	146	33	179	204	204
SAFEGUARDS	90	90	8	98	102	102
SPECIALIZED TECHNICAL TRAINING	18	14	11	25	33	33
MANAGEMENT DIRECTION & SUPPORT	<u>97</u>	<u>97</u>	<u>6</u>	<u>103</u>	<u>103</u>	<u>103</u>
TOTALS	715	724	228	952	1,078	1,037

IE FULL-TIME PERMANENT PERSONNEL  
HEADQUARTERS VS. REGIONS

	<u>FY 1980</u> <u>PRESIDENT'S</u> <u>BUDGET</u>	<u>FY 1980 SUPPLEMENTAL</u>			<u>FY 1981 BUDGET</u>		
		<u>OFFICE</u> <u>REQUEST</u>	<u>EDO</u> <u>SET-ASIDE</u>	<u>EDO</u> <u>APPROVED</u>	<u>OFFICE</u> <u>REQUEST</u>	<u>EDO</u> <u>SET-ASIDE</u>	<u>EDO</u> <u>APPROVED</u>
Hq's	130	34	16	18	181	24	152
REGIONS	<u>594</u>	<u>194</u>	<u>143</u>	<u>18</u>	<u>897</u>	<u>171</u>	<u>681</u>
TOTAL	<u>724</u>	<u>228</u>	<u>159</u>	<u>36</u>	<u>1078</u>	<u>195</u>	<u>833</u>
PERSONNEL RATIO HQ:REGION	1:4.6	1:5.7			1:5		

OFFICE OF INSPECTION AND ENFORCEMENT  
PROGRAM SUPPORT RESOURCES  
(\$000)

DECISION UNIT	FY79	FY80		TOTAL	FY81 REQUEST	
		CURR. EST.	SUPPL. REQ.		To EDO	To COMMISSION
REACTOR CONSTRUCTION	146	540	---	540	945	605
REACTOR OPERATIONS	483	515	100	615	703	703
VENDOR & CONTRACTOR	75	180	---	180	0	0
FUEL FACILITY & MATERIALS						
SAFETY	1,391	1,575	100	1,675	2,062	2,062
SAFEGUARDS	994	1,000	---	1,000	1,166	1,166
SPECIALIZED TECHNICAL						
TRAINING	350	450	764	1,214	1,268	1,268
MANAGEMENT DIRECTION & SUPPORT	926	745	100	845	887	887
TOTALS	<u>\$4,365</u>	<u>\$5,005</u>	<u>\$1,064</u>	<u>\$6,069</u>	<u>\$7,031</u>	<u>\$6,691</u>

REACTOR CONSTRUCTION INSPECTION PROGRAM  
RESOURCE GROWTH

	FY 80 CURR. EST.	ABOVE FY 80 CURR. EST. (SUPPL.)	FY 81 INCREASE ABOVE FY 80 CURR. EST. (ASSUM. APPR. OF SUPPL.)	FY 81 REQUEST To EDO	FY 81 REQUEST To COMMISSION
MANYEARS	145	-	+51	196	182
PROGRAM SUPPORT (\$000's)	540	-	+405	945	605
TECHNICAL EQUIPMENT (\$000's)	230	-	+70	300	300

REQUESTED INCREASES ARE FOR:

LABOR RATE CHANGES FOR SITES W/RESIDENTS.

\*PROGRAMMED PAT GROWTH.

\*PAT GROWTH FOR UNIT RESIDENT PROGRAM.

\*ADDITIONAL RESIDENTS FOR PROBLEM SITES.

HQ GROWTH

\*NON-DESTRUCTIVE EQUIPMENT AND VAN.

PROGRAM SUPPORT +IND. MEASUREMENT (+280)

-EXPIRING Ks FY80 (-115)

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\*EDO MARK ITEM.



05314

REACTOR CONSTRUCTION INSPECTION PROGRAM  
EDO MARK ITEM

ACTIVITY		FY 81 INCREASE (ASSUM. APPR. OF SUPPL.)			
		FY 80 SUPPL. <u>IE REQUEST</u>	<u>EDO MARK</u>	<u>IE REQUEST</u>	<u>EDO MARK</u>
PROGRAMMED PAT GROWTH	MANYEARS	-	-	+10	0
IE POSITION:	COMMISSION SHOULD APPROVE. PROGRAMMED GROWTH BRIEFED TO OMB AS AN INTEGRAL PART OF THE REVISED INSPECTION PROGRAM. ONLY CURRENT BASIS FOR IE DIRECTOR TO OBTAIN AN INDEPENDENT, IN-DEPTH, COMPREHENSIVE REVIEW OF IE PROGRAM AND ITS IMPACT ON PUBLIC HEALTH AND SAFETY. ABSOLUTELY ESSENTIAL.				
ADDITIONAL RESIDENTS FOR PROBLEM SITES	MANYEARS	-	-	+3	0
IE POSITION:	COMMISSION SHOULD APPROVE ASSIGNMENT OF CONSTRUCTION RESIDENTS TO PROBLEM SITES. EXPERIENCE HAS SHOWN THAT CERTAIN PROBLEMS COULD BE AVOIDED IF ADDITIONAL EFFORT WAS EXPENDED ON SITES DURING EARLY CONSTRUCTION.				
PAT GROWTH FOR UNIT RESIDENT PROGRAM	MANYEARS	-	-	+14	SET
	PROGRAM	-	-	+340K	ASIDE
	SUPPORT				
IE POSITION:	UNIT RESIDENT PROGRAM IS EXPECTED TO REQUIRE SOME ADDITIONAL PAT EFFORT - PERHAPS LESS THAN 14. IE WILL FOREGO THIS REQUEST IN FY81 AND REASSESS NEED IN FY82 BUDGET REQUEST.				

REACTOR CONSTRUCTION INSPECTION PROGRAM (CONT'D)  
EDO MARK ITEMS

771331

ACTIVITY	TECHNICAL	FY 80 SUPPL.		FY 81 INCREASE (ASSUM. APPR. OF SUPPL.)	
		<u>IE REQUEST</u>	<u>EDO MARK</u>	<u>IE REQUEST</u>	<u>EDO MARK</u>
MOBILE NONDESTRUCTIVE EXAMINATION EQUIPMENT	EQUIPMENT	-	-	+240	0
IE POSITION:	AGREE WITH EDO MARK. AN ADEQUATE PROGRAM CAN BE CONDUCTED WITH RESOURCES PROVIDED.				

REACTOR OPERATION INSPECTION PROGRAM  
RESOURCE GROWTH

	FY 80 CURR. EST.	ABOVE FY 80 CURR. EST. (SUPPL.)	FY 81 INCREASE ABOVE FY 80 CURR. EST. (ASSUM. APPR. OF SUPPL.)	FY 81 REQUEST To EDQ	FY 81 REQUEST To COMMISSION
MANYEARS	203	+170	+205	408	381
PROGRAM SUPPORT (\$000's)	515	+100	+188	703	703
TECHNICAL EQUIPMENT (\$000's)	0	0	0	0	0

REQUESTED INCREASES ARE FOR:

- \*IMPLEMENT 24-HOUR OPERATIONS CENTER COVERAGES IN REGIONS.
- \*DEVELOP AND IMPLEMENT "UNIT" RESIDENT PROGRAM

INCREASE HEADQUARTERS TO:

- A. PROVIDE REACTOR TYPE EXPERTISE
  - B. PROVIDE INCREASED TECHNICAL SUPPORT AND EVENT EVALUATION.
- CASELOAD INCREASES.

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\*EDO MARK ITEM.

REACTOR OPERATION INSPECTION PROGRAM  
EDO MARK ITEMS

030177

ACTIVITY		FY 80 SUPPL.		FY 81 INCREASE (ASSUM: APPR. OF SUPPL.)	
		<u>IE REQUEST</u>	<u>EDO MARK</u>	<u>IE REQUEST</u>	<u>EDO MARK</u>
IMPLEMENT 24-HOUR WATCH IN REGIONS.	MANYEARS	+28*	0	+27	0
IE POSITION:	CONCUR WITH EDO MARK. IE WILL MAINTAIN 24 HOUR COVERAGE IN THE HEADQUARTERS INCIDENT RESPONSE CENTER WITH SUITABLE ALTERNATIVE IN REGIONS.				
DEVELOP AND IMPLEMENT "UNIT" RESIDENT PROGRAM	MANYEARS	+135	SET	+150	SET
	PROGRAM SUPPORT	+100K	ASIDE	+250K	ASIDE
IE POSITION:	UNDERSTAND BASIS FOR EDO MARK SINCE COMMISSION HAD NOT APPROVED THE PROGRAM. HOUSE AND SENATE ACTIONS ON FY 80 APPROPRIATION MAY PROVIDE RESOURCES NEGATING NEED FOR SUPPLEMENTAL. RESOURCE LEVELS NEED EDO/COMMISSION APPROVAL.				

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\*ERROR IN BUDGET CALCULATION. SHOULD HAVE BEEN 27.

VENDOR AND CONTRACTOR INSPECTION PROGRAM  
RESOURCE GROWTH

	FY 80 CURR. EST.	ABOVE FY 80 CURR. EST. (SUPPL.)	FY 81 INCREASE ABOVE FY 80 CURR. EST. (ASSUM. APPR. OF SUPPL.)	FY 81 REQUEST To EDQ	FY 81 REQUEST To COMMISSION
MANYEARS	29	-	3	32	32
PROGRAM SUPPORT (\$000's)	180	-	0	0	0
TECHNICAL EQUIPMENT (\$000's)	0	-	0	0	0

REQUESTED INCREASES ARE FOR:

INCREASE SCOPE AND DEPTH OF THE INSPECTIONS OF ARCHITECT ENGINEERS AND NUCLEAR STEAM SUPPLIERS FOCUSING ON INCREASED TECHNICAL REVIEWS DURING THE DESIGN AND DEVELOPMENT STAGES.

FUEL FACILITIES AND MATERIALS SAFETY INSPECTION  
RESOURCE GROWTH

7-1335

	FY 80 CURR. EST.	ABOVE FY 80 CURR. EST. (SUPPL.)	FY 81 INCREASE ABOVE FY 80 CURR. EST. (ASSUM. APPR. OF SUPPL.)	FY 81 REQUEST To EDO	FY 81 REQUEST To COMMISSION
MANYEARS	146	+33	+58	204	204
PROGRAM SUPPORT (\$000's)	1575	+100	+487	2062	2062
TECHNICAL EQUIPMENT (\$000's)	100	+751	+711	811	811

REQUESTED INCREASES ARE FOR:

CASELOAD GROWTH

INCREASED REACTIVE EFFORT

INCREASED HQ STAFF.

IMPROVE ENVIRONMENTAL MONITORING/EMERGENCY RESPONSE CAPABILITY IN THE REGIONS.

EARLIER INSPECTION OF NEW MATERIALS LICENSEES.

\*EXPAND REACTOR PROGRAM IN EMERGENCY PLANNING.

\*EXPAND INPLANT PROTECTION, RADWASTE PROCESSING AND ENVIRONMENTAL PROTECTION.

\*IMPLEMENT MAIL/TELEPHONE PROGRAM FOR LOW PRIORITY EXISTING LICENSEES.

\*WHOLE BODY COUNTER.

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\*EDO MARK ITEM.

FUEL FACILITIES AND MATERIALS SAFETY INSPECTION  
EDO MARK ITEMS

771336

ACTIVITY		FY 80 SUPPL.		FY 81 INCREASE (ASSUM. APPR. OF SUPPL.)	
		IE REQUEST	EDO MARK	IE REQUEST	EDO MARK
<p>AND REACTOR PROGRAM IN  EMERGENCY PLANNING</p> <p>IE POSITION:</p>	MANYEARS	+13	SET ASIDE	+14	SET ASIDE
	COMMISSION SHOULD APPROVE. LESSONS LEARNED FROM THREE MILE ISLAND POINT OUT NEED FOR MORE EXTENSIVE EVALUATION OF EMERGENCY RESPONSE CAPABILITIES OF LICENSEE AND OFFSITE SUPPORT GROUPS.				
<p>IMPLEMENT MAIL/TELEPHONE  PROGRAM FOR LOW PRIORITY  EXISTING LICENSEES</p> <p>IE POSITION:</p>	MANYEARS	-	-	+6	+1
	COMMISSION INITIATED EXAMINATION OF THIS PROGRAM IN FY 1978. TRIAL PROGRAM SHOWS BENEFIT FOR LOW COST. COMMISSION SHOULD APPROVE RESOURCE INCREASE.				
<p>WHOLE BODY COUNTER</p> <p>IE POSITION:</p>	TECHNICAL EQUIPMENT	-	-	+200K	0
	COMMISSION RAISED ISSUE OF POTENTIAL CONFLICT OF INTEREST BY UTILIZING RENTED EQUIPMENT AND OPERATORS. IF THE ISSUE IS SIGNIFICANT ENOUGH WE SHOULD PURCHASE THE EQUIPMENT. IF NOT, WE SHOULD FOREGO THE PURCHASE.				

SAFEGUARDS INSPECTION  
RESOURCE GROWTH

	FY 80 CURR. EST.	ABOVE FY 80 CURR. EST. (SUPPL.)	FY 81 INCREASE ABOVE FY 80 CURR. EST. (ASSUM. APPR. OF SUPPL.)	FY 81 REQUEST To EDO	FY 81 REQUEST To COMMISSION
MANYEARS	90	+8	+12	102	102
PROGRAM SUPPORT (\$000's)	1000	-	+166	1166	1166
TECHNICAL EQUIPMENT (\$000's)	60	-	+110	170	170

REQUESTED INCREASES ARE FOR:

- \*IMPLEMENT NEW PART 75 MC&A PROCEDURES (IAEA)
- \*UPGRADE MC&A PROGRAM FOR FUEL FACILITIES.
- \*PROCURE REPLACEMENT/SPARE PARTS FOR REGIONAL LABS, MOBILE LABS, AND OTHER PORTABLE EQUIPMENT.
- IRRADIATED (SPENT) FUEL SHIPMENT INSPECTIONS.
- CASELOAD GROWTH
- PROCURE (TECHNICAL) EQUIPMENT FOR SPENT FUEL SHIPMENT INSPECTIONS AND OTHER HIGH PRIORITY EQUIPMENT.

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\*EDO MARK ITEM.



SAFEGUARDS INSPECTION  
EDO MARK ITEMS

ACTIVITY		FY 80 SUPPL.		FY 81 INCREASE (ASSUM. APPR. OF SUPPL.)	
		<u>IE REQUEST</u>	<u>EDO MARK</u>	<u>IE REQUEST</u>	<u>EDO MARK</u>
IMPLEMENT NEW PART 75 MC&A PROCEDURES (IAEA)	MANYEARS	+3	0	+3	0
IE POSITION:	PREPARATORY WORK IS NEEDED FOR FOLLOW-ON IE SUPPORT TO JOINT US/IAEA AGREEMENT. COMMISSION SHOULD APPROVE.				
UPGRADE MC&A PROGRAM FOR FACILITIES	1 YEAR	+2	0	+2	0
IE POSITION:	SYSTEMS ORIENTATION TO MC&A IS NEEDED FOR "PROCESS" PLANTS. COMMISSION SHOULD APPROVE.				
PROCURE REPLACEMENT/SPARE PARTS FOR REGIONAL LABS, MOBILE LABS, AND OTHER PORTABLE EQUIPMENT.	TECHNICAL EQUIPMENT	-	-	+90	+20
IE POSITION:	SPARE PARTS AND SUPPLEMENTAL/REPLACEMENT INSTRUMENTATION ARE NEEDED TO KEEP EXISTING MOBILE LABS FUNCTIONING EFFECTIVELY. COMMISSION SHOULD APPROVE.				

SPECIALIZED TECHNICAL TRAINING  
RESOURCE GROWTH

	FY 80 CURR. EST.	ABOVE FY 80 CURR. EST. (SUPPL.)	FY 81 INCREASE ABOVE FY 80 CURR. EST. (ASSUM. APPR. OF SUPPL.)	FY 81 REQUEST To EDO	FY 81 REQUEST To COMMISSION
MANYEARS	14	+11	+19	33	33
PROGRAM SUPPORT (\$000's)	450	+764	+818	1268	1268
TECHNICAL EQUIPMENT (\$000's)	0	0	0	0	0

REQUESTED INCREASES ARE FOR:

INCREASED INSPECTOR TRAINING REQUIREMENT.

\*SUPPORT TO "UNIT" RESIDENT PROGRAM

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\*EDO MARK ITEM.

SPECIALIZED TECHNICAL TRAINING  
EDO MARK ITEMS

013177

ACTIVITY	FY 80 SUPPL.		FY 81 INCREASE (ASSUM. APPR. OF SUPPL.)	
	<u>IE REQUEST</u>	<u>EDO MARK</u>	<u>IE REQUEST</u>	<u>EDO MARK</u>
SUPPORT TO "UNIT" RESIDENT PROGRAM	MANYEARS +11	SET	+17	SET
	PROGRAM +764	ASIDE	+810	ASIDE
	SUPPORT (\$000'S)			

IE POSITION:

UNDERSTAND BASIS FOR EDO MARK SINCE COMMISSION HAD NOT APPROVED THE PROGRAM. HOUSE AND SENATE ACTIONS ON FY80 APPROPRIATION MAY PROVIDE RESOURCES NEGATING NEED FOR SUPPLEMENTAL. RESOURCE LEVELS NEED EDO/COMMISSION APPROVAL.

MANAGEMENT DIRECTION AND SUPPORT  
RESOURCE GROWTH

MANYEARS	FY 80 CURR. EST.	ABOVE		FY 81 INCREASE		FY 81 REQUEST	
		FY 80 CURR. EST. (SUPPL.)	FY 80 CURR. EST. (SUPPL.)	ABOVE FY 80 CURR. EST. (ASSUM. APPR. OF SUPPL.)	To	EDQ	To
	97	+6	+6		103	103	103
PROGRAM SUPPORT (\$000's)	745	+100	+100	+142	887	887	887
TECHNICAL EQUIPMENT (\$000's)	0	+610	+610	+138	138	138	138

REQUESTED INCREASES ARE FOR:

24-HOUR WATCH OFFICER PROGRAM IN HEADQUARTERS (IRAC).

INDEPENDENT OPERATIONAL DATA NEEDS FOR EMERGENCIES.

4WD VEHICLES FOR REACTOR SITES WITH RESIDENT INSPECTORS.

IE RECLAMA PRIORITY RANKING SHEET

771342

RANK	ITEM	FY 1980 RESOURCES			FY 1981 RESOURCES		
		MYS	PS(\$000)	TE(\$000)	MYS	PS(\$000)	TE(\$000)
1	DEVELOP/IMPLEMENT "UNIT" RESIDENT PROGRAM	+135	+\$100	---	+150	+\$250	---
	WITHOUT THESE RESOURCES, THE "UNIT" RESIDENT PROGRAM WILL NOT BE IMPLEMENTED.						
2	INCREASED TRAINING ASSOCIATED WITH "UNIT" RESIDENT PROGRAM	+ 11	+\$764	---	+17	+818	---
	IF "UNIT" RESIDENT PROGRAM IS NOT FUNDED, THESE RESOURCES ARE NOT NEEDED. ALTERNATIVELY, IF THE "UNIT" RESIDENT PROGRAM IS APPROVED, AND THESE RESOURCES ARE NOT, THE CURRENT TRAINING PROGRAM WILL BE ABANDONED AND THESE RESOURCES APPLIED TO THE "UNIT" RESIDENT TRAINING PROGRAM.						
3	EMERGENCY PLANNING	+ 13	---	---	+14	---	---
	THE EFFECT OF NOT GETTING THESE RESOURCES WILL BE TO DIVERT ABOUT 5 MANYEARS OF EFFORT FROM IN-DEPTH RADIATION PROTECTION PROGRAMS TO ONLY PROVIDE LIMITED COVERAGE IN EMERGENCY PLANNING.						
4.	PROGRAMMED PAT GROWTH	---	---	---	+ 10	---	---
	WITHOUT THESE RESOURCES, THE PAT PROGRAM WILL EITHER BE REEVALUATED AND REDUCED IN SCOPE OR ELIMINATED DUE TO INADEQUATE CAPABILITY TO CARRY OUT A MEANINGFUL PROGRAM.						

IE RECLAMA PRIORITY RANKING SHEET

RANK	ITEM	FY 1980 RESOURCES MYS PS(\$000)	IE(\$000)	FY 1981 RESOURCES MYS PS(\$000)	IE(\$000)
5	IMPLEMENT MAIL/ TELEPHONE PROGRAM FOR LOW PRIORITY EXISTING LICENSEES.	---	---	+6	---
6	UPGRADE MC&A PROGRAM FOR FACILITIES	---	---	+2	---
7	IMPLEMENT NEW PART 75 MC&A PROCEDURES (IAEA)	---	---	+2	---
8	ADDITIONAL RESIDENTS FOR PROBLEM SITES	---	---	+3	---

WITH NO INCREASE, IE WILL  
ABANDON THE PROGRAM DUE TO  
ITS LOW PRIORITY.

THIS WORK WILL BE ACCOMPLISHED  
BUT AT A REDUCED FREQUENCY.

WITHOUT THESE RESOURCES IE WILL  
MAKE NO CONTRIBUTION TO THE IAEA  
INSPECTION PROGRAM.

PROBLEMS AT CERTAIN SITES MAY  
DICTATE THE NEED FOR STATIONING  
INSPECTORS WHERE NECESSARY,  
RESIDENTS WILL BE ASSIGNED FROM  
EITHER THE REGIONS OR RESIDENTS  
ALREADY ASSIGNED TO LATE STAGE  
CONSTRUCTION SITES.

IE RECLAMA PRIORITY RANKING SHEET

771344

RANK	ITEM	FY 1980 RESOURCES			FY 1981 RESOURCES		
		MYS	PS(\$000)	IE(\$000)	MYS	PS(\$000)	IE(\$000)
9	PROCURE REPLACEMENT/ SPARE PARTS FOR REGIONAL LABS, MOBILE LABS, AND OTHER PORTABLE EQUIPMENT	---	---	---	---	---	+\$90
		FAILURE TO ACQUIRE THESE PARTS AND REPLACEMENT INSTRUMENTATION WILL ALLOW IE TO DO SOME INDEPENDENT MEASUREMENT BUT AT A LOWER LEVEL BECAUSE OF EQUIPMENT LIMITATIONS.					
10	WHOLE BODY DOSE COUNTER	---	---	---	---	---	+\$200
		WITHOUT THESE RESOURCES, THE NRC WILL NOT PURCHASE THE COUNTER AND WILL RELY UPON RENTAL EQUIPMENT FOR EMERGENCY SUPPORT.					