

NUCLEAR REGULATORY COMMISSION

IN THE MATTER OF:

COMMISSION DISCUSSION ON
RESEARCH BUDGET

Place Washington, D. C.

Date Tuesday, 22 March 1977

Pages 1 - 50

Telephone:
(202) 347-3700

ACE - FEDERAL REPORTERS, INC.

Official Reporters

444 North Capitol Street
Washington, D.C. 20001

NATIONWIDE COVERAGE - DAILY

8009090649

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

DISCUSSION OF SAFEGUARDS RESEARCH
BUDGET

Room 1115
1717 H Street
Washington, D. C.
Tuesday, March 22, 1977

The meeting convened at 11:10 a.m., Chairman
Marcus A. Rowden presiding.

PRESENT:

- Marcus A. Rowden, Chairman
- Victor Gilinsky, Commissioner
- Richard T. Kennedy, Commissioner

- Peter L. Strauss, General Counsel
- John Hoyle, Acting Secretary

P R O C E E D I N G S

1
2 CHAIRMAN ROWDEN: Mr. Gossick?

3 MR. GOSSIC: The purpose of our being here this
4 morning is to discuss with you an upcoming meeting at 2:00
5 o'clock this afternoon with Mr. Myers of the Udall staff.

6 As you will recall, following our budget pre-
7 sentations to Mr. Udall and his committee, there were a great
8 number of questions that were directed to the staff in
9 various ways, but at any rate, 4 in particular have been
10 received less than formally, I would say, by Mr. Myers.

11 One question was in the list of 24 that we sent
12 back over there having to do with the distinction between
13 safeguards research and technical assistance work. Then,
14 there was a March 4 letter from Udall that had 3 specific
15 questions.

16 One was asking for a brief description of the
17 safeguards contract research projects, the objectives,
18 funding level, for both '77 and '78.

19 Secondly, they wanted to know what are the signi-
20 ficant findings from all of our research efforts to date.
21 Later verbally added to that was how have these findings been
22 incorporated in existing or proposed regulations?

23 And finally, how are ERDA and NRC Research
24 Development Programs coordinated? How do they differ?

25 Yesterday morning, I had a call from Henry who had

1 received the answers to the latter 3 questions over the
2 weekend. He had seen them on Friday. Anyway, his comment
3 was that these are just not responsive. They are meaningless.
4 We don't know what we are talking about. And the only thing
5 that would satisfy him or that would be of any effect at
6 this point since they have to complete their budget markup
7 process this week is to come down and discuss the program
8 with him face to face which, of course, we readily agreed to
9 do.

10 Now, I think at least in my conversations with
11 him, and I believe as reflected by conversations that others
12 have had with him, there seemed to be a number of more or
13 less fundamental points he is having problems with.

14 One, he thinks the distinction between research
15 and technical assistance is a contrived difference, it is
16 unreal and doesn't really make any sense.

17 COMMISSIONER KENNEDY: Are we going to address
18 that question?

19 MR. GOSSICK: We can discuss that. There is a
20 problem there, and there are some difficulties. Why are not
21 all safeguard contractual activities run in one place --
22 namely, NMSS? Why is research involved in the first place?
23 What capabilities or expertise do they have?

24 This is apparently an area that he is far from
25 convinced in. He points to the enormous area of ERDA's

1 safeguard budget and program and whether it is necessary in
2 the light of what for NRC to do anything further. He obviously
3 believed there is great overlap and duplication between what
4 we are doing and what ERDA is doing.

5 As an aside, Dr. Myers compared NMSS' "bloated"
6 budget with the entire NRC budget which is \$3.13 million
7 compared to the \$19 million total this year in the effort in
8 NRC.

9 What Henry is saying --

10 COMMISSIONER KENNEDY: Is Dr. Myers the same as the
11 Mr. Myers you have been referring to? I assume so.

12 MR. GOSSICK: I'm sorry. Yes.

13 COMMISSIONER KENNEDY: Did he have any comments
14 about the domestic functions of ERDA?

15 MR. GOSSICK: No. This is comparison.

16 COMMISSIONER KENNEDY: I just wanted to know what
17 the relative comparison was.

18 MR. GOSSICK:-- As the upshot of all this, he says
19 that he is proposing to reduce the \$19.147 million to some-
20 thing like about \$2 million. In other words, he is going to
21 delete about \$17 million out of the NRC safeguards activity.

22 MR. HUBERMAN: He is going to recommend deletion.

23 MR. GOSSICK: He is going to recommend that to Mr.
24 Udall.

25 That would entail the \$10.9 that is in the

1 safeguards research budget would be zero and about \$6.1 in
2 technical assistance programs -- that mostly is NMSS --
3 some smaller amounts in standards, inspection, enforcement and
4 reactor regulation.

5 Of course, if that was to come about, it would have
6 a very heavy impact on what we are doing, what we started in
7 '77, causing considerable regression of that program and
8 wasting of some effort that has gotten underway that we
9 wouldn't be able to complete.

10 I think one of the problems that we have had is in
11 communicating with Henry in this area. If you will recall,
12 we took our program briefings down, both in a detailed nature,
13 to the staff. We had those meetings. There were some questions
14 and answers. There were large numbers of people there.

15 The program briefings were presented to Mr. Udall's
16 committee. I'd say there were perhaps some questions, but I
17 don't think that through those briefings and conversations,
18 we obviously got to some of the points that are mentioned by
19 Dr. Myers.

20 We have offered several times to have one-on-one
21 sessions such as we are going to try to do this afternoon.
22 And really, this is the first opportunity to do that, although
23 as I understand it, Congressional Affairs people have been
24 after Dr. Myers to address this or any other subject he
25 wishes to in that kind of a meeting.

1 Clearly, I think the further refinement of the
2 written answers, although we have taken another cut, based
3 on what we got back in the way of response, are here, and
4 I can leave those. I have brought them down with me this
5 morning. I don't know that that is really going to be
6 important.

7 I think it is important here to sit down with him
8 and address directly across the table some of the issues and
9 problems that he has and try to explain in the best way we can
10 what the problem is and be very candid in admitting when we
11 perhaps do have some problems, definition or for that matter
12 even the justification.

13 One of the things that he seems to be very hung
14 up on is the so-called modeling or evaluative projects, the
15 kind of efforts that research is pursuing. He doesn't seem
16 to think that that bears any promise, and it is just a waste
17 of money.

18 COMMISSIONER KENNEDY: Does he indicate the basis
19 for this judgment?

20 MR. GOSSICK: He has not other than just making
21 sort of a flat statement over the telephone, Mr. Kennedy.

22 COMMISSIONER KENNEDY: Have we looked hard, given
23 the nature of the allegation itself, at the underlying
24 rationale for and likely development of those modeling
25 programs?

1 MR. GOSSICK: I think I would have to defer to Ken.

2 MR. CHAPMAN: The issue that Dr. Myers must be
3 concerned with is can you build a believable model.

4 COMMISSIONER GILINSKY: What are these models like?

5 MR. CHAPMAN: There are 4 principal models that
6 eat up a big share of the budget. One is on security trans-
7 portation.

8 COMMISSIONER GILINSKY: What is being modeled?

9 MR. CHAPMAN: It models a transportation system
10 and its associated security arrangements and tries to put
11 those in perspective so that one can in effect plug in a
12 change of X numbers of guards or different kind of trailer
13 or different timing response of local law enforcement, any
14 factor that pertains to that shipment, and see how it per-
15 ceives the --

16 COMMISSIONER GILINSKY: This is some kind of a model
17 which describes some kind of attack?

18 MR. CHAPMAN: It models the security system and
19 allows you to play games with that security system to see
20 where its weaknesses or strengths are and how the relative
21 subsystem components play against those weaknesses. It is a
22 computer portrayal of a security --

23 COMMISSIONER GILINSKY: Physical security at the
24 transportation level?

25 MR. CHAPMAN: Physical security of a transportation

1 system.

2 CHAIRMAN ROWDEN: And you can gauge what if some-
3 thing happened.

4 MR. CHAPMAN: That's No. 1.

5 No. 2 is the same things for a fixed site.

6 Model 3 is controlled material fixed site model.

7 COMMISSIONER GILINSKY: The model in some sense
8 attacks the facilities?

9 MR. CHAPMAN: The model is a facility which
10 allows you to make attacks.

11 COMMISSIONER GILINSKY: Subjects you to attacks,
12 and you get a model response.

13 MR. CHAPMAN: Yes, sir.

14 The 4th model is an integration of a fixed site
15 material security.

16 COMMISSIONER GILINSKY: You have 2 transportation
17 fixed site --

18 MR. CHAPMAN: Material controlled at a fixed site
19 and integration, 4.

20 COMMISSIONER GILINSKY: What is the model in
21 material accounting?

22 MR. CHAPMAN: I will let Frank talk about that.

23 That is in my view a little bit less specific because we
24 haven't come down yet on our material control procedures.

25 But basically what is being modeled, as I understand it, is

1 the kind of system Livermore and Los Alamos have been working
2 on which is a reasonably highly automated material control
3 of the country system.

4 COMMISSIONER GILINSKY: Are we modeling that or
5 developing the Livermore system?

6 MR. CHAPMAN: We are not developing; we are modeling.

7 COMMISSIONER GILINSKY: ERDA is developing the
8 system?

9 MR. CHAPMAN: That is correct.

10 COMMISSIONER GILINSKY: Does that apply to the
11 Livermore system, too?

12 MR. ARSENAULT: Yes.

13 COMMISSIONER GILINSKY: ERDA is developing the
14 system; we are then modeling and looking and evaluating the
15 weak spots?

16 MR. CHAPMAN: We are trying to get the model, but
17 the models aren't built; they are about halfway completed.
18 That is one of the difficulties; we can't judge how useful
19 these things are going to be until we see how they function;
20 until there have been inputs and assumptions, we can't tell
21 how valid they are.

22 COMMISSIONER GILINSKY: The fourth is the integrated
23 model?

24 MR. CHAPMAN: Yes.

25 COMMISSIONER GILINSKY: What do these models run

1 apiece in dollars?

2 MR. CHAPMAN: Frank can tell you better than I,
3 but the budget shows \$1.6 at Sandia, '77-78, for the physical
4 transportation model; \$3.5 roughly for the fixed site
5 model.

6 CHAIRMAN ROWDEN: Was that \$3.5?

7 MR. CHAPMAN: For 2 years.

8 Almost \$4 million, \$3.8, at Livermore on the
9 material model, and \$2 million at the integrated model which
10 is now complete, I guess. The first phase of that is
11 completed.

12 MR. ARSENAULT: Yes.

13 COMMISSIONER GILINSKY: Where is the support for
14 the actual Livermore material system?

15 MR. ARSENAULT: I think I would like to go back
16 and adjust one of those points. The first step in the
17 development of a model that Livermore is developing is the
18 model of the facility itself because in the material controls
19 system, you are concerned much more with the location and
20 quantities of nuclear material. Hence, material control
21 depends a great deal on information systems and logic and
22 secondarily on physical devices which monitor the condition
23 of the material.

24 So one of the tasks that Livermore is conducting
25 is to model the AGNS reprocessing plant, for example, to

1 look for opportunities for diversion and then model the
2 information logic system that would allow you to detect that
3 in a timely fashion.

4 What ERDA is developing is the technology related
5 to the installation of equipment that would be used to monitor
6 the location and quantities of nuclear material. So the
7 support for the Livermore task that we are talking about is
8 entirely from NRC.

9 They do rely on data generated within the ERDA
10 program at both Sandia and LASL as a data base for the
11 exercise of the model.

12 MR. HUBERMAN: Is there any fundamental reason why
13 ERDA shouldn't also be funding this? In other words, would
14 it be a conflict of interest of any sort? We would depend
15 on it less if ERDA were to do this.

16 MR. ARSENAULT: Yes.

17 MR. HUBERMAN: I think you need to answer that
18 question to answer Henry's question.

19 MR. CHAPMAN: I am going to come back to that.
20 The question that has been raised by Henry is his own
21 suspicion of modeling. He is concerned that one cannot invent
22 credible models of these physical systems or material account-
23 ing systems; that the models themselves that have been invented
24 will be suspicious with regard to their validity. And he
25 is concerned that the people inventing the models have very

1 little practical experience in terms of actual safeguard
2 operations and responsibilities.

3 So the first question is: will the models be
4 credible? Will the assumptions be correct, verifiable, and
5 so on and so on?

6 The second question is: if they are credible, will
7 they be useful? Will they in fact have a significant impact
8 in our ability to carry out safeguard programs?

9 Those are the 2 fundamental issues. First, he
10 doesn't believe, based on his own experience, you can build
11 credible models around this transportation.

12 Second, he is not convinced they will be useful
13 if credible.

14 CHAIRMAN ROWDEN: To which our response is?

15 MR. CHAPMAN: Our response is the only response we
16 have at the moment -- they are not far enough along with
17 this yet for us to determine whether these models are
18 credible.

19 COMMISSIONER KENNEDY: How much money has been
20 invested already?

21 MR. CHAPMAN: Well, as I said, the '77 budget was
22 \$5.5 million.

23 COMMISSIONER KENNEDY: That money has been spent?

24 MR. CHAPMAN: Well, it is being spent.

25 COMMISSIONER KENNEDY: How much is it going to cost

1 to produce these models?

2 MR. CHAPMAN: I think Frank can answer that better
3 than I, but from what I have seen, it will take another 6
4 months or more of work to get the models to the point where
5 we can judge whether they have a use, validity.

6 COMMISSIONER KENNEDY: At what cost?

7 MR. CHAPMAN: At the end of the '77 budget, and
8 I assume most of that would be spent at that time, it would
9 be \$5.5 million.

10 COMMISSIONER KENNEDY: In other words, with that
11 \$5.5 million, we can assume there will be 4 credible models?

12 MR. CHAPMAN: There are 2 things that have to be
13 done here before we can answer the question directly. The
14 first thing is that we have got to very carefully go over the
15 inputs to the model development, what assumptions are being
16 made, how is this thing being played, what is the arithmetic
17 involved? Are we getting some equations that aren't really
18 relevant?

19 The second thing is once the model is sufficiently
20 complete so you can use it, then we have got to test it
21 against our actual field experience, against expert opinion,
22 against whatever judgments we can make.

23 When those 2 steps are done, I think we can answer
24 the question: is the model credible, and will it be useful?

25 CHAIRMAN ROWDEN: But when we entered this program,

1 it must have been with some reasonable expectation that we
2 could develop a useful end product here. Is that based on
3 experience or is that just based on analysis or what? What
4 is the basis for giving us some level of confidence that this
5 would be a useful expenditure of money?

6 MR. CHAPMAN: I am not sure there was a prejudgment
7 that it could be done.

8 CHAIRMAN ROWDEN: Was it experimental?

9 MR. CHAPMAN: I think it was prejudgment if it could
10 be done, it would be useful.

11 CHAIRMAN ROWDEN: Has it been done in the past?

12 MR. CHAPMAN: There has been modeling done in the
13 past some of which has been presented to this Commission,
14 some of which has been very bad, some of which has been pretty
15 good. I would say we have had mixed experiences with this
16 kind of activity in the past. But if these can be done, it
17 will facilitate the staff operation in safeguard by allowing
18 us to theoretically without going out test and probe these
19 various systems.

20 So it has some utility. Exactly how it will be
21 used, I'm not sure. It should be useful pretty much across
22 the board in our safeguard activities. But I wouldn't at the
23 moment be able to stand up and say we are convinced yet
24 these models can be developed in a credible and useful way.

25 CHAIRMAN ROWDEN: Has ERDA used this modeling

1 approach in its own program?

2 MR. CHAPMAN: ERDA is very much in favor of modeling
3 in a different sort of way. Many of these things had some
4 early support from ERDA. Some of them with slightly different
5 labels still have some support from ERDA. And the research
6 people have simply focused on these specific projects that are
7 directly relevant to their licensing operation.

8 COMMISSIONER GILINSKY: I think maybe the comparison
9 actually was off base, but these numbers we are talking
10 about are comparable to --

11 MR. CHAPMAN: They are very big numbers; there is
12 no question.

13 COMMISSIONER GILINSKY: -- the amounts of money we
14 talk about when we talk about upgrading security in the
15 industry.

16 MR. CHAPMAN: Yes, sir.

17 COMMISSIONER GILINSKY: So they are not insigni-
18 ficant numbers.

19 MR. CHAPMAN: No, and there is another way to say
20 it if one wants to be absolutely candid. If these models
21 never existed, never were built, we would probably still be
22 able to give you a safeguard program. We would have to muscle
23 through a little bit more; we may have less sophistication.

24 CHAIRMAN ROWDEN: Does it give us a sounder basis
25 for that program?

1 MR. CHAPMAN: This should give us a sounder basis
2 once we verify these models have some --

3 COMMISSIONER KENNEDY: It seems to me -- stop me
4 if I am wrong -- from your description of the nature of these,
5 models that I have looked at in the past, in any event, if
6 they are successful, if the project is successful, there is a
7 great deal better basis for ascertaining the variety of mixes
8 of subsystem components that might be put together and judg-
9 ing the validity of the total in any given case.

10 CHAPMAN: Absolutely.

11 COMMISSIONER KENNEDY: With a good deal less
12 subjectivity than will otherwise have to be the case.

13 COMMISSIONER GILINSKY: What is your experience?
14 Have people been able to model small unit actions?

15 COMMISSIONER KENNEDY: Sure.

16 COMMISSIONER GILINSKY: In an effective and useful
17 way?

18 COMMISSIONER KENNEDY: Sure. But it depends, of
19 course, on the nature of the input. Yes, you can model them
20 pretty well, but it depends entirely on the nature of the
21 input.

22 MR. CHAPMAN: I think the Rand work in connection
23 with Vietnam, some of the caisson was pretty credible. It is
24 a mixed bag. There have been some good models and some bad
25 ones.

1 COMMISSIONER KENNEDY: One factor that is obviously
2 always loose in a model of small unit action is you have to
3 make some assumption about the quality of people and their
4 motivation. You can be off by a factor of 10.

5 MR. GOSSICK: I guess another way of looking at
6 this in talking about research is sometimes it is just as
7 important to find out that you can't develop it or that it
8 doesn't lead you anywhere.

9 COMMISSIONER KENNEDY: Here, it seems to me what
10 is important is that you are going to get some quantitative
11 judgment of the relative merit of a variety of subsystem
12 components as they are interrelated. And without doing some
13 kind of a mathematical modeling exercise, I'm not sure how
14 you do that.

15 The variety of subsystem components that you can
16 make is pretty large.

17 MR. CHAPMAN: If you can get reasonable staff
18 input for support or activity in connection with this develop-
19 ment, it forces an organization. And that is one of the points
20 that the research people make. It does force you to organize
21 your approach to thinking about a total safeguard system.

22 One of the weaknesses in my mind that we face in
23 this thing is that we are dealing with a very limited industry
24 which is probably decreasing day by day. Models have a
25 utility when you deal with fairly broad problems.

1 CHAIRMAN ROWDEN: Are these models geared to very
2 specific material, generally high uranium?

3 MR. CHAPMAN: It doesn't matter. You are just
4 putting in something valuable and seeing how your security
5 system works. The point is if we were dealing with several
6 hundred facilities, it would be a lot more useful, and we
7 could show a great deal more benefit out of the model than
8 we can where we are only dealing with a half a dozen.

9 COMMISSIONER GILINSKY: I think we are cranked up --

10 MR. CHAPMAN: When we were expecting nuclear energy
11 to take off.

12 COMMISSIONER GILINSKY: -- about having to deal with
13 a large number of plants and trying to figure how to do that.
14 And, therefore, we went to computer models.

15 CHAIRMAN ROWDEN: We haven't quite solved all our
16 problems with respect to the small numbers of plants we are
17 actually licensing.

18 MR. CHAPMAN: I make the point because I think
19 that is a weakness, spending this much money to develop
20 models when we are dealing with a small number --

21 COMMISSIONER GILINSKY: We are arguing about 1
22 extra guard.

23 MR. CHAPMAN: I don't really think, however, short
24 of this kind of an approach -- and maybe you can do it if
25 you can do it with some slightly less level of sophistication,

1 but without an approach of this kind, I don't know how you are
2 going to be able to judge the total effectiveness of a system
3 made up of a series of subsystems each of which can be varied
4 according to our own rules.

5 We are going to allow in our own rules, and it
6 seems to me wisely so, the licensee to vary the mix of
7 subsystem components he will employ so long as a performance
8 level, performance standard, is going to be met. Untill
9 you have some way to measure the realitive effectiveness of a
10 series of subsystem components, varying them one against
11 another, I don't know how you can really judge relative
12 merit of the total system against the performance standard
13 except in a more or less subjective way which is what we are
14 trying to get away from.

15 That is one place where quantification may have
16 some value.

17 MR. GOSSICK: One of the other things is, and I
18 don't know whether it is particularly pertinent, but, of course,
19 Dr. Myers and that committee having seen this budget, I'm
20 sure, even when they look at the history which we have given
21 them, in '76, you know, we had over \$7 million in our budget
22 for safeguards. We identified throughout NRC about 171
23 people working in the safeguards business.

24 That over doubled in '77 in terms of dollars and
25 added more people, 255. Of course, now, that just happened

1 in our own crystal balling of what the problem is. There has
2 been a lot of, shall we say, help from the GAO, Joint Com-
3 mittee, TRCC, and there has been a lot of pressure, I think,
4 to cause us to build up the safeguard research program and
5 total program, both technical assistance and research.

6 I gathered in talking with Dr. Myers, it wasn't
7 even clear to him that this is specifically spelled out in
8 the conference report or the organization act where the
9 safeguard environmental health field cycle kind of research
10 was added, as you will remember, during the last throws of
11 the reorganizational hearings.

12 And OMB even prescribed the dollar levels we are
13 going through in there, as you recall. But that is the world
14 as we see it. And I'm sure he is looking at it somewhat
15 differently.

16 COMMISSIONER GILINSKY: Could I ask you, this
17 \$5.5 million is mostly in the '77 budget, right?

18 MR. CHAPMAN: Yes.

19 COMMISSIONER GILINSKY: So there is some follow-on
20 work. What is that for?

21 MR. CHAPMAN: Continuing to go to complete the
22 modeling.

23 COMMISSIONER GILINSKY: You said you thought 6
24 months.

25 MR. CHAPMAN: I said I thought in 6 months, we

1 could begin to get some feeling for whether or not the models --

2 COMMISSIONER GILINSKY: So really, there is still
3 a lot more money that needs to be spent.

4 COMMISSIONER KENNEDY: I missed that. I thought
5 you said \$5.5 million was the end of the program.

6 MR. CHAPMAN: No, no. That is '77 money. I said
7 in probably 6 months, which is toward the end of '77, we ought
8 to begin to have a feel.

9 COMMISSIONER GILINSKY: What would it take to com-
10 plete the program in its entirety?

11 MR. ARSENAULT: Well, I believe that towards the
12 end of calendar '77, we will have products out of the modeling
13 activities that are clear enough and usable enough to allow
14 a determination as to whether it continues to be a fruitful
15 avenue to approach.

16 COMMISSIONER KENNEDY: How much will have been
17 invested? Because we will be part way into '78 then. How
18 much will have been invested?

19 MR. ARSENAULT: We will have invested that.

20 CHAIRMAN ROWDEN: Of the '78.

21 COMMISSIONER KENNEDY: At the time we know whether
22 it is a worthwhile exercise, how much will we have invested?

23 MR. ARSENAULT: As an approximation, about \$7
24 million.

25 COMMISSIONER GILINSKY: It has to be more than

1 that. I thought it was \$5.5.

2 COMMISSIONER KENNEDY: It is another --

3 MR. ARSENAULT: Half into the next year.

4 CHAIRMAN ROWDEN: \$5.5 completing '77 authorization.

5 It will complete the '77 authorization and another \$1.5 million

6 from '78 which you think would have to be expended before

7 you reach that point in time?

8 MR. ARSENAULT: Yes, and a very small amount from

9 '76. That would put us at a time where we ought to be able

10 to assess the impact.

11 COMMISSIONER GILINSKY: What would it then take

12 according to your present plan to complete the program in

13 its entirety? Would it be completed in '78?

14 MR. ARSENAULT: This kind of activity can in

15 fact extend almost indefinitely, but not obviously at a

16 level --

17 COMMISSIONER KENNEDY: I have noticed that about a

18 great deal of laboratory activity. They are the one

19 institution which man has created which will never, never die

20 until man also is gone.

21 MR. ARSENAULT: The point is that there is not a

22 piece of hardware that arises out of this development. It is

23 in fact a tool and a technique. I would not expect the level

24 of effort ever to be as high as it is during the first few

25 years. But I believe if the program turns out to be as

1 successful as I certainly hope it is, there would be justifi-
2 cation for on-going work to refine and improve the data base.

3 COMMISSIONER GILINSKY: You are really talking
4 about --

5 MR. ARSENAULT: For several years.

6 COMMISSIONER GILINSKY: -- going along at roughly
7 a \$5 million level for several years here?

8 MR. ARSENAULT: I would say \$5 million level for
9 1 or 2 more years, and then I would think it would drop away
10 to less than half that.

11 COMMISSIONER GILINSKY: This deals mainly with the
12 fuel cycle safeguards and associated transportation, right?

13 MR. ARSENAULT: Yes, fixed sites and transportation
14 and includes material control.

15 COMMISSIONER KENNEDY: Fixed site only in the fuel
16 cycle area, not reactors?

17 MR. ARSENAULT: Includes reactors.

18 COMMISSIONER KENNEDY: That's what I thought. So
19 it is fixed site safeguards across the board.

20 MR. ARSENAULT: That's right. I point out that
21 some of our earliest outputs will be related to reactor
22 physical protection against sabotage, and we expect a report
23 on the application of some of these models to reactor physical
24 protection this spring. I don't know exactly when. Perhaps
25 in April; possibly, it will slip a month. I don't think that

1 report will result in a tool that could be used by NRC for
2 licensing or inspection, but we expect it to provide con-
3 siderable insights to the NRC staff and guide them in their
4 evaluations.

5 And it will also allow us to review the content of
6 the program that we have.

7 MR. GOSSICK: Ben, are you aware of any other
8 major hang-ups he has in the diplomatic sense?

9 MR. HUBERMAN: Is there any philosophical or legal
10 reason why ERDA couldn't do it. to answer Henry's question,
11 you have such a huge budget, why couldn't they pick up this?

12 MR. CHAPMAN: Obviously, ERDA can do this. ERDA
13 can provide all of our terms. The question here is the question
14 of independence.

15 CHAIRMAN ROWDEN: Let me raise the philosophical
16 question --

17 MR. CHAPMAN: The law relocated the research organ-
18 ization in NRC. I believe there is a reason.

19 CHAIRMAN ROWDEN: As a philosophical question,
20 the purpose of this is to give us a basis for making licensing
21 determination. This is essentially the reason why we are in
22 charge of this particular research activity, or we believe we
23 should be. I suppose some other agency could do it just as
24 they could do work in other areas.

25 I guess our position up to now has been that if we

1 are going to use this for making licensing evaluations and
2 determinations, we ought to be the one to determine what the
3 product is.

4 MR. GOSSICK: Well, it is certainly thoroughly
5 coordinated, and whether it comes out of their budget or our
6 budget, it still wouldn't be at less cost.

7 CHAIRMAN ROWDEN: There are really 2 questions.
8 Is it worth doing? And if it is worth doing, who should do
9 it? You want to get over the first threshold before you
10 reach the second one. What would the impact be if these
11 programs were simply terminated, the ones we are talking
12 about now?

13 MR. CHAPMAN: As I said, from your perspective,
14 I think the NMSS organization will give you that safeguard
15 program.

16 CHAIRMAN ROWDEN: The basis for it would be somewhat
17 different, though.

18 MR. CHAPMAN: The basis would be somewhat different.

19 COMMISSIONER KENNEDY: And necessarily more
20 subjective.

21 MR. CHAPMAN: Hopefully depending on how these
22 determinations for evaluations come out, whether IE or NMSS,
23 we would rely much more on expert opinion in our evaluations
24 and simply try to organize ourselves in a mechanical way
25 to determine the extent of the program as opposed to using

1 these kinds of tools.

2 COMMISSIONER KENNEDY: We have noticed, I think,
3 regularly the unanimity among expert opinion. It has been a
4 big help to us from time to time.

5 COMMISSIONER GILINSKY: Let me ask you, up to now,
6 and I realize these things are just in a formative stage,
7 have you had the occasion to use any of the results of these
8 programs? Have they affected any of your licensing decisions?

9 MR. CHAPMAN: Not directly. We used some of the
10 earlier modeling work that was done by Sandia on physical
11 securities. That was used initially in safeguard supplement.
12 The problem with that work as we got into it and started
13 using it and checking it more carefully was that it was based
14 on equations derived from essentially a Vietnam scenario in
15 which you have a fire pit, people actually shooting.

16 And, therefore, the weight of lead is the deter-
17 mining factor. That led to very large guard requirements with
18 heavy weapons to exchange lots of lead. As we got into it,
19 we decided that model was not the appropriate model because
20 that in our opinion was not the way these kind of attacks
21 were made.

22 So I think the first use of the model was also
23 used to a minor extent in some of their transportation
24 modeling, rather unsophisticated, but we have used that in
25 both the safeguard supplement and up-grade program.

1 So there has been some use. There has been some
2 iteration with both ERDA and the laboratories some of which
3 we have accepted, some of which we have rejected.

4 CHAIRMAN ROWDEN: Again, another question was raised,
5 a comparative one. Let's assume it has utilities and makes
6 sense for NRC to do it, might we be better spending this sort
7 of money for doing other things in this connection?

8 MR. CHAPMAN: That is a tough question.

9 CHAIRMAN ROWDEN: I know it is a tough question,
10 but I gather there is some specific concerns that underlie
11 the question.

12 MR. GOSSICK: You mean outside of safeguards?

13 CHAIRMAN ROWDEN: No, in the safeguards area.

14 MR. CHAPMAN: You think immediately of the 1 or 2
15 places you might. I am assuming you are going to spend
16 the money, you might spend, as Commissioner Gilinsky said,
17 somehow facilitating plant improvements.

18 CHAIRMAN ROWDEN: We couldn't spend it.

19 MR. CHAPMAN: I'm not sure that is --

20 COMMISSIONER GILINSKY: It is out of the same purse.

21 MR. CHAPMAN: It is money out of the same purse
22 that may be spent in that regard. If you gave it to me as
23 an option, I would spend a great deal simply building staff.
24 We are still woefully defective in terms of carrying out the
25 functions of the Commission in the safeguards area in terms

1 of staff.

2 CHAIRMAN ROWDEN: What about implementing recom-
3 mendations for study that have already been completed?

4 Obviously, Henry is sensitive as in the security agencies,
5 the recommendation obtains there. Are there measures that we
6 might be taking in that regard to follow up on our recom-
7 mendations?

8 MR. CHAPMAN: Let me turn that statement around a
9 little bit, Mr. Chairman. I am not sure that Henry Myers
10 is sensitive or upset over the outcome of the security agency
11 study and its treatment by the Commission. My impression
12 is that he is more convinced that those kinds of studies
13 done on a nonlaboratory basis by an individual who seeks out
14 the best sources of the model are, 1, less expensive and, 2,
15 far more productive.

16 My conversations with Henry are not so much he is
17 offended by any failure to use his study, but rather have we
18 taken advantage of all of the things that were done on that
19 kind of direct contract basis in support of these various
20 studies as opposed to simply writing 189 and dumping large
21 sums of money in the laboratory without being able to really
22 monitor, judge or control the output.

23 So I don't think it is the particular study; it
24 is the technique. He thinks this is a much better technique
25 for contracting than what he called the old AEC system.

1 And he would like to see us expand that kind of a contractual
2 technique in direct support of that particular program.

3 He has never indicated to me at least he is upset
4 by our failure to use any part of his study.

5 MR. ARSENAULT: Could I offer an observation in
6 connection with a previous question about the utility of the
7 model to point out that the preliminary modeling activities
8 that are now being built on within our program were used to
9 perform the vulnerability analysis studies of reactor sabotage
10 vulnerability by Sarlia. And those reports are finding use
11 in the NRR program and are finding use by utilities to
12 evaluate their current security systems.

13 So that, I think, is one place where these things
14 have been useful.

15 I think, too, that one aspect of these modeling
16 activities hasn't been mentioned yet today. And that is that
17 they provide a means by which one can demonstrate and
18 explain the basis for the regulatory decisions that are made.
19 They do this by at least replacing some aspects of the pro-
20 cess with objective procedures.

21 We will never replace all of the subjective
22 judgments that are made. So in these 2 respects, I think
23 they will have utility. These are very early days in a
24 program like this to expect outputs, particularly useful
25 outputs.

1 But there is one other preliminary output that has
2 found utility. A very simplified version of one of the
3 evaluation model components has been developed. And while I
4 think it is premature for application, NRR and some parts of
5 the NMSS program have showed an interest in exercising the
6 model again for purposes of providing them with insights
7 concerning the systems rather than for application to any
8 regulatory decision.

9 So these things, I think, are finding some
10 acceptance and utility.

11 MR. FRAZIER: At that point, you need to move it
12 back to answer the question: what are the alternatives to
13 using modeling as the basis for your regulatory decisions?
14 Ken has said expert opinion. I am not sure but that we don't
15 have certain names for what that expert opinion looks like
16 rather than some generic category we have glanced at and
17 the relationships; that we want to try and look at I&E.

18 Those kinds of things are certainly the kinds of
19 alternatives which one could use as exercises to establish
20 some experiential guesses.

21 COMMISSIONER GILINSKY: I think one to look at is
22 this system which we originally set up to deal with the
23 problem that seems less immediate now than it was when we
24 set up this research program which is still appropriate for
25 what would appear to be our current.

1 COMMISSIONER KENNEDY: Is it less immediate?

2 MR. CHAPMAN: It is a fair question.

3 COMMISSIONER GILINSKY: I mean the question of a
4 large-scale fuel cycle industry and so on.

5 MR. CHAPMAN: I would answer the following way.
6 Let's presume that we can complete at some time -- say a
7 year or so -- reasonable development of a model to a point
8 where you could use it. The question at that point is when
9 you ask the Director of Safeguards what the status of this
10 is and what would happen if you changed this or what is this
11 feature.

12 If you believe that output, then it is a very useful
13 tool. If you don't believe that output, then you shouldn't
14 have it.

15 COMMISSIONER KENNEDY: It certainly would provide
16 one more useful input to the Director of Safeguards.

17 MR. CHAPMAN: The exchanges that you and I have
18 had across the table have all been my opinion supported by
19 something or your opinion supported. The models tend to
20 formalize that.

21 COMMISSIONER KENNEDY: It certainly gives one more
22 basis for judgment.

23 CHAIRMAN ROWDEN: We are dealing with a universe
24 which encompasses reactors which is going to be a continuing
25 problem. We are also dealing with a universe of fuel cycle

1 facilities. Though small, it maybe is still a particularly
2 sensitive one and for which we still haven't completed our
3 own regulatory thing.

4 And there is nothing based upon my correspondence
5 and what I read which would indicate that problem is simply
6 going to go away on the basis of some interim requirements
7 for upgrading of guards that we have adopted.

8 MR. STRAUSS: Is it a problem models will avoid
9 the use of such activity, they wouldn't give them subjectivity
10 that they will not themselves incorporate the more or less
11 objective judgments of the folks who --

12 MR. CHAPMAN: They will help organize it, but I
13 think in the final analysis no one really believes it to be
14 real. YOU have got to have opinions and subjectivity, but it
15 certainly helps to focus and organize the answers or the
16 approach and foundation.

17 MR. HUBERMAN: It tests your intuition. This is
18 probably the best result.

19 MR. GOSSICK: That is certainly one of its big
20 areas as we understand it. I think another one that Ken
21 described very briefly this morning to me the nature of it
22 is the ERDA program in terms of hardware versus what we are
23 doing. I am not sure that either he understands or has just
24 listened carefully or believes. I'm not sure which.

25 But you might just repeat what you told me this

1 morning.

2 MR. CHAPMAN: I don't know how unless it is a funda-
3 mental matter ERDA versus NRC research -- I don't know how
4 this can become a problem because we have been very careful
5 to be sure that Harry Lyons and that program over there is
6 not repeated except where it may be necessary to verify
7 something.

8 And basically what ERDA has been doing in their
9 program has been developing hardware. And I can point to
10 things like retamake and trailer, the testing they are doing
11 against sabatage or rupture of these shipping agents and
12 guard training syllabus, various penetration techniques,
13 where they are going to try to get through concrete walls and
14 all that kind of thing, it is all physical technology
15 equipment, hardware pieces.

16 They are doing some conceptual work, but mostly
17 are oriented toward putting together a demonstration system
18 of safeguards either under Brookhaven for international
19 auspices or under Los Alamos for domestic auspices.

20 And what we are doing then is drawing on that
21 technology and trying to determine through these hopefully
22 models whether that is relevant to our kind of business.

23 For example, I have talked to the Commissioner.
24 The trailer is not relevant under the current situation. I
25 cannot force the current shipping agents to capitalize that

1 kind of a trailer. It is just too damn expensive for the
2 number of shipments. If we get into that mode, we are going
3 to have to buy that trailer or some other way, government
4 equipment or whatever.

5 We are looking at these things all the time, trying
6 to determine their direct relevance to the current mode of
7 operation. We may have to change our mode; we may have to
8 buy those trailers and offer them to the shippers.

9 So there really is just no conflict in what we are
10 doing here except for a little fuzziness that always exists
11 in research programs. I worry about it because we are both
12 putting money into the same pocket. We are putting money
13 into Sandia and Livermore, Los Alamos. And one worries about
14 whether that money is being kept pretty clean.

15 But so far as we can tell in looking at it, it
16 is clean. We are getting our fair share of their competence
17 and ERDA is getting their fair share of that competence. And
18 I think we are benefitting to some extent by having a single
19 contract.

20 COMMISSIONER KENNEDY: Could you help me with some
21 of the fuzziness I have about some of these programs by
22 explaining NRC operations support? That is \$1,350,000 in '78;
23 \$1,768,000 this year. Could you explain how that is different
24 from what NMSS is supposed to be doing?

25 MR. CHAPMAN: Well, I think the supporting study

1 aspect of the research budget that I told Frank about on the
2 way down is a number that can go either way. The effort can
3 be make. So-called supporting studies could just as well be
4 funded in NMSS' budget as the research budget because most
5 of this is directly user oriented.

6 COMMISSIONER KENNEDY: Isn't that what your tech-
7 nical support is?

8 MR. CHAPMAN: That's exactly what it is -- technical
9 assistance. So that we have asked research to fund some of
10 these things, but they could just as well be funded under
11 technical assistance support programs than be under the
12 research budget.

13 On the other hand, the things we have been talking
14 about are not quite so clean because they do have relevance
15 to inspection, inforcement, NRR and so on and so on.

16 COMMISSIONER KENNEDY: And they are somewhat longer
17 range.

18 MR. CHAPMAN: For example, however, in the operation
19 support that is principally a study for regional, not for
20 me. The main benefactor of that study if it pays off will
21 probably be the inspection people and not the NMSS people.
22 So it is a judgment.

23 But I think in all honesty that supporting study,
24 which pocket it comes under, is purely a decision. It is
25 bureaucratic, administrative.

1 COMMISSIONER KENNEDY: Was the information systems
2 program just at \$1 million?

3 MR. CHAPMAN: That is a program called ISUS,
4 Integrated --

5 COMMISSIONER KENNEDY: Or is that the program, I
6 thought, that had been in being for --

7 MR. CHAPMAN: No, no. We are now funding through
8 Oak Ridge an ERDA program that used to be called Nuclear
9 Material Information Systems and now called Nuclear Material
10 Management Safeguard System. That program has limitations.
11 In fact, the Oak Ridge people came back in the last week or
12 so to ERDA saying they are not sure they can add any more
13 subprograms to the thing.

14 It has now a manpower of something like 7 people
15 or so, and it does not contain the information we need to
16 make our safeguard programs in terms of the White Book that
17 you are familiar with and other things that we report or
18 keep track of. Nor do we think it is adequate in the long
19 term for the IEA reporting requirements.

20 We are taking a look through a contract just
21 initiated with Boeing to see if we can more efficiently
22 collect information that is relevant to our interest and
23 reproduce that. This is across the staff. It would take all
24 the IE information, SD requirements, NRR, NMSS, put this
25 all together and spend a year and about \$1 million looking

1 at whether that could be put together in some kind of a
2 data pool which we could then program withdrawals pertinent
3 to our specific needs, including IE.

4 If we can do that, then we will decide whether
5 or not the NMSS becomes a subset program of that overall
6 thing or whether we will go another route. So it has about
7 a year's study effort looking at this data processing.

8 COMMISSIONER KENNEDY: I'm not arguing whether it
9 ought to be done or not. I guess after I hear your explanation,
10 my concern is the one which you have expressed before. And
11 that is as to where it is in our budget, whether it belongs
12 in research or whether indeed it belongs as part of the
13 technical assistance efforts of the individual operating
14 offices.

15 I am not going to change anything about the money.

16 MR. CHAPMAN: It happens to be in both. We
17 have about \$400,000 in our budget also.

18 COMMISSIONER KENNEDY: That makes the fuzziness in
19 my mind greater, not less.

20 MR. ARSENAULT: I would like to comment on that.
21 Commissioner Kennedy may recall during the budget briefing,
22 he raised the question of whether or not the support of the
23 inspection activities should be technical assistance. And
24 the Director of the Office of Regulation and I both responded
25 that we would be happy that it did smell and taste a great

1 deal like technical assistance.

2 The reason why it was initiated in research was
3 because the Office of Inspection and Enforcement had a require-
4 ment for this work and had neither the technical capabilities
5 nor the financial resources to initiate it and that when they
6 developed those, we would be happy to transfer it to them.

7 COMMISSIONER KENNEDY: Perfectly good pragmatic
8 answer.

9 MR. ARSENAULT: And with regard to information
10 systems, I believe that both the Office of Research and the
11 Office of Nuclear Materials Safety and Safeguards have some-
12 thing to contribute to this program. And again, we had the
13 resources to get it started so we have initiated it.

14 COMMISSIONER KENNEDY: That is the kind of an answer
15 I think which would solve some of the problem with Dr. Myers.
16 The question there is the research budget. And if it
17 appropriately belongs in the research budget, it is one thing.
18 If it is there because it happened to be a useful source of
19 technical expertise and funds at a time when they were
20 critically short elsewhere, that is another question.

21 It is a perfectly reasonable thing to do, but they
22 ought to understand that that is why it is and not because it
23 is a big research program. And I suppose the same thing would
24 apply to the topical studies.

25 MR. ARSENAULT: Topical studies, I think the

1 paper we prepared is functional. It is a miscellaneous
2 category to permit us to do studies on specific subjects that
3 require data collection or analysis. It is neither clearly
4 research nor technical assistance. It is a bag that simply
5 doesn't belong anywhere else in a research program.

6 I think what we do there is properly research, but
7 what we do is not redetermined.

8 MR. CHAPMAN: Let me just tell you what I believe
9 the punch line of this thing is. What we are dealing with
10 today is the recommendation that Dr. Myers will make to the
11 committee as a whole regarding our budget. What I am informed
12 is that we are probably no matter what words we use this
13 afternoon not going to be totally convincing that the payoff
14 of these efforts will be worth the amount of money being
15 requested.

16 On the other hand, I am also told that if this
17 Commission makes a very strong, positive assertion that this
18 work is useful and necessary that the committee as a whole
19 will probably pass the budget as it was submitted.

20 COMMISSIONER KENNEDY: So how does the Commission
21 go about making that strong assertion since it has already
22 been there and my understanding is it is not going back?
23 Is that it?

24 CHAIRMAN ROWDEN: We have completed our submission
25 process unless they have further questions. What further steps

1 have to be taken if indeed there are any open to us? That
2 would depend on what the specific problems are. That is the
3 purpose of your going up there for discussion.

4 MR. GOSSICK: That's right. As far as I know, this
5 is the only area that is being requested. I presume that
6 Dr. Myers, if he was to make such a recommendation to the
7 Chairman, would propose to report out a bill like that, then
8 we might have some other opportunity to go back either to the
9 Chairman or in some form to express our views.

10 And I think it is going to be a rather unpopular
11 view at least as looked at by other committees as both
12 Ford and the Carter Administration and OMB have allegedly
13 scrubbed this program.

14 CHAIRMAN ROWDEN: How does this process work? It
15 would be Henry's recommendations to the subcommittee as to
16 what should be done?

17 MF. GOSSICK: Right.

18 CHAIRMAN ROWDEN: They would adopt a position which
19 they would recommend to the full committee, and there may be
20 an opportunity for expression at that point quite apart from
21 our relations with other committees. That is normally the way
22 the process works.

23 MR. GOSSICK: That's my understanding of it. I
24 think just sitting down with him very candidly, going through
25 this whole area and addressing as many of his concerns and

1 problems as we can as openly and honestly --

2 CHAIRMAN ROWDEN: An honest presentation for what
3 the basis of our request is, is that it?

4 MR. GOSSICK: That's it as far as we are concerned.
5 We will do our best.

6 MR. STRAUSS: Before you go --

7 CHAIRMAN ROWDEN: That's why you are here.

8 MR. STRAUSS: Recapitulation.

9 As I heard the discussion, there were basically 2
10 sorts of things that occurred. You heard from time to time
11 in more or less discrete portions of the discussion from Ken
12 and Lee and some others respecting their understanding of Dr.
13 Myers' concern and to some extent, but a very limited extent,
14 a discussion of tactics in responding to those specific
15 concerns.

16 And I have no difficulty in concluding that those
17 parts of the discussion were well within the rationale for
18 closing the meeting.

19 CHAIRMAN ROWDEN: What is that rationale? Would
20 you recapitulate that again?

21 MR. STRAUSS: When you are going to be having
22 discussions with the Congress or a committee of the Congress
23 or somebody who works for the Congress, you need not do this
24 in public. It would significantly frustrate that discussion.

25 CHAIRMAN ROWDEN: Any discussion or discussions

1 relating to specific pieces of legislation or the budget.

2 What are the parameters of that objection?

3 MR. STRAUSS: It would have been Congressional
4 business.

5 CHAIRMAN ROWDEN: Any Congressional business?

6 MR. STRAUSS: I would think Congressional business
7 would be included. And it has to do with 2 things. From
8 your perspective of preserving tactical ability; from the
9 committee's perspective, preserving the politeness of their
10 getting the response first and also preserving some degree
11 of confidence.

12 CHAIRMAN ROWDEN: Not inviting them down to the
13 Public Document Room.

14 MR. STRAUSS: That's right, or others that Ken
15 can talk about what he understands from Henry Myers or of
16 Henry Myers without either consulting or misrepresenting the
17 man in public or giving away confidences or whatever the
18 case might be.

19 Now, the other part of your discussion, and they
20 were relatively discrete portions, concerned briefings on the
21 particular items that Dr. Myers turns out to be interested
22 in. You talked for a long time about these programs that are
23 being done up at Sandia, the models that are being done at
24 Sandia and Livermore and the like. That discussion in and
25 of itself, it was hard for me to hear anything in that

1 discussion that could be closed.

2 The closest I came to it was at the conclusion, Ken
3 said something about, well, in order to get this, it is going
4 to require the Commission's strong and unequivocal support.
5 I suppose an argument could be made that having a record on
6 which Commissioners ask questions would suggest that they are
7 not strongly and unequivocally behind this, but rather
8 interested to know what is going on and a little bit skeptical
9 about it and could interfere with that tactical approach.

10 I can't say I think terribly much of that line of
11 reasoning. And so my impression now is that while the matters
12 that deal directly with Mr. Myers and his representations are
13 appropriately withheld, we should review the transcript for
14 those discrete chunks, and I think there are a number of
15 them ranging from 5 or 10 minutes in length, that were
16 briefings on the particular programs rather than discussions
17 of what was going to go on up on the Hill this afternoon
18 and put it in the PDR.

19 CHAIRMAN ROWDEN: That is what you will recommend?
20 You will examine it?

21 MR. STRAUSS: That's right.

22 MR. HUBERMAN: By the way, for the future, would
23 Lee and Ken and Frank and analogous people get a chance to
24 review that transcript and see if they agree with you?
25 In other words, sanitize it first or you do it on your own?

1 MR. STRAUSS: That's entirely the Commission's
2 decision.

3 MR. HUBERMAN: If it is standard operating procedure
4 for the future --

5 MR. STRAUSS: I will be happy to do it if they would
6 like to review the transcript. I will be happy to let them
7 review the transcript.

8 MR. HUBERMAN: Is it right or wrong or neutral
9 for the people who are --

10 MR. STRAUSS: I think the more time we spend on
11 this exercise rather than doing other things, the worse off
12 we will be, but any procedure the Commission wishes to follow
13 is fine.

14 CHAIRMAN ROWDEN: Why don't you come up with a
15 sensible recommendation in this regard? Obviously, your view
16 of the law has to be the bottom line consideration, No. 1.

17 No. 2, to the extent that others participate in
18 the process, you may want to get their view before determination
19 can be made.

20 MR. HUBERMAN: It seems to me a lawyer can't be
21 sensitive to whether something that has been said is classified
22 or not if he doesn't exactly understand what has been said.

23 CHAIRMAN ROWDEN: That is the easy question. The
24 more difficult question is one of sensitivity.

25 MR. STRAUSS: There was some mention of Rand Vietnam

1 models -- I'm glad you reminded me of that -- during the
2 meeting. The question came up in my mind whether they were
3 classified or not.

4 MR. HUBERMAN: At one time, they were classified.

5 MR. STRAUSS: The one other remark I would make --

6 MR. HUBERMAN: It makes general sense.

7 CHAIRMAN ROWDEN: I think it is a valid point, and
8 I think Lee ought to be the point of contact.

9 MR. STRAUSS: I raise a tactical question for you.
10 Of course, closing meetings like this is a matter of your
11 judgment wholly beyond what you may do as a matter of law.
12 And you may on occasions believe since open meetings are not
13 transcribed and these meetings are, there may well be
14 occasions when you say to your selves, "Well, we will have
15 the open meeting and have no record of it."

16 COMMISSIONER GILINSKY: Let me ask you what would
17 have been the alternative for us if we wanted to have an
18 open meeting? Could we do it on that short schedule? --

19 MR. STRAUSS: In the circumstances that existed here,
20 you didn't find out until yesterday, absolutely.

21 COMMISSIONER GILINSKY: We could simply have had
22 an open meeting.

23 MR. STRAUSS: That's right.

24 COMMISSIONER GILINSKY: How would you notify anybody?

25 MR. STRAUSS: Yesterday when you found out about it,

1 the secretary would have followed his usual --

2 COMMISSIONER KENNEDY: We didn't decide to have
3 the meeting until 5:00 o'clock as I recall.

4 COMMISSIONER GILINSKY: Then, what would you have
5 done?

6 MR. HOYLE: There is not much we can do, Commissioner.
7 We would have put a notice in the Public Documents Room last
8 night. Of course, no one would see it until first thing
9 this morning, and then only by chance.

10 COMMISSIONER GILINSKY: So there would be a notice
11 this morning.

12 CHAIRMAN ROWDEN: I don't want to appear to be
13 playing games in this regard to say, "Okay, we will have an
14 open meeting since nobody will attend if we don't have a trans-
15 cript." That wasn't the philosophy of our approach. It was
16 straight forward implementation of a recommendation made to
17 us.

18 MR. STRAUSS: That is one reason I was as strong as
19 I was last night as soon as the issue of the meeting came up
20 about saying, "All right, now is the time to get together
21 and make this decision."

22 MR. HUBERMAN: Shouldn't we have a procedure where
23 anybody who wants to be informed in the outside world gives
24 the secretary his phone number and whenever such a meeting is
25 called, those people get a phone call instead of this mickey

1 mouse procedure?

2 COMMISSIONER KENNEDY: The only trouble with that
3 is that I think we would have to circularize the nation rather
4 broadly and widely if we are going to be fair about that.

5 COMMISSIONER ROWDEN: We will get Dr. Schlesinger's
6 list of 450,000.

7 MR. HUBERMAN: We put it in the Federal Register.

8 MR. STRAUSS: I think the secretary does have a
9 list of people who do want to be informed.

10 MR. HOYLE: We do have 12 on a list now, mailing
11 list. And we also have phone numbers for --

12 CHAIRMAN ROWDEN: Press primarily.

13 COMMISSIONER KENNEDY: Who are they?

14 MR. HOYLE: Walter, could you explain who the 12
15 are?

16 MR. MAGEE: One from the press, a number of private
17 citizens plus Bechtel, Babcock and Wilcox and several other
18 industry-related individuals.

19 COMMISSIONER KENNEDY: I would like to know who
20 is on that list and how we made it up.

21 MR. MAGEE: These are persons who responded to our
22 invitation to receive mailings from us on meeting announcements.

23 MR. HUBERMAN: That is nice, but when a meeting is
24 called on an hour's notice or 5:00 o'clock yesterday, giving
25 them something in the mail is not exactly giving notice.

1 MR. STRAUSS: It might be possible to.

2 MR. HUBERMAN: Of course, I can't say from the
3 legal standpoint.

4 COMMISSIONER ROWDEN: Why are you being so modest?

5 MR. STRAUSS: What is is practical so far as the
6 law is concerned, but I suppose it would be possible to
7 mechanize the process. You put their phone numbers on magnetic
8 cards. You have sort of a reverse telephone answering device.
9 And somebody picks up the phone.

10 COMMISSIONER GILINSKY: We could have a recording.

11 MR. STRAUSS: We pick up the phone and record,
12 "This is the Secretary of the Nuclear Regulatory Commission."

13 CHAIRMAN ROWDEN: Whatever is taken out, we could
14 add to our budget in that matter.

15 COMMISSIONER KENNEDY: I was going to say sooner
16 or later, we would have provided all of the necessary
17 accouterments for a full and open process and have no process
18 left to conduct.

19 CHAIRMAN ROWDEN: No process.

20 MR. HUBERMAN: I think unless you do something
21 like that, this is a farce.

22 CHAIRMAN ROWDEN: What is a farce? We are trans-
23 cribing this, and it is being edited to release the portions
24 which are publicly available.

25 MR. HUBERMAN: Excuse me, we are talking about open

1 meetings now.

2 CHAIRMAN ROWDEN: You mean suddenly called open
3 meetings? Sure. That is the point I was making. It would
4 be viewed as a stratagem for not revealing what goes on in
5 Commission meetings.

6 MR. HUBERMAN: I was reacting to exactly that
7 point -- call an open meeting, no record, nobody shows up.

8 CHAIRMAN ROWDEN: That is the precise observation
9 I was making. You have to be careful you don't appear to be
10 playing games.

11 MR. STRAUSS: That is a consideration that is equally
12 applicable to anything that is called on a week's notice.

13 MR. HUBERMAN: Not if a guy gets a notice in the mail.

14 MR. STRAUSS: There is a consideration in some
15 circumstances you might rather take your chances on who will
16 show up than have a transcript.

17 CHAIRMAN ROWDEN: Can you answer one question?
18 That is the NRC-ERDA overlap.

19 MR. GOSSICK: I have revised pieces on the
20 attachments. That is replying to the March 4 letter from
21 Mr. Udall. I will get these to John.

22 CHAIRMAN ROWDEN: As a matter of fact, it was shown
23 to each of your offices before it went out.

24 MR. GOSSICK: I don't propose to leave anything
25 else over there with Henry this afternoon.

1 COMMISSIONER KENNEDY: This paper was the March 4?

2 MR. GOSSICK: I'm not sure Henry even wants any more
3 paper, but I guess we could give it to him this afternoon.
4 It has been revised, and I will get it to John.

5 CHAIRMAN ROWDEN: The meeting is adjourned.

6 (Whereupon, at 12:10 p.m., the meeting was
7 adjourned.)

8 * * *

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

9.7



OFFICE OF THE
SECRETARY

UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555

August 14, 1980

COMMISSION DETERMINATION REGARDING PUBLIC DISCLOSURE
UNDER THE GOVERNMENT IN THE SUNSHINE ACT OF:

Transcript of Discussion of Safeguards
Research Budget, March 22, 1977

Pursuant to the Commission's regulations implementing the Government in the Sunshine Act (10 CFR 9.108(d)), it has been determined after a further review of this transcript that the entire text can be released to the public.

A handwritten signature in black ink, appearing to read "Samuel J. Chilk".

Samuel J. Chilk
Secretary of the Commission