



Transcript of Proceedings

NUCLEAR REGULATORY COMMISSION

BUDGET MARKUP SESSION

(Closed to Public Attendance)

Monday, August 6, 1979

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UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

BUDGET MARKUP SESSION
(Closed to Public Attendance)

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

Monday, August 6, 1979

The Commission met, pursuant to notice, at 9:50 a.m.,
Joseph Hendrie, Chairman of the Commission, presiding.

PRESENT:

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

ALSO PRESENT:

- L. Gossick
- L. Barry
- T. Engelhardt
- B. Cooper
- N. Monaco
- N. Haller
- D. Donoghue
- R. Smith

P R O C E E D I N G S

1
2 CHAIRMAN HENDRIE: Why don't we get started.

3 Walt, if you could do anything about the atmosphere,
4 it would probably be good to do it.

5 MR. MAGEE: I'm afraid we are having air conditioning
6 problems again.

7 CHAIRMAN HENDRIE: Yes.

8 MR. GOSSICK: Don't cool it down too much, I can't
9 work in anything less than 90, that's what I'm used to in my
10 building.

11 CHAIRMAN HENDRIE: There seems to be a little dig
12 there.

13 MR. GOSSICK: That was for Donoghue's benefit.

14 Mr. Chairman, there are a couple of pieces of paper
15 that over the weekend got reproduced down here. It is answers
16 to questions, I believe, primarily Commissioner Ahearne asked.
17 One, the "planning wedge" and two, the State Programs ---

18 CHAIRMAN HENDRIE: Well, let me start out and fill a
19 procedural requirement.

20 This is the first of the Commission's Markup
21 Sessions. We have heard the office presentations on the
22 budget and the budget discussions thus far have been in public
23 session. We now come to a series of meetings when, consistent
24 with past practice, I would propose that we close the meetings
25 with the understanding that the transcripts would be reviewed
and released when the appropriations actions, that we are hoping

1 to lead toward here are finally consummated.

2 For today's session, these initial ones, the intent
3 was to limit attendance to Commissioners, their assistants,
4 Commission offices, the EDO and Controller and the Budget
5 Review Group people. As we work on in to the markup sessions,
6 I think we will come to times when we will have some of the
7 individual office people here to have some exchange on particular
8 points in their program. But at the moment, we will start out
9 without them.

10 With that background of a procedural note, I would
11 ask you to join me in voting to close under Exemption 9, of
12 this Budget Markup Session, and similar meetings on the
13 same subject for the next 30 days, then we won't have to vote
14 to close everytime we have one of those. We will have a
15 certificate by the General Counsel and so on.

16 Those in favor?

17 COMMISSIONER AHEARNE: Aye..

18 COMMISSIONER BRADFORD: Aye.

19 CHAIRMAN HENDRIE: Aye.

20 So ordered. Good.

21 Now, we can go ahead and have said closed meeting.
22 Lee, you said you were circulating more papers?

23 MR. GOSSICK: There have been a number of questions
24 asked, and these are just answers to questions. One in the
25 area of State Programs, and secondly, with regard to NRR, the

1 cost of the people being loaned, hopefully, from other
2 agencies as the so-called "planning wedge" question, which
3 was brought up one day last week.

4 Also, alternative inspection routines for I&E
5 on the unit inspection question, N-minus one and so forth.
6 There were about five alternatives and Mr. Stello has provided
7 the numbers for it.

8 CHAIRMAN HENDRIE: I'll tell you what we might
9 contemplate, I don't know, how well traveled the corridors are
10 by the general public, but we could do ourselves a hell of a
11 lot of good from the air standpoint in breathing by just opening
12 the doors.

13 I must say, for myself I would be glad to trade the
14 breathing room for whatever residual loss of total security
15 one would suffer thereby.

16 COMMISSIONER AHEARNE: How is the air conditioning
17 in your room?

18 CHAIRMAN HENDRIE: Probably -- it was running in my
19 office, so I assume it is all right in that small room.

20 COMMISSIONER BRADFORD: How about the small room
21 across the hall?

22 CHAIRMAN HENDRIE: It's probably running over there.
23 I have a notion that there is a selective breakdown
24 mechanism which observes spotted meetings of the Commission
25 and switches some bad fuses. Would you like to trade?

1 COMMISSIONER BRADFORD: This would be a fairly big
2 group for your little room, I would think, but if the room
3 across the hall is -- I guess it isn't wired properly, though,
4 is it.

5 COMMISSIONER KENNEDY: It isn't wired at all.

6 CHAIRMAN HENDRIE: Well ---

7 COMMISSIONER BRADFORD: I'm happy either way. It is
8 not insufferable in here yet.

9 CHAIRMAN HENDRIE: I'll tell you, the doors have been
10 shut and it seemed very stuffy when I came in. With the doors
11 open, it may turn out not to be -- simply grim but not
12 unbearable.

13 Now, where were we. Stuck will all these new papers.
14 That's it, my faithful mechanical pencil has just run out of
15 lead. I take this a symbol here at the very first, I'm about
16 to mark the budget up and my pencil is broken. I think I'll
17 just go home.

18 Why don't -- Let me know one overall thing, and then
19 I think we ought to just start at the beginning. The
20 numbers come out large and not surprisingly, particularly on
21 the people's side. I think that's a place where we will have
22 to be looking with some care, and it seems to me -- as I have
23 gone through it, it seems to me there are places for it to
24 come down a bit and there will still be substantial requests.
25 I would mark it up, at any rate, not as high as indicated here.

1 The dollars are ---

2 MR. BARRY: About \$123 million over, if we are going
3 to get into '80, excluding the supplemental.

4 CHAIRMAN HENDRIE: Well, heaven only knows how the
5 supplemental will come through, but if it is, for instance,
6 of the order of \$45, we are on a \$363 million base now, if
7 \$45 gets us close to \$410 as a total in '80 and some number
8 between the EDO's \$434 and the \$486 for the set asides, strikes
9 me as not unreasonable.

10 However, I propose to get there as a first crack
11 off, by starting to move through the offices to see if people
12 have a feeling as to the overall number in an office and we
13 will see then, how far down into the decision unit structure
14 we want to go with this first crack. Then we can stand back
15 and see what that looks like and see where people want to go.

16 If that would be acceptable to you, what I propose
17 to do is to start out with Standards. I think these additional
18 materials which have been passed around, I see we have one
19 on Ryan, and one on resident inspection and one from NRR.

20 COMMISSIONER AHEARNE: One from NRR?

21 MR. GOSSICK: It is being copied right now,
22 Commissioner. It was not handed out before, unfortunately, but
23 shortly.

24 Is that a signal or ah ---

25 COMMISSIONER BRADFORD: Yes, I -- given that all of

1 the requests have at least some merit, it would help me a
2 little in deciding what my feelings about people per office,
3 if we knew what we wanted to use as a justification from what
4 we have sent forward. That is, if it is to be a budget to take
5 into account Three Mile Island, that it should continue
6 licensing, the best possible clip, then that is one target.

7 If we are using something anywhere close to the OMB
8 goals set for us, that's another, then it would make a big
9 difference in the number of people I felt would be justified
10 per office if we had come to some kind of an agreement on what,
11 in effect, what the justification we were going to put in the
12 letter that went on top of this would actually say.

13 COMMISSIONER AHEARNE: You drew a distinction
14 between the first and the second. Are you saying that OMB
15 is different than ---

16 COMMISSIONER BRADFORD: Well, as I understand it --
17 What is the exact OMB?

18 MR. BARRY: OMB planning signal in terms of dollars
19 is \$403 million, plus ---

20 COMMISSIONER BRADFORD: Plus whatever we think for
21 TMI?

22 MR. BARRY: Plus TMI, and then if you recall reading
23 there ---

24 COMMISSIONER KENNEDY: What does that mean?

25 MR. BARRY: That means within the \$403 million they

1 recognize that there would also be a TMI impact on your
2 budget that would probably exceed \$403. Then they also ---

3 COMMISSIONER KENNEDY: They didn't indicate any
4 estimate of what that might be?

5 MR. BARRY: No.

6 In other words, they recognize \$403 million probably
7 a normal program increase.

8 COMMISSIONER GILINSKY: What was the date of that?

9 MR. BARRY: Of their policy guidance letter? It
10 was in late June, July, I can't remember the exact date.

11 MR. ENGELHARDT: It was July 9th.

12 MR. BARRY: We got it just about the time we were
13 finishing our review in the BRG.

14 COMMISSIONER GILINSKY: So \$403 corresponds to \$363,
15 in effect?

16 MR. BARRY: Yes.

17 COMMISSIONER GILINSKY: That is the follow-on budget
18 for the ---

19 MR. BARRY: I'm sorry, no. It really would have
20 corresponded to probably \$373 the way they do their business,
21 but they also recognize that -- they know that we received
22 a reduction and they didn't adjust it for that, so we have --
23 in effect, we have licenses to go up to \$403 million, plus
24 TMI and be within their ceiling.

25 COMMISSIONER BRADFORD: As long as what we say

1 relates to TMI is compable with what they feel ---

2 MR. BARRY: Yes, sir.

3 COMMISSIONER BRADFORD: They haven't given us a
4 blank check for TMI.

5 MR. BARRY: No, but -- Well, they have given us an
6 open check.

7 COMMISSIONER BRADFORD: The amount is to be agreed
8 upon later.

9 MR. BARRY: If your budget totaled \$403
10 million and you had no TMI impact in there, they would say
11 we met the planning target.

12 COMMISSIONER AHEARNE: Of course, you realize,
13 Peter, it is not absolutely mandatory that we meet on this
14 total.

15 COMMISSIONER BRADFORD: No, I understand that.
16 I was just setting that as a ---

17 MR. BARRY: It could be less.

18 COMMISSIONER AHEARNE: And it could be more.

19 MR. BARRY: Or more.

20 CHAIRMAN HENDRIE: We have never been down to it
21 before, have we?

22 MR. COOPER: That's right, we have not.

23 COMMISSIONER BRADFORD: No, I was just trying to
24 lay out a different approach.

25 CHAIRMAN HENDRIE: Well, but it doesn't seem to me

1 that those are different. The first one you mentioned was:
2 Is it the intent of the agency to continue to license
3 construction permits and OLs, right?

4 COMMISSIONER BRADFORD: Well, no, not that. But to
5 continue, in effect, the more or less at the pace that we
6 would have, TMI or no TMI for budget planning purposes, along
7 with all of the TMI related work, in effect, the guns and
8 butter.

9 CHAIRMAN HENDRIE: Yes, okay, but I don't ---

10 COMMISSIONER BRADFORD: Yes, but when one comes to
11 write this, the statement of justification, are we saying, in
12 effect, this is our normal budget plus all TMI related work
13 that we feel needs doing.

14 COMMISSIONER AHEARNE: Aren't we going to end up
15 saying that we will have two things. We will have the
16 supplemental which is primarily focused upon either waste
17 management or TMI, and it will say that as best we can tell,
18 at the present time, here are the actions that we believe should
19 be taken and here is the monies and the people we will need to
20 do it. Then, in addition when we go to OMB, at least, we will
21 be saying, here is the 1981 budget which, again, to the best
22 of our ability attempts to take into account those changes
23 we see that are going to have to be made as the result of TMI,
24 recognizing that particularly on the '81 that there will be a
25 number of other studies whose results will impact, perhaps

1 heavily, upon the direction the agency is going, but at the
2 present time and until time to go to the OMB in the fall, this
3 is our best estimate. At least, as far as I can tell, many
4 of the program offices, when they made their proposals, they
5 were saying that here are adjustments that are going to be
6 needed as the result of TMI.

7 At least I'm having difficulty in seeing any of
8 the offices saying that it is the normal, and we have the
9 TMI on top. Most of them are trying to say, here is our
10 best estimate and the change that is going to have to be made.

11 COMMISSIONER BRADFORD: Even to do the normal.

12 COMMISSIONER AHEARNE: Well. I don't think anybody
13 was coming in and saying it is going to be -- we are going to
14 be doing the normal and then we will be doing some additional.
15 I think they were all saying, there are going to have to be
16 changes made and here's our best estimate and how the changes
17 are going to end up.

18 I would say the alternative budget would have been,
19 let us assume that there will be a six-month, one-year, two-year
20 moratorium. That would be a different characteristic. That's
21 not what we have at the minute.

22 COMMISSIONER BRADFORD: Well, what do you see, then,
23 as the threshold for knocking something out, that is, Joe,
24 when you say you come out somewhere between the EDO figure
25 and ---

1 CHAIRMAN HENDRIE: Just, Peter, that here will come
2 an office or segment of an office saying, now, we perceive
3 our responsibilities this way and we believe the workload in
4 this area is progressing this way and we need these resources
5 in order to deal with it and it has got these sub-programs in
6 it, and so on, and what is built in there then is an estimate
7 of how the workload will shape going out a couple years in the
8 future and what they think they will need to deal with it,
9 and I may -- if I may differ with them in saying, well,
10 probably if I was in your shoes making -- you know -- making
11 a request which I knew was going to be whittled, probably by
12 the Commission, OMB and two sets of actions in the Congress,
13 that I might lean a little into the wind and being one of
14 those steps up the line, why I'm trying to unlean out of the
15 wind a little bit and take a few degrees in the course of
16 that ---

17 COMMISSIONER GILINSKY: Peter, of course, is asking
18 should we be doing that at all.

19 CHAIRMAN HENDRIE: Do you mean trimming back?

20 COMMISSIONER GILINSKY: No, no. Is the activity
21 one that you want to continue or at that rate. But let me
22 ask ---

23 CHAIRMAN HENDRIE: Well, that's a perfectly legitimate
24 question, but I think the root answer, Peter, is not that there
25 is some clear-cut philosophical principle that says, Ah, you
ask for \$42 million, I can perceive you only need \$32, based on

1 the following difference in view of the whole thing. For me,
2 it will be differences of view about how one ought to estimate
3 the resource needs and so forth.

4 COMMISSIONER GILINSKY: What was the basis on which
5 the Budget Review Group produced this budget. I mean, what
6 was the guidance you believed yourself to be on for generating?

7 MR. ENGELHARDT: Well, the basis upon which we under-
8 took the mission assigned was to determine whether there was
9 adequate justification or the requested element in the
10 budget, that is, either an increase or a new program. Whether
11 the particular office had developed a sound basis upon which
12 to build that program.

13 COMMISSIONER BRADFORD: What would adequate
14 justification mean?

15 MR. ENGELHARDT: More than a level of effort or
16 more than, well, we think something would be about this much.
17 They would have to come up with a solid justification in terms
18 of the projected scope of the program, the personnel effort ---

19 COMMISSIONER GILINSKY: For what, the Commission
20 indication wanted done or ---

21 MR. ENGELHARDT: In some instances it was clear that
22 they were operating under Commission directive, in which case,
23 of course, we looked at it only from the point of view in
24 staffing level in terms of whether the staff, that they
25 proposed or the program support money that they proposed was

1 within what we considered to be reasonable for the scope and
2 nature of the program.

3 There were others aspects that were looked at in
4 terms of the nature of the program itself, and in some
5 instances ---

6 COMMISSIONER GILINSKY: Did you detail what justifi-
7 cation you found compelling or convincing?

8 MR. ENGELHARDT: Much of that is spelled out in
9 summary fashion in the EDO's proposed budget. The BRG
10 recommendations to the EDO spelled it out a bit more in detail
11 with respect to elements within the decision unit that we looked
12 at, and essentially that -- and our working papers, of
13 course, spelled out exactly what it is that was lacking in
14 justification or the BRG felt was not -- we could find no
15 specific Commission direction that mandated that a particular
16 program be expanded or even undertaken.

17 This all comes, this whole process begins with essent-
18 ially a five-person task force probing into the details of
19 the decision packages that each one of the offices developed.
20 With that information and with substantial numbers of briefings,
21 and question and answer periods, by that five member task force
22 each one of the groups, headed by a task chairman, developed
23 a proposal which was brought to the BRG. So the scrub
24 started at the group level, moved up to the BRG level where
25 reclamation and discussions with the offices continued and then,

1 of course, to the EDO where the same process was duplicated.

2 COMMISSIONER GILINSKY: Did you work from some basic
3 guidance document?

4 MR. ENGELHARDT: From the material that the
5 Controller's Office sent out in the Budget Call. In other
6 words, that's all laid out in the Budget Call that went out.

7 COMMISSIONER GILINSKY: Do you have that one?

8 MR. GOSSICK: We sent out the PPPG at the same
9 time we sent it down to the Commission back in March, and
10 that was the basic guidance and we got a few comments back
11 from the Commission, but we didn't get any general approval
12 or disapproval of the guidance document that we put out. But
13 that was what we followed.

14 COMMISSIONER GILINSKY: Do you have a copy of that?

15 MR. GOSSICK: Yes, sir. Do we have one with us?

16 MR. HALLER: I have.

17 MR. GOSSICK: Norm, do you have one.

18 (Copy of document given to Commissioner Gilinsky.)

19 MR. BARRY: You find yourself in basically two
20 ingredients to a budget that you have to deal with.

21 The first one is not all that difficult. The first
22 ingredient is more akin to licensing where you make an
23 assumption that you have to continue issuing licenses, et
24 cetera, et cetera, and you take a look at the manloading
25 involved and the supporting role involved, the contractual

1 technical assistance involved, and if you satisfy yourself
2 that the manloading and the contractual support is
3 reasonable, you make a decision. That's not all that tough.

4 But there is a great portion of the budget where
5 you have to make a cost-benefit decision, and it varies from
6 little dinky things such as your three people for "plain
7 English," if you want to do "plain English" as we visualize it,
8 we have indicated that it takes three people. Is the
9 benefit worth the three people? Well, five people around
10 the table, depending on how tough things are, some will say
11 absolutely and some will say it is not. I can give you examples
12 of much bigger ones, but it is tough. It is cost benefit.
13 It is a judgment call.

14 MR. COOPER: I think one of the most important things
15 to observe was Commissioner Ahearne's question earlier in the
16 hearing where he asked if we had an envelope, and the answer
17 was, "no". We did not have a boggie number we were trying
18 to hit, Commissioner Gilinsky. That was not part of the
19 Controller guidance, to come up with a number, nor did we have
20 the OMB figure through the BRG process. We didn't get it
21 until we had completed that.

22 CHAIRMAN HENDRIE: Other on the point of general
23 scope?

24 I think it is clear that these budget estimates
25 contemplate a continuation, perhaps I should say an on-going

1 with an appropriate modifications, the general process of
2 licensing and review, processing of amendments, discussion of
3 plants and so on.

4 Shall we start at the beginning and plod forward.

5 Let me put it on the basis that our aim, the first
6 cut aim would be to see if we can cover this morning, the
7 major office dollar and people chunks and see where we would
8 want to go back and look, where there may be agreement or
9 close to agreement or where we will have to look.

10 COMMISSIONER AHEARNE: Get sort of a first
11 approximation.

12 CHAIRMAN HENDRIE: I'd like to get a first
13 approximation if that's possible. In some ways, that's a little
14 harder to do than just whacking away a decision unit at a
15 time. I'd like to try it and just see where we are. Let
16 me start, and if it all collapses, why we will go back and pick
17 up that decision unit at another time and consult on the matter.

18 COMMISSIONER BRADFORD: I'm sorry to derail you
19 again for a second, Joe, but just one other question about
20 this relationship between TMI and the OMB numbers and our
21 continuation.

22 Lee, the \$430, 4 or 5 million, plus \$52 million
23 set aside, if we go back then to OMB and say the difference
24 between what you targeted, the \$403 million, what we have
25 approved and let's say it is \$450, does that mean we are saying,

1 in effect, that we have \$47 million in TMI?

2 MR. GOSSICK: No. There are some items in the
3 \$434 and the set asides beyond the \$403 that is not necessarily
4 TMI related.

5 COMMISSIONER BRADFORD: Okay, that gets a little closer
6 to what I was after. Now, what kind of a reception then does
7 one expect from OMB on the non-TMI portion of the amount of
8 \$403?

9 MR. GOSSICK: I think it depends entirely on
10 the subject. If it is waste management, that's one thing, but
11 if it is a conversion of temporaries, that's another, if it is
12 "plain English" that's something else. It will depend on the
13 merit of the argument.

14 COMMISSIONER BRADFORD: But these would be sorts
15 of things that OMB would of at least had generally in mind
16 even when they set the \$403?

17 MR. GOSSICK: Some they would, the waste they would
18 enter into their number, but not necessarily some of the
19 other things.

20 COMMISSIONER AHEARNE: I think what they had in
21 mind, Peter, when they sent their number is that they go
22 through the Federal Budget about April or May, have a
23 Directors' meeting and they estimate what the overall Federal
24 Budget is going to look like, how much income they are going
25 to be getting and what the economic situation is, and they

1 make a rough estimate, they give a mark to each of the
2 agencies. The guidance here that they expect them to come
3 in at doesn't say that they aren't going to scurb everything
4 that comes in anyway, but they are saying that if you are
5 substantially over this, then you ought to expect large chunks
6 taken out. It is the guidance so that the whole Federal
7 Budget will fit in with what they estimate to be.

8 COMMISSIONER BRADFORD: Yes, so that the \$403 million,
9 that isn't really so much related to our program except as our
10 program has been a pretty convenient size of the budget in the
11 past. It is a piece of a number that is the overall target.

12 COMMISSIONER AHEARNE: That's right, that's right.
13 And they make rough estimates of program growth, such as Bob's.

14 COMMISSIONER KENNEDY: But it does have some
15 relationship to our program.

16 MR. BARRY: Yes.

17 COMMISSIONER KENNEDY: It reflects their best
18 judgment as to where that -- at that point in time, and given
19 the totality of the Federal Budget where that program ought
20 to go.

21 COMMISSIONER AHEARNE: Or can.

22 COMMISSIONER KENNEDY: Or can.

23 COMMISSIONER BRADFORD: But is there any reason
24 to think that it is a percentage of which or a ratio of
25 which one case is the relationship between the total size of the

1 budget this year to last, and the other piece is the size of
2 our budget this year to last?

3 MR. BARRY: Yes, there is. They approve \$373 million
4 for us in '80, and thought that was a good program.

5 Now, they recognize that there is going to be
6 inflation, up 8 or 9 percent now, going into '81 for that
7 same program. So there is a big dollar amount, \$13, 14, 15
8 million.

9 COMMISSIONER BRADFORD: Right.

10 MR. BARRY: They have also recognized that waste
11 management ---

12 COMMISSIONER AHEARNE: Eight or 9 percent of \$373 ---

13 COMMISSIONER KENNEDY: It is more than that.

14 COMMISSIONER BRADFORD: It is more than that. I
15 mean, that's more like the whole difference between \$373 and
16 \$403.

17 CHAIRMAN HENDRIE: As a matter of fact, it is.

18 MR. BARRY: But it is program support inflation.
19 It is not the total budget inflation. It is an inflation on
20 your contract dollars, and its support, to some degree.

21 Then they recognize that waste management is going
22 to increase in this agency and we recognize. So you know,
23 even those two right there gets you pretty close up there
24 to over \$400 million.

25 COMMISSIONER AHEARNE: I think what Peter is asking,

1 is it likely that there is a very carefully developed
2 philosophical ---

3 COMMISSIONER BRADFORD: Program rationale.

4 MR. BARRY: No, not to them.

5 They gross it just as I have explained. That is the
6 way they gross it over there.

7 COMMISSIONER BRADFORD: Sorry, Joe.

8 MR. BARRY: That is the art of budgetary.

9 CHAIRMAN HENDRIE: Okay, let's take a fast trot
10 through the general budget.

11 COMMISSIONER AHEARNE: Are we going to do '80 and
12 '81?

13 CHAIRMAN HENDRIE: I think we ought to talk about
14 the '80 supplement and '81 for each of these things. I'm
15 not going to worry about the out years. If we can get
16 anchored reasonably well on the '80 supplement and the '81
17 requests, then most of the out years, can be reasonably
18 adjusted from the office's estimates to renormalize on the
19 '81 set point.

20 Why don't we start and work through the major
21 offices, taking them in the order on that summary sheet.

22 Standards. The proposition would be for an '80
23 supplement at, I think, 7 people and \$1,268 and for another
24 two people and 250 kilo-dollars. They would have some
25 more capability in emergency planning.

1 In Fiscal '81, they would then come up to a total
2 of 171 which is people, and program support is \$7,850,000.
3 For myself, I had a tentative check on that and concluded the
4 set aside, which would give an '80 supplement of plus-9 people
5 and program support of \$1,518,000. Why don't I look up and down
6 the table and see ---

7 COMMISSIONER AHEARNE: No problem with the '80
8 supplement.

9 COMMISSIONER KENNEDY: Okay, with the set aside.

10 COMMISSIONER AHEARNE: Yes.

11 CHAIRMAN HENDRIE: As I look -- I'll tell you what, as
12 I look up and down the table, why we will stop as people say,
13 "Hey, wait a-minute," either up or down, otherwise I'll plan
14 to take it as a tentative, but I will regard it as tentative
15 if people want to go back and think, that is, in not objecting
16 to someone at this point, why I'm not going to say, well, you
17 have voted or you have had your vote for all time on this budget,
18 okay?

19 Now, on '81, I was willing to go ahead with another
20 five people, and then the estimate in here, the \$7,850,000.

21 Comments? John?

22 COMMISSIONER AHEARNE: Yes. On the dollars, I would
23 delete the \$700,000 for the WS program. I think Bob had pointed
24 out that possibly something had to go, have to give and that's
25 what he would give. So I would delete that \$700,000.

1 COMMISSIONER GILINSKY: That was the NBS program
2 for what?

3 MR. BARRY: That's the safeguards program that we have
4 been running with. NBS for ---

5 COMMISSIONER AHEARNE: And Bob had pointed out that it
6 is questionable whether that should be something that industry
7 should begin funding.

8 Then, as far as the people goes, I ---

9 COMMISSIONER KENNEDY: Is it a program that needs to
10 be done?

11 MR. BARRY: We have been spending about a million
12 dollars a year on it. In '81 we were supposed to reduce it
13 25 percent, and in '82, about complete it. Finish it in '82.

14 CHAIRMAN HENDRIE: Yes, are you sure it doesn't result
15 in whacking down one of those ---

16 COMMISSIONER AHEARNE: Well, I'm basing my proposed
17 reduction on when Bob was briefing it, he said that that was a
18 candidate for reduction and reduction ought to be taken.

19 CHAIRMAN HENDRIE: This is the measurement quality
20 assurance program?

21 COMMISSIONER AHEARNE: Yes. I'm surprised.

22 MR. GOSSICK: I believe there is good support by
23 Burnett and company on that, isn't there Ray?

24 MR. SMITH: Yes.

25 MR. GOSSICK: I just wanted to point out that while it is

1 in Bob's package that it has been supported in the past by
2 NMSS.

3 COMMISSIONER AHEARNE: I understand that. That's my
4 proposal.

5 Then, as far as manpower goes, rather than peaking
6 at '81, I would push it off to '82, so I would drop the people
7 and instead of going to 174 or 171, I would go to 168.

8 CHAIRMAN HENDRIE: Okay, so you would take -- plus 2.

9 COMMISSIONER AHEARNE: Yes, because EDO had taken it
10 to 166, 171, 165, 161.

11 CHAIRMAN HENDRIE: And the program support would amount --

12 COMMISSIONER AHEARNE: That would be \$7150 ---

13 CHAIRMAN HENDRIE: Would be a straight \$700K.

14 COMMISSIONER AHEARNE: I think it was \$700K in '81.

15 CHAIRMAN HENDRIE: Yes, so it would be \$7150.

16 COMMISSIONER AHEARNE: That's what I would do.

17 CHAIRMAN HENDRIE: I could certainly agree to that.

18 It seems to me well within my range.

19 Other comments?

20 COMMISSIONER BRADFORD: \$7150, Joe or \$7,150?

21 CHAIRMAN HENDRIE: \$7,150,000. I'm writing these
22 in kilo dollars, so \$7 million comes out in that.

23 MR. BARRY: Let me ask quickly: Are we suggesting that
24 we terminate that program in '81 or reduce the level?

25 COMMISSIONER AHEARNE: It may have to be a termination

1 because I think that's what Bob would propose.

2 CHAIRMAN HENDRIE: But I'll tell you what I'd do.
3 Rather than mandate that program, I would reduce the program
4 support number by the \$700K and let Minogue and company decide
5 where he would like to take it.

6 COMMISSIONER AHEARNE: I guess I'd rather reduce it
7 to \$700, and then if he wanted to reclama back in to say, well,
8 he would rather take it elsewhere, but he did propose in going
9 through his presentation that there was an area in this, I think,
10 it is always better to make the decision.

11 CHAIRMAN HENDRIE: Well ---

12 COMMISSIONER AHEARNE: If he thinks that in retrospect
13 that he shouldn't have proposed that cut there then he could
14 say that he prefers to do it elsewhere.

15 COMMISSIONER KENNEDY: Is this the safeguards standards
16 program?

17 MR. BARRY: Yes.

18 MR. GOSSICK: It started out in Research, you remember,
19 and we moved it over two years ago because of ---

20 COMMISSIONER KENNEDY: Yes.

21 MR. BARRY: Now, Bob did propose that he could
22 reduce that program, but the reason I asked the question is that
23 it still leaves a bit of money in the program to bring it on
24 down to its conclusion.

25 COMMISSIONER AHEARNE: Well, I was just thinking of the

1 reduction view.

2 MR. BARRY: Sure.

3 COMMISSIONER BRADFORD: I agree that if Bob suggested
4 this is the area to take the cut then it makes sense to let
5 him reclama back if he has changed his mind.

6 Would we be saying, in effect though -- are we really
7 saying that we don't feel the program is necessary or are we
8 saying we have a dollar target of which this is the first in a
9 lot of steps -- in effect, do we take the bottom two or three
10 programs in each office?

11 COMMISSIONER AHEARNE: What I would be doing is, at least
12 in this particular case, is recognize that we do have total dollar
13 constraints because -- and I'm not looking so much at the OMB
14 target, it is just the total magnitude of the increases and
15 recognizing that Minogue ended up saying that there was a weak
16 spot, that that was the place that I would go with his judgment.
17 It doesn't automatically mean that in every office I would accept--
18 propose to accept an office structure, but I guess Minogue, I
19 have enough confidence, that I would do it.

20 CHAIRMAN HENDRIE: Yes, that one I'm confident in.

21 Let's mark it 168, \$7150.

22 COMMISSIONER KENNEDY: I don't agree with that. I
23 would not cut the program.

24 CHAIRMAN HENDRIE: How about the people?

25 COMMISSIONER KENNEDY: I don't know where the people are

1 going to come from, the three people.

2 COMMISSIONER GILINSKY: I would give Minogue 171.

3 COMMISSIONER KENNEDY: I would give him a figure that
4 EDO had recommended. I don't see where the three people are
5 going to come from. If I knew that, I could look at it
6 differently.

7 MR. COOPER: I would maybe make one observation there.
8 When you take the conference mark for 1980 and add the supplemental
9 you are proposing, you are around a \$7 million level in program
10 support in 1980. His request would essentially give him a cost-
11 of-living growth at \$7850.

12 CHAIRMAN HENDRIE: \$7850 wouldn't be much more than
13 inflation on the total in '80. On the other hand, in a number of
14 these programs, why I think '80 will be kind of a peak year.
15 I don't think you necessarily have to go on from strength to
16 strength in every line year by year.

17 Let's see, how are you on \$7850, Vick?

18 COMMISSIONER GILINSKY: I mean, I would at least
19 tentatively go along with it, or either way. I don't -- if we
20 cut back, I guess I would give him discretion on that. I would
21 distribute the money.

22 COMMISSIONER BRADFORD: For now at least, I would agree
23 with John on the \$700,000 but stay at the 171 for people.

24 CHAIRMAN HENDRIE: Okay, it looks like the 171 will
25 wash, John. I think it would be useful if there could be some

1 discussion with Bob about the \$700,000. Maybe a phone call
2 would do it to confirm that and the nature of his feeling about
3 that.

4 COMMISSIONER GILINSKY: Yes, I would like to have a
5 little more information on that, too.

6 CHAIRMAN HENDRIE: And what we could do is to lay
7 that question open for a discussion at a session where we would
8 have some of the office directors up to talk about some of
9 these things, okay? So put that one as item number one for
10 discussion on your list.

11 COMMISSIONER BRADFORD. Joe, where were you on that
12 one?

13 CHAIRMAN HENDRIE: I was willing to go with the 171 and
14 \$7,850,000. My feeling is that the office has been held down
15 for several years, they have been at 157 for one, two, three
16 years -- two years I guess.

17 Right now we have got a fair chunk of them working in
18 NRR or for NRR pretty directly, so it is clear that as resources
19 in this office are added in that they don't disappear into some
20 unobtainable occupation that doesn't have relevance for other
21 things. Minogue runs a pretty ---

22 COMMISSIONER GILINSKY: It's a pretty tight ship.

23 CHAIRMAN HENDRIE: -- tight ship in there. I have a
24 feeling that his people get effectively used.

25 Okay, why don't we plunge on to NRR.

1 MR. COOPER: Mr. Chairman, can I just make a clarification
2 that the mark is \$7850 for temporarily, and 171 on people, not
3 168? Is that correct?

4 CHAIRMAN HENDRIE: Yes, because I think a majority of
5 the Commission stand there, but one will want to discuss with
6 Bob that \$700K in safeguards, the NBS work, to see indeed if
7 he wants to trim on that. There also will be a question if he
8 was at 168 -- to come out at 168 in FY '81, how would he
9 arrange that, where would he propose to take that, and what would
10 that mean.

11 NRR: They have picked up the 100 people in the
12 appropriation bill, they, therefore, do not have a supplemental
13 personnel request.

14 COMMISSIONER GILINSKY: That puts them at what number?

15 CHAIRMAN HENDRIE: It will bring them up to 730, which
16 is their -- that, in fact, I guess is their authorized strength
17 right now, to all practical purposes.

18 MR. BARRY: Yes, it is.

19 CHAIRMAN HENDRIE: And they are recruiting against it.
20 It is my feeling that recruiting 100 people in Fiscal '80 will
21 keep them well occupied, and further personnel additions in '80 are
22 not likely to result in additional people actually working
23 effectively in the office.

24 They have asked for \$4,540,000 in the supplement -- no,
25 they have asked for about twice that, but the EDO mark is

1 \$4,540,000. That was without ---

2 MR. BARRY: That was without the loaner program.

3 CHAIRMAN HENDRIE: -- whatever might be needed to
4 pay for the lab help.

5 COMMISSIONER AHEARNE: Now, they gave this the last
6 couple of days ---

7 CHAIRMAN HENDRIE: Yes, we've got a thing from Nick
8 Monaco, right.

9 MR. BARRY: The best estimate we have right now, Nick,
10 is about what, \$3.5 million?

11 MR. MONACO: Yes.

12 CHAIRMAN HENDRIE: Oh, that's Nick.

13 COMMISSIONER AHEARNE: That's the \$3.8 million?

14 MR. BARRY: Yes.

15 CHAIRMAN HENDRIE: Wait, say it again?

16 MR. BARRY: The best estimate we have to date on what
17 it is going to take to pay for the man years involved, about
18 \$3.8, I guess it is. \$3.8 million. And I believe that's what,
19 64 man years of lab, plus some people from the Corps of Engineers
20 and a couple other places. This still remains to be priced out.

21 CHAIRMAN HENDRIE: How many man years so far?

22 COMMISSIONER KENNEDY: Seventh three people?

23 COMMISSIONER AHEARNE: Seventh six man years.

24 MR. GOSSICK: Thirty six total.

25 CHAIRMAN HENDRIE: Good. Now, to what extent is coverage

1 for some of that included in the -- either the \$19,119,000,
2 that's sort of an informal estimate of their present dollars
3 in the appropriations bill, and how much of it -- that is, if
4 we have to add to \$4,540,000 how much of the 38 do we add?

5 MR. BARRY: All of it.

6 CHAIRMAN HENDRIE: All of it?

7 MR. BARRY: In the \$19 million that they are probably
8 going to get in their base program, that was all in the original
9 '80 budget, in their technical assistance program to sustain their
10 normal licensing process.

11 MR. COOPER: The only amount that has been budgeted
12 through the years is, in our reprogramming letter we included
13 \$400,000 for '79. Other than that, there is no funding for this
14 lab support in the out years.

15 COMMISSIONER AHEARNE: Now, I notice also that they
16 are reclaiming the difference between the 19 and the 21.

17 MR. BARRY: All I can say on that is, that's life.

18 CHAIRMAN HENDRIE: Lots of luck to them.

19 COMMISSIONER AHEARNE: Well, no. Harold is saying that
20 therefore you ought to increase their supplemental request by that.

21 MR. GOSSICK: They can do that in reclama.

22 CHAIRMAN HENDRIE: I guess I'd chuck the \$3.8 million
23 on top of the \$4.5 million.

24 COMMISSIONER AHEARNE: Is that the right budget
25 category?

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MR. BARRY: Yes, sir.

CHAIRMAN HENDRIE: The \$4.5 million, \$540 of it was a technical project and \$4 million was in operating reactor -- What was the \$4 million breakout now?

MR. BARRY: Well, it was that shopping list that -- it was the "lessons learned." Really, what it was, it was Roger Mattson's area or the results of his "lessons learned." That is being applied to the operating reactor. I'm not sure I have the detail of that.

CHAIRMAN HENDRIE: Okay.

MR. BARRY: I can dig it out in their briefing.

COMMISSIONER KENNEDY: That's a number larger than the original office request?

MR. BARRY: Yes, you mean with this amount.

MR. GOSSICK: Mr. Chairman, could I just remind us that we do have, at some point, we need to go back and talk about some minor readjustments here to take care of the previous loans that we made, like out of the security program, the operational data evaluation office and so forth.

CHAIRMAN HENDRIE: Let's see, with regard to the loans and so on ---

MR. GOSSICK: I don't know if you want to do it now, but I just wanted to mention that because before too long we probably do need to address that.

CHAIRMAN HENDRIE: What we find is the security program

1 is going forward and Donoghue needs the five people to process
2 that stuff.

3 MR. GOSSICK: Right, it has not really gone forward
4 until we get some man power on it.

5 CHAIRMAN HENDRIE: NRR now has a hiring -- an open
6 license for 100 people. I think they turn over 5 slots to
7 Donoghue so he can get himself the security clerks and do it.

8 Presumably, NRR, there are five people now in NRR
9 who have Donoghue's shoulder patch on them, in principle, at
10 least and Harold will want to keep those people, presumably, good.
11 So he gets those five and he gets 95 slots and that's his 100 and
12 Donoghue gets his five slots. I think that's right. I think that's
13 clear cut and that frees that up. It doesn't change the overall
14 manpower numbers, the 730 and so on.

15 I guess I don't see much help then except to make the
16 NRR '80 supplement for \$8,340,000.

17 COMMISSIONER AHEARNE: Well, I would like to add a little
18 to that if I could.

19 CHAIRMAN HENDRIE: Okay. What ---

20 COMMISSIONER AHEARNE: Well, in the same paper Monaco
21 sent us, there is Harold's resources for study of control and
22 design improvements. He has got \$200,000 for FY '80, some
23 sponsor requesting that. It's the last page.

24 COMMISSIONER KENNEDY: So you would add the \$8.8 million
25 and \$2.200 thousand making a total of \$4 million to the EDO's

1 \$4.5 million?

2 COMMISSIONER AHEARNE: My concern is that I'm not
3 even sure that this study that he has proposed still needs put
4 out like that done, because I notice where he's got described
5 as it would incorporate improved practices in existing control
6 rooms and guidance to engineers for the future. I suspect that
7 at some point there is going to have to be guidance for redesign
8 of current control rooms, so that is still not there, but at least
9 it is the money to study how to think of improvements in control
10 rooms. So I think that certainly is one of the things we ought
11 to be proposing for FY '81.

12 COMMISSIONER KENNEDY: Again, unless you want to change
13 the 200 ---

14 COMMISSIONER AHEARNE: No, I would just go for the 200
15 instead.

16 COMMISSIONER KENNEDY: Yes. And there is the other
17 \$3.8 which is reimbursable and that makes a total of \$4 million
18 to be added to the EDO's mark of \$4.5 million, comes to \$8.5
19 million which is \$400,000 more than the original NRR request.

20 COMMISSIONER AHEARNE: Yes, but the NRR original
21 request did not have any of the \$3.8.

22 COMMISSIONER KENNEDY: Right.

23 CHAIRMAN HENDRIE: I don't know whether NRR is the
24 right place and the \$200K the right level for this.

25 COMMISSIONER GILINSKY: As opposed to Research or what?

1 CHAIRMAN HENDRIE: Yes.

2 On the other hand, if you move it out to Research, why
3 you would do so because you wanted a larger and more sophisticated
4 effort, probably. That inevitably means it is going to take
5 longer. Run out of the -- as technical assistance out of the
6 licensing office, it would tend to be a shorter reach look at
7 things, and \$200K, why, isn't that much of a ---

8 COMMISSIONER AHEARNE: There have been several extensive
9 studies, some funded by us, the aerospace study, for example.
10 The study that Stanford or Lockheed, rather, did for EPRI was
11 a very extensive study. So it is not there is a lack of
12 information. It would just be the translation of it.

13 COMMISSIONER GILINSKY: Well, clearly, figuring out
14 how we can relate to that stuff and what role is there in the
15 NRC rather than for them to do a layout of the control room,
16 seems to me that that is the right thing to do. There have been
17 studies in control room designs. If we are going to design a
18 control room, NRR is not the group to design a control. So it
19 is really looking at an area where we haven't been regularly,
20 to anything more than a superficial degree, you know. I think
21 we should try to figure out what we ought to be doing.

22 COMMISSIONER KENNEDY: That's a completely different
23 thing that John's talking about.

24 COMMISSIONER GILINSKY: Because, if you are really
25 going to do all the study to develop a modern control room, I

1 guess NRR is not the place to do that and you are not going to
2 do that for \$200,000 anyway.

3 CHAIRMAN HENDRIE: And it may be that ---

4 COMMISSIONER GILINSKY: I think what you probably
5 need is control.

6 CHAIRMAN HENDRIE: But at any rate, I don't object
7 to \$200K in here with the kind of licensing and regulation
8 oriented look at the things.

9 COMMISSIONER GILINSKY: But we ought to make clear
10 that that's what it is intended for. They are tying it very much
11 to TMI and I'm not sure that that's really what one wants to
12 do. You know, it is not a matter of moving the thing from the
13 back-board on to the front of the panel that caused particular
14 problems at TMI, it is just that people are deciding that control
15 rooms are too primitive.

16 COMMISSIONER AHEARNE: Well, it is not so much deciding
17 that they are too primitive, it is recognizing people have
18 been deciding that for a number of years. It is just that TMI
19 indicates that it is time that something be done.

20 COMMISSIONER GILINSKY: Right, but it ought to be
21 a reason for action, and urgency of the issue, rather than
22 making changes in the control room that would have affected
23 the course of that particular accident.

24 COMMISSIONER AHEARNE: Do you mean solely?

25 COMMISSIONER GILINSKY: Solely, yes. Which is a little

1 bit the way I read this.

2 COMMISSIONER AHEARNE: I thought it was stronger than
3 that, but I can see how you can read it that way. That is
4 perhaps narrowly focused.

5 COMMISSIONER GILINSKY: Well, they refer to selected
6 tasks at TMI, error events which occurred and some of those.

7 CHAIRMAN HENDRIE: And it ends up with a product which
8 is guidelines for incorporating improved practices in existing
9 plants which leads to the sort of question of how do you establish
10 in a regulatory framework, then, some of those things. You don't
11 want to order specific designs, but be a little more gentle.

12 COMMISSIONER AHEARNE: Well, at some stage people may
13 conclude that someone is going to have to direct, that operator
14 control rooms have certain capabilities in them to mesh with the
15 operator and the machines, and if we don't do it, the Congress
16 will or the plants won't operate.

17 CHAIRMAN HENDRIE: Well, it is mandated functions, but
18 I expect we will never get to the point where we specify ---

19 COMMISSIONER AHEARNE: Particular equipment?

20 CHAIRMAN HENDRIE: -- Particular equipment and you
21 will always have to have latitude for reasonable competent
22 vendors to try and deal with.

23 Ah, \$8.5 million in change?

24 COMMISSIONER AHEARNE: Yes.

25 COMMISSIONER KENNEDY: (Nods in the affirmative.)

1 CHAIRMAN HENDRIE: There seems to be ---

2 MR. BARRY: On the improved instrumentation there
3 is \$400,000 in '80 and another \$400,000 in '81 in Research's
4 budget for improved instrumentation.

5 COMMISSIONER GILINSKY: How much?

6 MR. BARRY: \$400,000 in both years. Supplemental, and
7 \$400,000 in '81 in the improved safety portion of Research's
8 budget. So ---

9 CHAIRMAN HENDRIE: I'm not sure that that's control
10 rooms.

11 MR. BARRY: No, no. That's not ---

12 COMMISSIONER GILINSKY: I thought that was instrumentation

13 MR. BARRY: All I'm saying is that someone mentioned
14 that we also need to look at the instrumentation aspects from the
15 longer range standpoint.

16 COMMISSIONER GILINSKY: What was the number you came
17 up with?

18 CHAIRMAN HENDRIE: \$8540. Now, let's see.

19 That would put the Fiscal totals for NRR at 730 at
20 staff and \$27,659,000.

21 MR. BARRY: Right.

22 CHAIRMAN HENDRIE: Now, the '81 proposition from the
23 office is plus 80 people, and a program support at \$22,700,000
24 and change. \$22,800,000 approximately.

25 I must say, if they chew up 100 folk in '80 ---

1 COMMISSIONER GILINSKY: You are talking about the
2 numbers in NRR?

3 CHAIRMAN HENDRIE: Yes.

4 COMMISSIONER GILINSKY: '81?

5 CHAIRMAN HENDRIE: Yes.

6 COMMISSIONER GILINSKY: I think I would hold them
7 back.

8 CHAIRMAN HENDRIE: Well, an additional 80 in '81
9 seems excessive to me.

10 COMMISSIONER GILINSKY: They will be doing nothing
11 but interviewing people for two years. For every one you hire,
12 you have to interview 4.

13 CHAIRMAN HENDRIE: Yes, and I think you are going
14 to have trouble ---

15 COMMISSIONER GILINSKY: They won't be learning lessons
16 or issuing licenses. They will just be interviewing.

17 CHAIRMAN HENDRIE: There was an option I hadn't thought,
18 Peter. The third alternative is that this budget is based on
19 interviewing, mostly.

20 COMMISSIONER GILINSKY: I just remember the ---

21 CHAIRMAN HENDRIE: Furthermore, without going through
22 the decision units and saying plus here, minus there, what one
23 notes is that the chunk of people out of the plus -- net-plus
24 '80 are in operating reactors, then there are pluses and minuses
25 up and down the line with plus 19 in technical projects, but the

1 big chunk is the operating reactors. Indeed, there is a growing
2 business in operating reactors in a sense of an apparent
3 increase in the number of license amendment actions, but I continue
4 to think we simply have to find a way to process those license
5 amendment matters some way other than hand crafting each one.
6 If we hand craft them, then you can look down the line and see,
7 you know, in 1992 we are going to need 10,000 people in
8 operating reactors or whatever they think it is. You know, it
9 just can't work that way.

10 COMMISSIONER KENNEDY: Why not, it does in all kinds of
11 other agencies.

12 COMMISSIONER GILINSKY: The British Colonial office is
13 the model.

14 CHAIRMAN HENDRIE: You mean as the colonies disappear,
15 why the numbers increase?

16 I have been talking to Harold off and on, every since
17 before he took the office, and he agrees that in looking for ways,
18 one of the things which I think we will end up doing is writing
19 the technical specifications in such a way that it doesn't require
20 a formal license amendment action with all of the processing steps
21 that involves, in order to do fairly mundane adjustments to things
22 that are cited in the technical specs.

23 You have got a Westinghouse pump in and you don't
24 like it or it busts and you now put a Byron Jackson in, it now
25 requires a license amendment in many cases. I don't think things

1 need to be specified in that way. We need also a way of
2 processing where we decide that on each of the 70 operating
3 plants they ought to do a certain thing. We will have to
4 devise ways, in effect, mass processing of a uniform changeover
5 of all these. But I think those things have got to be done,
6 and rather than throw another 80 people at them in '81 in there,
7 I would choose some intermediate number and look again at the
8 next budget review as he begins to hire in the 100 in '80, why
9 we would just see what ---

10 COMMISSIONER GILINSKY: I agree. He proposed a stricter
11 approach with respect to enforcement as a substitute for the kind
12 of work that has been done and an extension of the kind of work
13 that has been going on in NRR.

14 CHAIRMAN HENDRIE: Yes.

15 But having said all of that, I'm not quite sure what
16 to trim, how I would take the trim. I have been thinking about
17 numbers for increased staffing between 40 and 60, because ---

18 COMMISSIONER GILINSKY: Forty sounds fine to me.

19 CHAIRMAN HENDRIE: I think there will be a case made
20 and I don't want to zap it out all together, but I don't have a --

21 Let's see, I asked 40 to 60, here's 40 -- What was
22 your's John?

23 COMMISSIONER AHEARNE: Well, what I have done is made
24 a few adjustments. I put an additional 4 people into operator
25 licensing, then I had taken 10 people out from the operation and

1 surveillance and transferred it to the EDO's office. He had
2 15 people in that, and I sort of viewed that that really would
3 have been appropriate if that operational surveillance office
4 had been formed in NRR, it is going to have to be formed in EDO.
5 So I transferred 10 of those people.

6 CHAIRMAN HENDRIE: Wait, wait. Steady.

7 COMMISSIONER KENNEDY: The concept, however was?

8 COMMISSIONER AHEARNE: He still had five people in it.

9 COMMISSIONER KENNEDY: I can't visualize that you
10 can do that if you have got an office in the EDO that's two or
11 three times that size. Ultimately, NRR is the outfit that is going
12 to have to do something about all of this and the office in the
13 EDO is only going to generate the work, it isn't going to do it.

14 COMMISSIONER AHEARNE: No, it is going to do a lot of
15 analysis.

16 COMMISSIONER KENNEDY: They do a lot of the analysis,
17 but having done it isn't going to do anything. It has got to
18 get done, it has got to get implemented and that is the NRR's
19 job.

20 COMMISSIONER GILINSKY: Well, but they have a certain
21 amount of that work that is going on now, since it is not done
22 systematically. People are reviewing these LERs and the reason
23 we want to get an office is because we want to have a more
24 dedicated and systematic approach to it.

25 COMMISSIONER KENNEDY: Yes. I understand that. I'm not

1 saying that. It is only a question of how many people.
2 John is making it a much smaller office than I would visualize.

3 CHAIRMAN HENDRIE: Wait, wait, wait. Let me get
4 straight on something.

5 It was my understanding that the evaluation office,
6 under Lee, that the people for that in number of about what,
7 25?

8 MR. GOSSICK: Well, 15 to 20 was the number that we
9 used in planning.

10 CHAIRMAN HENDRIE: But those people were being covered
11 in this budget out in these offices and these things would be
12 transferred.

13 COMMISSIONER AHEARNE: Right. And I'm just saying that
14 in looking at the '81 budget, it seems to me an appropriate place
15 to do some of that transferring.

16 CHAIRMAN HENDRIE: I think that was all that was
17 contemplated.

18 MR. GOSSICK: Yes, that's right.

19 COMMISSIONER AHEARNE: Yes.

20 CHAIRMAN HENDRIE: And the question is: Is it the whole
21 15?

22 COMMISSIONER AHEARNE: And I said, no, not 15, 10 of
23 the 15.

24 CHAIRMAN HENDRIE: If it is 10 of the 15, where does
25 the rest of the office manning coming from?

1 MR. GOSSICK: We are going to have to take one or two
2 out of NMSS, one or two out of I&E, figured at ---

3 COMMISSIONER GILINSKY: I would think you would take
4 more out of I&E.

5 MR. GOSSICK: Probably, yes, a bit more than that.
6 As was pointed out, they still have to maintain their part of
7 the in-house operation that this group will interface with, but
8 allegedly, this is going on now and it is disbursed all through.
9 Very frankly, I think this 15 got put in here when Option 3
10 was being presented and recommended to be under NRR. They will
11 deny that now, I think, which is normal.

12 CHAIRMAN HENDRIE: Well, I have been regarding the whole
13 15 as subject to transfer to that office.

14 MR. GOSSICK: I think we could take the larger part of
15 it and not really suffer.

16 COMMISSIONER GILINSKY: Well, let me ask you: When do
17 you plan to form the office?

18 MR. GOSSICK: As soon as I can get agreement on where
19 we go with the director.

20 COMMISSIONER AHEARNE: It will be formed in FY '80.

21 MR. GOSSICK: Right.

22 COMMISSIONER AHEARNE: So I'm not sure what it would do
23 in the FY '80 supplemental, probably nothing, but certainly in
24 FY '81, I think we ought to just show it as a line, and that's why
25 I'm reducing -- my proposal is to reduce some of NRR manpower.

1 I also was accepting safeguards transfer to NMSS, further
2 transfers, so I have reduced an additional 8 people. I took
3 another 6 out for contract management fund reduction and put in
4 26 for the set aside for the non-NRR support. I took out 4 in
5 advanced reactors. Then only gave them half of the increase in
6 operation reactors that they had asked for, and took twice as
7 much out in casework, arguing that by '81 they would be addressing
8 both of those in a different way than they do now, which ended up
9 with 738 for their number.

10 CHAIRMAN HENDRIE: That would be plus 8 for '81.

11 COMMISSIONER AHEARNE: (Nods in the affirmative.)

12 COMMISSIONER AHEARNE: Plus what 8?

13 CHAIRMAN HENDRIE: Plus 8 people.

14 COMMISSIONER AHEARNE: That's right.

15 COMMISSIONER BRADFORD: Above 731.

16 COMMISSIONER KENNEDY: All together.

17 COMMISSIONER GILINSKY: Yes, but also, in the numbers
18 we were talking about there were another 10 or 15 or so ---

19 CHAIRMAN HENDRIE: There were another 10, so it would
20 correspond to 18 on our scale.

21 COMMISSIONER GILINSKY: 18 as opposed to 40.

22 COMMISSIONER AHEARNE: (Nods in the affirmative.)

23 CHAIRMAN HENDRIE: A little thin, I think, for overall
24 purposes.

25 MR. BARRY: I had some numbers in there for increased

1 operator efficiency.

2 COMMISSIONER AHEARNE: Yes, I had put in 4 or 5.
3 They had 6, and on top of their original submission they came
4 back in in their briefing and put on an additional 4.

5 MR. BARRY: But you have covered that area? That's good.

6 COMMISSIONER GILINSKY: Let's see, what happens with
7 these set asides. You have included all of that?

8 COMMISSIONER AHEARNE: The 26 set aside, yes, I did those

9 COMMISSIONER GILINSKY: You accepted those?

10 COMMISSIONER AHEARNE: I accepted those.

11 COMMISSIONER GILINSKY: And what does that mean?

12 COMMISSIONER AHEARNE: Most of that set aside was for
13 support for NMSS, and some of it was support for IP. 22 of the
14 26 were set aside for NMSS. My argument is that most of that
15 really is just a question of the seismic and geological effort.
16 There is an organizational question and they have to eventually
17 address it, but isn't a manpower question.

18 COMMISSIONER BRADFORD: Let's see, is it clear that
19 it isn't a manpower question? That is, the same number of people
20 would have to do that amount of work if it were being done in NMSS?

21 CHAIRMAN HENDRIE: Probably more.

22 COMMISSIONER BRADFORD: Leaving the organizational
23 biases aside.

24 MR. GOSSICK: The claim is they can do it with what
25 they have got, almost, with fewer people, but it is a long subject.

1 CHAIRMAN HENDRIE: The 26 are mostly people now on
2 board, I think.

3 COMMISSIONER AHEARNE: Yes.

4 CHAIRMAN HENDRIE: So you are just talking about whether
5 existing seismologist and geologist and foundation engineers and
6 soils people ought to be in NRR or NMSS or some in a third
7 institution. It is not whether they should be in the agency
8 or not. They, for the most part, I think, unless there is some
9 growth in there, are in the agency and working hard. They have
10 been in NRR. I see no reason why ---

11 MR. GOSSICK: As you recall, Harold's reclama was for
12 4 of those -- 4 or 6, and he said he literally had to have them
13 to do other than NMSS work that he is responsible for.

14 COMMISSIONER AHEARNE: There is certainly always the
15 suspicion that when you have an office whose workload is declining
16 and it is picking up work on the outside, before you transfer out
17 you can probably get by with fewer people. But that's nothing
18 more than a suspicion.

19 COMMISSIONER GILINSKY: I think a lower number is --
20 I don't know whether John's number is the right number, but
21 it is not unreasonable. I'll just sort of pick the lower end of
22 your range.

23 CHAIRMAN HENDRIE: Okay. John will go down to 18, and
24 I guess I'd have to get down into decision units and we will have
25 to argue a little bit about some of those. I would stick in the

1 40 to 60 range. Peter, where did you come out?

2 COMMISSIONER BRADFORD: Well, I need some time to dwell
3 on John's precise place of getting there. I think I agree
4 with the general tendency to try to get down, but I want to look
5 back over that particular list.

6 CHAIRMAN HENDRIE: All right, and you are somewhere in
7 the 20 to 40 range?

8 COMMISSIONER GILINSKY: (Nods in the affirmative.)

9 CHAIRMAN HENDRIE: Let me note an 18 to 60 range for
10 people and we will -- I would think we would want to have some
11 more discussion about that. We might want to have Harold around
12 for that, or would you prefer not?

13 COMMISSIONER AHEARNE: Fine.

14 MR. GOSSICK: He's at Harvard, you know. He is up
15 there for that three week Harvard course. He left this morning.

16 COMMISSIONER AHEARNE: He and Kevin?

17 MR. GOSSICK: Yes.

18 CHAIRMAN HENDRIE: That's right. I told him to go up
19 there and ---

20 COMMISSIONER BRADFORD: One other as well?

21 MR. GOSSICK: No. Bill Dircks backed out at the last
22 minute.

23 COMMISSIONER BRADFORD: He is the one I would have thought
24 would have gone.

25 CHAIRMAN HENDRIE: That's right, I remember. Harold

1 promised to come back with an oil sheik's hat and clear
2 knowledge of how to price petroleum.

3 COMMISSIONER AHEARNE: Well, we can talk to Ed.

4 CHAIRMAN HENDRIE: Yes, we can talk to Ed and the
5 budget -- NRR budget type.

6 They may have some additional things that they
7 may have thought about when we get down and talk about decision
8 units.

9 On the dollars, they have come along at the EDO mark
10 of \$22,773,000 in '81. Now, what do I remember about adds to
11 that?

12 MR. GOSSICK: There were no set asides in dollars.

13 CHAIRMAN HENDRIE: No, I was thinking about that
14 computer business, but we will deal with that when we get down
15 in Admin Support.

16 MR. COOPER: There is a follow on to that \$200,000 --

17 CHAIRMAN HENDRIE: Yes.

18 MR. COOPER: -- There may be some confusion because
19 you have a preliminary that came from my office, then a final
20 from Harold. In the final, he mentions that the '81 effort to
21 follow on to the \$200,000 is in the neighborhood of 1 manyear
22 plus \$300,000. I'm not sure ---

23 CHAIRMAN HENDRIE: This is to the human factor thing?

24 MR. COOPER: Yes, sir.

25 CHAIRMAN HENDRIE: God, the thing I've got says the

1 study would be started and completed in FY '80 at an estimated
2 cost of \$200K. No additional resource needs are anticipated
3 for FY '81 or the out years.

4 COMMISSIONER AHEARNE: There is a later paper.

5 CHAIRMAN HENDRIE: I suggest that if we don't take
6 final action immediately, by this afternoon, why this will be
7 a multi-million dollar program.

8 COMMISSIONER AHEARNE: I had it listed as a million
9 in that program.

10 CHAIRMAN HENDRIE: A million is too much for these guys
11 in '81. If it is a million in '81, it ought to be in Research.
12 For these guys, a couple hundred "k" type of thing is about the
13 right amount.

14 I also am not sure that you can see \$200K in \$22,700,000.

15 COMMISSIONER GILINSKY: I don't think you can either.

16 COMMISSIONER AHEARNE: You may not be able to see it, but
17 you can certainly see a program if you say, yes, you ought to do
18 that.

19 CHAIRMAN HENDRIE: Well, what is it they want, 300 in
20 there?

21 COMMISSIONER AHEARNE: Yes.

22 CHAIRMAN HENDRIE: Well, I won't object to chunking
23 300 in there. It would then be \$23,073,000 down from Fiscal
24 '80.

25 COMMISSIONER AHEARNE: Wait, there is more.

1 The FY '81 for long-term TMI actions, the BRG have
2 pointed out, they were only taking into account the "lessons
3 learned" impact -- the short-term "lessons learned" impact.
4 There are the long-term "lessons learned," there is the
5 Kemeny commission and our own effort, which may lead to
6 substantial amendments in operating reactors.

7 What NRR had proposed was almost \$4 million in '81 and
8 then \$3 million in '82 to follow on those efforts. So that
9 would be \$4 million.

10 CHAIRMAN HENDRIE: Who proposed that? Where?

11 COMMISSIONER AHEARNE: NRR.

12 CHAIRMAN HENDRIE: Where?

13 MR. HALLER: Their proposal for FY '81, this new
14 revised budget that they have come in with would add another
15 \$7 million and another 57 people on top of what you are already
16 talking about. That's the bottom line.

17 COMMISSIONER AHEARNE: But in the EDO's mark, the
18 July 23rd NRR, it said they preferred \$4.7 million in '81.

19 CHAIRMAN HENDRIE: I'm sorry. Do me again.

20 COMMISSIONER AHEARNE: In the EDO's mark they had --
21 it mentioned the EDO had \$4.7 million for FY '81. The amount
22 that NRR had requested to cover the NRC Investigation, the
23 Presidential Investigation and the long-term "lessons learned,"
24 the additional actions, and the monies that the EDO had allowed
25 it only take into account the actions on the short terms.

1 CHAIRMAN HENDRIE: Right.

2 Now, how much of a planning ---

3 COMMISSIONER AHEARNE: I was putting in \$4 million for
4 that.

5 Now, I noticed that between July 23rd and August 3rd
6 it has gone up \$200,000. But anyway, I would have put in \$4
7 million as a planning figure.

8 MR. COOPER: I believe, Norm, you can correct me, but
9 I believe you are talking about \$7 million now as opposed to the
10 \$4 million.

11 MR. HALLER: Yes, but the new totals are \$7 million
12 and 57 people. Summary line item "D" on the Enclosure 1 of
13 the NRR budget, the latest.

14 COMMISSIONER AHEARNE: Yes, but that just goes on
15 to casework.

16 MR. COOPER: Right, you are just talking about operating
17 reactors.

18 COMMISSIONER AHEARNE: Yes, I was just talking about
19 operating reactors.

20 MR. COOPER: Which is correct, yes.

21 CHAIRMAN HENDRIE: \$4.9 million or \$4 million?

22 COMMISSIONER AHEARNE: I was just going to put in \$4.

23 CHAIRMAN HENDRIE: Yes.

24 COMMISSIONER AHEARNE: That really drives more toward
25 a positive planning approach. After all, they have made up their

1 estimate numbers which you can adjust 10 to 9, 5 to 4, 20 to 19.
2 That's all roughed out.

3 CHAIRMAN HENDRIE: What do you ---

4 MR. GOSSICK: This is an alternate with the idea of
5 going in with an '81 supplement after we find out more clearly
6 what we ---

7 COMMISSIONER AHEARNE: That's right. I still believe
8 that when we go in for our initial budget we ought to start
9 incorporating some estimate number.

10 CHAIRMAN HENDRIE: Okay. You take it at \$4 million.
11 Actually, \$4.3 million.

12 COMMISSIONER AHEARNE: Well, not quite, because I would
13 then strike \$350,000 for advance reactors.

14 CHAIRMAN HENDRIE: Where is that?

15 COMMISSIONER AHEARNE: They have a line item which I
16 would leave \$700,000 for Fort St. Vrain and FFTF, but I would
17 strike the remaining \$350,000.

18 COMMISSIONER BRADFORD: What does that actually get?

19 COMMISSIONER AHEARNE: Well, it is more of a
20 philosophical approach which I'm trying to take throughout the
21 whole budget, because it is really reducing significantly on
22 funding and the people going to advanced reactors.

23 COMMISSIONER BRADFORD: Right, I was just wondering
24 what these particular people were doing?

25 COMMISSIONER AHEARNE: These are dollars.

1 COMMISSIONER BRADFORD: Yes, but what are these
2 dollars covering currently?

3 MR. BARRY: Advance reactors. It is the combination of
4 support to the fast flux test facility and the ACHR at St. Vrain.

5 COMMISSIONER BRADFORD: Well, didn't John just say
6 that that ---

7 MR. GOSSICK: You would not rule that out.

8 COMMISSIONER AHEARNE: Yes, I would leave that \$700,000.

9 MR. GOSSICK: For the advance reactors.

10 MR. BARRY: Oh, the other \$300,000?

11 COMMISSIONER AHEARNE: Yes.

12 MR. BARRY: I think that is their thoughts on alternate
13 reactor concepts.

14 MR. GOSSICK: They are still, a little bit, expecting
15 the FMP, or have they reduced that area?

16 COMMISSIONER AHEARNE: Well, there is a pre-application
17 for an HTGR, then there are some additional NASAP work and then
18 the floating nuclear plant.

19 MR. GOSSICK: Yes, in their budget presentation, they
20 showed \$200K on the floating nuclear plant, \$150K on the FFTF,
21 \$300K on NASAP and \$400K on Fort St. Vrain. As I understood it,
22 you would leave the Fort St. Vrain and FFTF and that would be
23 \$550,000. There are, among the other items, \$500K left on the ---

24 COMMISSIONER AHEARNE: What I would really end up doing
25 is trying to squeeze down that budget amount and shuffle some
things.

1 CHAIRMAN HENDRIE: It looks like we will go up around
2 \$26-27 in program support with argument over details. Let me
3 put it at that for the moment and see if I can drudge ahead.

4 On I&E ---

5 COMMISSIONER KENNEDY: What was that? I'm sorry.

6 CHAIRMAN HENDRIE: Well, this one ends up with the --
7 For NRR, Dick, this one ends up with a wider range and we
8 haven't really sorted and settled it. On the people side
9 you start, you come out of '80 at 730 people, and then the
10 range of the opinion is plus 18 to plus 60. That is, John would
11 say plus ---

12 COMMISSIONER KENNEDY: As contrasted with EDO's 54.

13 CHAIRMAN HENDRIE: As contrasted with the ---

14 MR. GOSSICK: Counting the set aside it would be 80.

15 CHAIRMAN HENDRIE: Yes, 80 is the number that I was
16 thinking about, because I think the set aside people that are
17 on board, the question is should they be in NRR or some other
18 organization.

19 COMMISSIONER KENNEDY: Yes.

20 CHAIRMAN HENDRIE: On the dollar side the range then,
21 was you have got the office and the EDO agreed at \$22,700,000
22 without any allowance for trying to put something into the
23 budget to cover some of the long term actions and the results
24 of the inquiries coming out at the end of the year. The office
25 says they can use up to 57 people and \$7 million and change for

1 that addition, and it seems ---

2 COMMISSIONER KENNEDY: Without any idea of what it
3 is?

4 CHAIRMAN HENDRIE: Well, you know, they passed the hand
5 over the field there.

6 COMMISSIONER KENNEDY: I must say that that sounds
7 to me like this can be supplemental, in fact, there are
8 specific things which arise out of inquiries not yet completed
9 or articulated, and those things then have to be done. It seems
10 to me that is the kind of thing one goes forward promptly to the
11 Congress and says we've got a bunch of new tasks and there are
12 all of these wonderful people, including yourselves, you have
13 just asked us to take on and in order to do that it is going to
14 take this bill.

15 CHAIRMAN HENDRIE: Well, that's certainly a possibility.
16 John was going to put \$4 million and no people in as a ---

17 COMMISSIONER KENNEDY: I surely wouldn't put in any
18 people, but I would ---

19 COMMISSIONER AHEARNE: I would expect that as we go
20 through the fall that those details become clearer and clearer,
21 and I just think you are better off going in to OMB at this
22 time with that already incorporated in the budget.

23 MR. BARRY: We can adjust this with OMB, even after
24 their mark, before we submit our budget to the President, as
25 soon as we hear from the findings of both the Commission and

1 ourselves.

2 COMMISSIONER KENNEDY: Well, I don't care if it is
3 \$4 million or whatever.

4 MR. BARRY: That just puts OMB on notice that there
5 is something there.

6 COMMISSIONER KENNEDY: That's all right, sure.

7 CHAIRMAN HENDRIE: Anyway, there were increments of
8 plus and minus 300 in there that we will need to sort out the
9 details. So it looks to me like ---

10 COMMISSIONER KENNEDY: Plus or minus 300 out of
11 \$30 million, you know, I have difficulty in coming to grips with
12 it.

13 CHAIRMAN HENDRIE: I wasn't trying to settle on a number
14 here, but just pointing out the program support. It looks like
15 they would have come out around 26 ---

16 MR. BARRY: \$26,700,000.

17 COMMISSIONER KENNEDY: Sounds fine to me.

18 CHAIRMAN HENDRIE: -- Let that stand as a ---

19 COMMISSIONER BRADFORD: Where did I lose track of
20 10 people? John was saying 738 and you were saying John was
21 saying plus 18.

22 COMMISSIONER AHEARNE: That's because I've got the
23 10 transferred out of the NRR over to EDO.

24 CHAIRMAN HENDRIE: Whereas, my numbers of 40 to 60
25 contemplated that there was going to be 10 or 15 slots in there

1 which would go into this evaluation function and be transferred
2 elsewhere in due time, but for purposes of this budget, would
3 stay here. So on a comparable scale, why his number is -- on
4 my scale his number is 18 and on his scale my number is 30 to 50.

5 MR. COOPER: Commissioner Ahearne, let me ask just
6 one quick question. Are you comfortable with just dealing with
7 operating reactors in terms of the wedge and not the case work,
8 tech projects that they have asked for?

9 COMMISSIONER AHEARNE: Yes.

10 CHAIRMAN HENDRIE: On I&E, they go into -- they have
11 got 715 now, 146 in the appropriations bill for '80. That takes
12 them up to 861 authorized in '80.

13 They would like to have -- Let's see.

14 MR. BARRY: They would like to have 1,037, I believe
15 and we held them, at least for the moment, to 1,019.

16 CHAIRMAN HENDRIE: They would like to rise yet further
17 in '80 to 952, which is -- dear me, what is that -- another 89
18 people or what is it? My God, it's another 91 people.

19 My view is that it is going to be hard enough to
20 recruit 146 people and that the end of Fiscal '80 will come and
21 they will still have slots open and be recruiting against them
22 and I think it is nutty as a fruit cake to ---

23 COMMISSIONER KENNEDY: And this would also be like
24 Victor's notion that the entire organization would be busy
25 interviewing and have little time to do any inspecting.

1 CHAIRMAN HENDRIE: Now on the Fiscal '80 supplement
2 people request from I&E, there are a couple of places that
3 I regard as perfectly rational. Another 6 people in headquarters
4 to help out covering the Response Center and so on, okay. But I
5 would say if you have got authorization for 146 new hires in
6 Fiscal '80, why that can include all of these other little
7 helps that you may need. So I would propose not to add more
8 people in the Fiscal '80 supplement. If I can keep talking for
9 a moment about people and carry it on to '81, they would then ask
10 for 176 people, that's against the 861 authorized and bring them
11 up to a grand total of 1,037. I must say, there may be a basis
12 for personnel growth in '81 in I&E. I wouldn't say that there
13 wasn't, but it seems to me that another 176 on top of the 146
14 is getting into substantially larger numbers than I think
15 I&E should expand in '80.

16 COMMISSIONER KENNEDY: On the other hand --

17 CHAIRMAN HENDRIE: And I would look for an '81 growth
18 then more down in the 40 to 80 range.

19 COMMISSIONER KENNEDY: On the other hand, if one is
20 looking to a program like that which they laid out, it takes
21 you 12 to 18 months lead time before you can get those people
22 recruited and trained and put out on the job.

23 CHAIRMAN HENDRIE: Yes. I think we are recruiting and
24 putting out on the job -- the 146 gives us unit inspectors in good
25 shape.

1 COMMISSIONER AHEARNE: Can I make a couple of comments?

2 CHAIRMAN HENDRIE: I'd be happy to have you make a
3 couple of comments, then anybody else too, after that.

4 COMMISSIONER AHEARNE: I'd like to propose four
5 changes. Two adds, two reductions.

6 As far as minor adds, and again, it is not the number
7 so much as the point. I think that they are providing adequate
8 coverage of the spent fuel and fuel facilities. I don't like
9 that in about removing the resident inspectors from the fuel
10 facilities, and I agree with some of the criticism that was
11 made in the budget review process, the inadequate coverage on
12 spent fuel. So I would have added two people in '80 and 6 people
13 in '81 focused on those two items.

14 The mailed review was a set aside, and I think that those
15 people ought to be added in. I'm not sure whether that's the
16 appropriate thing, but the idea right now of doing nothing, I think
17 this is inappropriate.

18 I would slip the PAT one year. They had asked, at
19 least in the EDO number, there was 14 for the -- which was a
20 question of set aside, and I would not accept that. That is,
21 I would agree that that ought to be slipped.

22 Then the ---

23 COMMISSIONER BRADFORD: Why would you slip that one?

24 COMMISSIONER AHEARNE: Because PAT really hasn't had
25 a year's trial in it. The theory was that it would have a year's

1 trial and then be examined. Well, because of the slowness in
2 getting it started, and then the TMI, everybody being pulled
3 off, I don't think it is appropriate to agree to that increase.
4 So I would just really -- pushing it off a year almost is the
5 same as saying it is a year behind.

6 Then, as far as inspectors go, I'm still reluctant
7 to agree with the concept as proposed. I would be much more
8 willing to support one inspector per plant, and now, on that
9 basis, in trying to make some rough estimates of how many people
10 that would mean and what is the training that goes with it, I
11 end up with 832 in FY '80 and 916 in FY '81.

12 MR. GOSSICK: Is that the same as Alternative 2 in
13 Vick's paper?

14 COMMISSIONER AHEARNE: Well, no, because Vick really
15 didn't do the -- it may be.

16 MR. GOSSICK: I think he said, inspector per unit,
17 whether it be a resident ---

18 COMMISSIONER AHEARNE: The description is the same,
19 whether the numbers track, since I just got those numbers, I ---

20 MR. GOSSICK: Oh, okay. But the idea is the same.

21 COMMISSIONER AHEARNE: The idea is the same.

22 MR. GOSSICK: Be it a resident or a unit inspector, one
23 per operating unit -- per unit.

24 COMMISSIONER AHEARNE: (Nods in the affirmative.)

25 CHAIRMAN HENDRIE: I think the '80 number comes out to

1 be sort of moot, that is, you would be actually under what will
2 be an authorized ceiling in the thing.

3 COMMISSIONER AHEARNE: That's right.

4 CHAIRMAN HENDRIE: Okay, so they have got some slots
5 if they can fill them for other things or ---

6 COMMISSIONER AHEARNE: Or the agency has.

7 CHAIRMAN HENDRIE: Then you would get to 9 ---

8 COMMISSIONER KENNEDY: That, of course, depends on the
9 language of the report.

10 COMMISSIONER AHEARNE: Yes, that gets to 916 in '81.

11 CHAIRMAN HENDRIE: 916, which would put you at plus 55.

12 COMMISSIONER AHEARNE: With respect to the 861?

13 CHAIRMAN HENDRIE: Yes. I think that's in my shooting
14 range and I would like to go back with you across the decision
15 units.

16 Peter, do you ---

17 COMMISSIONER BRADFORD: How many people are involved in
18 the PAT deferral?

19 MR. BARRY: Fourteen.

20 CHAIRMAN HENDRIE: Is it 14 or more than that?

21 MR. BARRY: Well, the 14, I think, is the Delta number.
22 The increase -- the total number ---

23 CHAIRMAN HENDRIE: Let's see, this is under the
24 reactor construction decision unit. PAT comes in there. It is
25 not the easiest thing to sort out.

1 Let's see, I&E said they would drop the request for
2 14 for PAT growth and reassess it for '82. So you are taking
3 that?

4 COMMISSIONER AHEARNE: Yes.

5 CHAIRMAN HENDRIE: Now, did I read you to be pushing
6 back the program PAT growth of 10 and the residents for problem
7 sites or whatever, 3? There were another 13 people in this thing.

8 COMMISSIONER AHEARNE: No, no.

9 CHAIRMAN HENDRIE: So you weren't pushing that off, that
10 was ---

11 COMMISSIONER AHEARNE: No, it was at 14.

12 CHAIRMAN HENDRIE: That was included? Okay, well, I,
13 in fact, agree with the 14.

14 MR. COOPER: According to our records, they have a
15 level of about 10 manyears on PAT and the 14 would have taken them
16 to 24, now we are leaving it at 10.

17 CHAIRMAN HENDRIE: The 182 in that decision unit takes
18 that 14 out.

19 COMMISSIONER AHEARNE: That could well be. I was using
20 Vick's briefing chart.

21 CHAIRMAN HENDRIE: Yes, that's what I'm looking at too.
22 His '81 request to the EDO was 196 and there is reconsideration
23 coming to the Commission was at 182.

24 COMMISSIONER AHEARNE: That's right.

25 COMMISSIONER BRADFORD: John, what number are you using

1 for the end result of the site resident program?

2 COMMISSIONER AHEARNE: Well, what I have done is, I
3 have some rough numbers which are based upon going to one per
4 unit. So it is a reduction off of the proposal. I don't know
5 whether those numbers automatically track the ones that may
6 have come today with, it may and it may not. But there was also
7 a reduction on the training part too that tracked with the
8 correspondence.

9 CHAIRMAN HENDRIE: Let's see, yours would correspond
10 to Vick's Alternative 2 in this paper that has been passed out.

11 COMMISSIONER AHEARNE: The description would. Whether
12 the -- I'm not -- since I haven't seen those numbers, I'm not
13 sure. It should be approximately the same.

14 CHAIRMAN HENDRIE: Call for 106 in '81 and rising
15 gently on the out years.

16 COMMISSIONER AHEARNE: (Nods in the affirmative.)

17 CHAIRMAN HENDRIE: Other comments on manpower?

18 COMMISSIONER GILINSKY: What sort of numbers are you
19 thinking?

20 CHAIRMAN HENDRIE: Well, they have got '80 -- they have
21 got plus 146 in '80, in the law.

22 COMMISSIONER GILINSKY: And I was taking it to a smaller
23 amount in '80.

24 COMMISSIONER GILINSKY: Reducing from that?

25 COMMISSIONER AHEARNE: (Nods in the affirmative.)

1 COMMISSIONER GILINSKY: To what, about?

2 COMMISSIONER AHEARNE: 832.

3 COMMISSIONER GILINSKY: Which is just about this number
4 without the set aside.

5 MR. COOPER: No, it's the '81 number.

6 COMMISSIONER AHEARNE: Yes, it is roughly the '81 number
7 without the set aside.

8 CHAIRMAN HENDRIE: That's more of a coincidence more than
9 anything significant.

10 COMMISSIONER AHEARNE: Yes.

11 CHAIRMAN HENDRIE: Then for '81 ---

12 COMMISSIONER AHEARNE: I had 916.

13 CHAIRMAN HENDRIE: John had 916 which would be plus
14 55, over 861, which I continue to stick to because I think it is
15 going to be in the law.

16 The office had requested plus 176 over the 861. I was
17 saying somewhere in the plus 40 to plus 80 because I didn't seem
18 to ---

19 COMMISSIONER GILINSKY: But he's going down, right?

20 CHAIRMAN HENDRIE: Yes.

21 MR. BARRY: He's going up in '81 as compared with '80.
22 Only in '80 did he come out with a requirement of less than 861.

23 COMMISSIONER GILINSKY: Oh, sorry. It is in the '80
24 that you would have them grow more slowly.

25 COMMISSIONER AHEARNE: Yes.

1 MR. BARRY: What it would permit is an extra 30 guys
2 to keep training as you go in to '81.

3 COMMISSIONER AHEARNE: Because basically, I'm more
4 interested in the program where you have one inspector per
5 reactor. Those are my numbers.

6 COMMISSIONER GILINSKY: But what do you go to in 1981?

7 COMMISSIONER AHEARNE: 916.

8 MR. COOPER: I guess I'm a little concerned about going
9 below the Congressional mark. In '80, however, we may be buying
10 ourselves some problems. At this point in time, you may want to
11 reprogram later.

12 COMMISSIONER AHEARNE: Well, one, it depends on the
13 language, but two, I guess there is a fundamental point that
14 is predicated upon some of our staff going to the Congress and
15 proposing a program that wasn't proposed to us. And I'm not
16 sure how well thought out it is, and so to some people in the
17 Congress, here's a great idea.

18 MR. COOPER: I understand, but the language I have
19 read, and it is very specific, 146 and it even says unit
20 inspectors, as a matter of fact, and it comes up with a total
21 for I&E with a 146. So I just thought I would bring that to your
22 attention at this point in time.

23 CHAIRMAN HENDRIE: Other expressions of interest in
24 view in the '81 people number?

25 COMMISSIONER GILINSKY: What was your comment about the

1 training program?

2 MR. BARRY: My comment was ---

3 COMMISSIONER AHEARNE: Let me see if I can just make
4 one.

5 The program I am proposing is a unit inspector, with
6 one inspector for every unit.

7 MR. COOPER: But lower than the Congressional mandated
8 ceiling.

9 COMMISSIONER BRADFORD: What is the Congressional ceiling
10 based on?

11 COMMISSIONER AHEARNE: They say that I&E should be at
12 961.

13 MR. COOPER: I believe they say 861, but what they
14 definitely say is 146 plus, definitely. I'm not sure where
15 they come out.

16 COMMISSIONER BRADFORD: What does that represent in
17 terms of inspectors per unit?

18 MR. COOPER: Was it something like 1. ---

19 MR. BARRY: It represented an undefined unit inspection
20 program, but at least one guy per unit.

21 CHAIRMAN HENDRIE: You could make -- the coverage would
22 end up with about 98 inspectors on site. There is some
23 regional clerical help, you need some training people to go with
24 that, some management for it. It is of the order of 100 inspectors
25 on station. Out of that ---

1 COMMISSIONER BRADFORD: Does it corollate to one of
2 the five options or is it just a number taken independently of
3 the ---

4 COMMISSIONER AHEARNE: It clearly was a number which
5 our staff gave to the Congress. They went to the Congress and
6 proposed 146 people.

7 CHAIRMAN HENDRIE: Or got asked by the Congress what
8 an addition to the inspector program would look like.

9 COMMISSIONER AHEARNE: Well, I'm not sure. It was just
10 interesting to see the number coming in from Congress before we
11 got a paper describing that same number.

12 MR. GOSSICK: Wasn't it in the supplement that I sent
13 down to you, the draft that John sent to me right after TMI and
14 said, here's the supplement and asked the Commission, would you
15 like to have this ahead of the rest of the budget stuff, because
16 there had been a lot of interest.

17 COMMISSIONER AHEARNE: The number was already floating
18 in the Congress, before we got that paper.

19 MR. GOSSICK: I wasn't aware of that.

20 CHAIRMAN HENDRIE: I don't think so. I think it came
21 out at about the same time.

22 MR. BARRY: I think the difference between 861 and 830
23 back in time simply was if you perpetuated the site resident
24 program and then added in a unit on top of that, you come up with
25 a little higher number. What we are saying now is that if you

1 didn't do that you could go with the lower number, as John
2 suggests. But when the information, however it happened, went
3 to the Congress, either on solicitation or otherwise, they were
4 assuming that perpetuating a site program and on top of that
5 a unit program. So you have a bit bigger numbers.

6 Thus, if you had 146 inspectors as unit inspectors, with
7 the logistics support, meaning people in the Region, training
8 and so on, it came out to 146 more than whatever your base line
9 was. Your base line was a site-- the resident program was
10 already in effect.

11 Now, if you say you don't need both to that whole
12 degree, it gets down to what Commissioner Ahearne is saying, about
13 832 in '80 is all you need. In '81, though, it goes up. Now
14 you have got more units. You go from 98 units to 100 and some-odd
15 units. So in '81 you do have to have more people, but not in '80.

16 COMMISSIONER AHEARNE: But I'm not proposing that we go
17 back and try to argue with the '80 number. What I'm trying to
18 say is that that's the consistent scope as I see it, which is
19 55 above the 861.

20 CHAIRMAN HENDRIE: Yes.

21 Other comments?

22 MR. GOSSICK: That would leave us 29 spaces to do
23 something else with.

24 COMMISSIONER AHEARNE: Maybe yes, maybe no.

25 MR. GOSSICK: Yes, you are going to have to move them

1 if you are going to show a lower line. You either have to go
2 back and get the authorization changed or account for them in
3 some other fashion, because ---

4 COMMISSIONER AHEARNE: Or not use them.

5 MR. GOSSICK: Well.

6 COMMISSIONER AHEARNE: They may not be able to hire
7 at that rate anyway.

8 MR. GOSSICK: Well, there is that possibility.

9 CHAIRMAN HENDRIE: I think that's a fair possibility
10 and ---

11 COMMISSIONER GILINSKY: And, of course, that's the
12 strength at the end of the year, your authorized strength. So
13 just depending on how you hire them will make up the difference.

14 MR. BARRY: The next day you would start climbing to
15 the bigger numbers.

16 COMMISSIONER AHEARNE: The more important question
17 really is what is the program.

18 MR. GOSSICK: Yes. And they will certainly clear this
19 on that when we go over to the budget hearings in asking us how
20 we are doing against manning against the supplemental increase.
21 If we are not doing very well, they are likely to take that
22 into account in our '31 request. If you can't hire them, we
23 won't give them to you.

24 CHAIRMAN HENDRIE: Yes.

25 Okay, let me note the 916, let me note my range that

1 goes up to 941 and runs below too.

2 On the dollar side, first of all, in the -- let's
3 note that we are talking only about program support. The
4 decision units in I&E also list administrative support and
5 equipment, but on the total sheets, the latter two are consolidated
6 with administrative support and equipment from other offices
7 into a single line. So we are talking here about program
8 support.

9 It appears to me that \$1,064,000 is the appropriate
10 number in -- as an '80 supplement, provided one wants to go
11 along with the 4-wheel drive vehicles.

12 How did that get under Specialized Technical Training,
13 anyway?

14 COMMISSIONER GILINSKY: Why do they have 4-wheel
15 drive down there?

16 COMMISSIONER AHEARNE: I think the reason they need
17 4-wheel drive vehicles is because what they really want is a
18 car for the inspector, but they don't believe they can get GSA
19 to approve a car for the inspector that he can take home with him.

20 However, if they call it a 4-wheel drive vehicle,
21 now as a special NRC vehicle, then it can be bought and supported
22 under the composite.

23 MR. GOSSICK: It is really a communications package
24 that has to be mounted into a vehicle of some sort, which ---

25 COMMISSIONER AHEARNE: Yes, but it could just as well

1 be mounted into a regular car, Lee.

2 MR. GOSSICK: Yes, I know. But there might be ---

3 COMMISSIONER AHEARNE: I think it is important to have
4 a car for the inspector. I agree with that, therefore, I think
5 we ought to ask for the money for a car for the inspector that
6 he can drive back and forth, or that she can drive back and
7 forth to work. I don't think that trying -- I really doubt that
8 the \$8,000 4-wheel drive vehicle would be ---

9 CHAIRMAN HENDRIE: I think they have a point with
10 their 4-wheel drives.

11 Indeed, much of what you said is part of the argument,
12 but for getting around sites and getting to some of the places
13 on the stations and around the stations that you might want to get
14 to in some circumstances, why ---

15 MR. GOSSICK: Before the roads are cleared from snow,
16 sometimes that 4-wheel drive comes in awful handy.

17 COMMISSIONER AHEARNE: Sure. I'm not saying that it
18 isn't useful, but there is an alternative that should be proposed,
19 then, but the Congress. If it is a 4-wheel drive vehicle that
20 is really needed on the site, then we will leave it at the site.

21 MR. GOSSICK: It doesn't do any good if he is at home
22 at night and has to, all of a sudden, go dashing out to some
23 accident if there is a snow storm going on. He really needs
24 access to the vehicle 24 hours a day, I think, is the rationale.

25 COMMISSIONER AHEARNE: I know what the rationale is.

1 MR. GOSSICK: The best justification we could come up
2 with.

3 COMMISSIONER AHEARNE: Yes, that's what it sounds like.

4 COMMISSIONER GILINSKY: Is there one of these per site
5 or does everyone of the inspectors have one.

6 COMMISSIONER AHEARNE: Well, the original approach, I
7 think, was ---

8 CHAIRMAN HENDRIE: It's one per site, I think.

9 COMMISSIONER AHEARNE: See, what you are really
10 automatically precluding by using that as your primary justifi-
11 cation, any hopes of getting a vehicle is for more than one
12 inspector at the site.

13 So if the primary justification is that these people
14 have a hard life, so you are trying to give them a vehicle to use,
15 you will lose the argument as you make it.

16 COMMISSIONER KENNEDY: Has that justification been
17 proposed?

18 COMMISSIONER AHEARNE: I believe that's the primary
19 justification, and certainly when I talked to John Davis, and
20 also to Vick, the impression I came up with is that that's the
21 primary justification.

22 COMMISSIONER GILINSKY: That's what, just as a inducement
23 or ---

24 COMMISSIONER AHEARNE: It's not an inducement. It is
25 a benefit to counteract some of the negative sides.

1 COMMISSIONER GILINSKY: Is it to make the inspector
2 happier?

3 COMMISSIONER AHEARNE: Not so much to make him happier
4 as it is a higher strain economic situation.

5 COMMISSIONER GILINSKY: I thought the point was to get
6 a car with some communications equipment in it.

7 COMMISSIONER KENNEDY: That's what I thought.

8 Do you mean if we couldn't get the communications we
9 would still get the car -- I mean the vehicle?

10 COMMISSIONER AHEARNE: If you couldn't get the 4-wheel
11 drive he would still get a vehicle. With the communications
12 package, it would certainly be necessary for that.

13 COMMISSIONER KENNEDY: My question was: If we couldn't
14 get the communications package you would still get the vehicle?

15 COMMISSIONER AHEARNE: I think that's probably true.

16 COMMISSIONER KENNEDY: That's certainly not the way
17 I understood it, as I understood it as Vick suggested, as a
18 carrier for a communications package.

19 COMMISSIONER GILINSKY: It seems to me that we
20 just can't go around just giving out cars as far as expenses ---

21 COMMISSIONER AHEARNE: Yes you can. You can conclude
22 that the difficulty in being a resident inspector and the
23 economic burden is one that concludes you from getting the high
24 quality people.

25 COMMISSIONER GILINSKY: Well, you can raise the

1 grade or the pay.

2 COMMISSIONER AHEARNE: Well, you are raising the pay
3 in order to subsidize the car. It is probably cheaper and more
4 direct for the government to have a car. That person, after
5 a few years in resident is going to go some place else and if
6 you put him into a higher grade based on the quality of the
7 individual, then you are building in other problems.

8 MR. GOSSICK: I think you really have the best chance
9 of selling this, though, as far as Congress is concerned, based
10 upon the communications capability and responsiveness.

11 COMMISSIONER KENNEDY: Are you telling me that what
12 we are selling is a vehicle for the inspector?

13 MR. GOSSICK: That's a factor in it.

14 COMMISSIONER KENNEDY: We need to decide what it is.

15 MR. GOSSICK: I don't think you rule that out as one
16 of the points that is involved.

17 COMMISSIONER KENNEDY: It may be a rub-off benefit.
18 Is it or is it not the justification is the question.

19 MR. GOSSICK: As I said, I think the primary justification
20 is based on the communications and the ability of the inspector,
21 regardless of the time of day or night and whether his wife is
22 there with a car or not, can immediately leave and get to the
23 plant or wherever else he might be called upon to go.

24 MR. BARRY: The primary justification made to the BRG
25 was a communications platform.

1 COMMISSIONER KENNEDY: And the fact that the guy has
2 to have a car available to him at all times. Then it is not
3 reasonable, in some circumstances, to demand of him that he make
4 his own personal vehicle available for government business at
5 all times, 24 hours a day. That's not the same thing, though,
6 as saying you are doing this just to make it pleasant and
7 convenient for the guy.

8 MR. GOSSICK: But in doing ---

9 COMMISSIONER KENNEDY: That's saying that it is government
10 business that requires that vehicle.

11 MR. GOSSICK: But if you can do this it relieves some
12 of the burden that he is now imposed with in having to use
13 his car in this fashion at considerable expense.

14 COMMISSIONER BRADFORD: Lee, how would this work on a
15 site then where, say the N-minus one formula were in effect and
16 you had 3 people that were ---

17 MR. GOSSICK: I don't know. It is my understanding
18 that they are not talking about a vehicle for each inspector,
19 whether he be a site or unit inspector.

20 COMMISSIONER KENNEDY: Then that doesn't track with
21 what I just got through saying.

22 MR. GOSSICK: Except that depending on which configuration
23 you buy here, how many inspectors, it may be possible for them
24 to work out an arrangement where the car is available at all times
25 to one or the other of your inspectors. But I don't think that

1 really has been completely thought through.

2 COMMISSIONER AHEARNE: If we want to get this sold,
3 as we want in the Congress, I think we ought to have a good
4 guidance system for the case.

5 CHAIRMAN HENDRIE: Let's see, I suspect, John, that if
6 you went the route that it is rational to try to provide
7 transportation for these people, and in at least -- if you have
8 several inspectors -- at least one senior guy's car as
9 a transportation package, and you did it with regular cars but
10 tried to give each inspector one, you would end up with dollars
11 that are about this much.

12 COMMISSIONER AHEARNE: That's true.

13 CHAIRMAN HENDRIE: In fact, you would probably end up
14 with more dollars.

15 COMMISSIONER AHEARNE: But every inspector would have one.

16 CHAIRMAN HENDRIE: But every inspector would have one.
17 I'm not trying to settle any argument or difference
18 one way or another ---

19 COMMISSIONER KENNEDY: That's an argument about whether
20 the vehicle should be a 4-wheel drive vehicle.

21 CHAIRMAN HENDRIE: Yes, that's right.

22 COMMISSIONER KENNEDY: That's another point.

23 CHAIRMAN HENDRIE: All I was trying to get to was to
24 see if I could get away without loud cries of objection and rage
25 with the statement that for I&E for the '80 supplement on

1 program support dollars, it looks to me as though we will end up
2 somewhere around \$1 million and change mark.

3 COMMISSIONER AHEARNE: I wasn't even going to raise the
4 automobile issue until you raised it. But I was going to raise
5 a different issue on it.

6 CHAIRMAN HENDRIE: All right, raise a different issue on
7 it.

8 COMMISSIONER AHEARNE: It might be that it is the wrong
9 line item that you point out, maybe, but if, consistent with my
10 approach that I'm proposing for how we do the inspection, one for
11 each unit, a true unit inspection program, then I would think
12 that there is a reduction in the program support in line items
13 and I'm not sure how much that is.

14 CHAIRMAN HENDRIE: Not a hell of a lot in Fiscal '80,
15 I would think.

16 COMMISSIONER AHEARNE: I'm not sure, because I wasn't
17 really sure when I looked at the set asides that tracked with it.

18 CHAIRMAN HENDRIE: Because in Fiscal '80, we are not
19 about to have sites that have got more than one person on them.

20 MR. BARRY: You are right. There is, like for
21 instance, \$764,000 in program support for training of unit
22 inspectors. And within the 146 mark, you have got ---

23 CHAIRMAN HENDRIE: Wait, wait, wait. Where are you?
24 The \$764,000, Okay.

25 MR. BARRY: But if you hold it at 146, within your

1 \$5 million you have money to take care of unit training in '80.

2 COMMISSIONER AHEARNE: That was the one item.

3 The other was, I think that they need some program
4 support -- some additional program support in '80, because I
5 believe they have got to improve the Response Center significantly
6 more than their current plans for improving it.

7 So I would have put in a few hundred thousand dollars,
8 \$300,000 to improve the Response Center. And I would put in an
9 additional \$500,000 in equipment, down in the equipment line in
10 '80, and \$3 million in equipment in '81.

11 MR. COOPER: Maybe one possible way of looking at this
12 whole scenario is if, instead you allow the 146, you say that's
13 a Congressional mandate per our earlier discussion, but do not hire
14 the full 146, hire the last increment between your mark and
15 the 146 toward the end of the year, as an increment toward your
16 '81, then you would be right in saying that if you followed that
17 scenario you would still reduce the training pipe-line in '80,
18 because you really didn't have that many people on board.

19 COMMISSIONER AHEARNE: Yes.

20 MR. BARRY: In your \$2 million set---

21 CHAIRMAN HENDRIE: You are talking about 20 percent
22 out of the 146 increment, at best.

23 MR. COOPER: That's right. That's all you are talking
24 about.

25 CHAIRMAN HENDRIE: What are you going to do, cut training

1 staff? I don't think you are going to be able to.

2 COMMISSIONER AHEARNE: Well, no, at slower increases.

3 CHAIRMAN HENDRIE: In what?

4 COMMISSIONER AHEARNE: In the training staffs.

5 MR. COOPER: You would have some administrative support
6 in terms of travel ---

7 CHAIRMAN HENDRIE: I've got a notion that your training
8 staff increment is what, something like 11?

9 MR. COOPER: Eleven.

10 MR. GOSSICK: And I think you can cut that much if
11 you are going to train this number of people.

12 CHAIRMAN HENDRIE: In '80, you are going to hire as
13 fast as you can, 120 people, in that program, train them as
14 fast as you can, versus 146. I bet you you don't make much of
15 an impression on the 11 people for training.

16 MR. COOPER: That's probably true. In the training
17 there are things like travel and administrative support that would
18 be affected by not having those people on board earlier.

19 CHAIRMAN HENDRIE: But those things don't come under
20 program support. They come under administrative support and travel
21 and training.

22 MR. COOPER: That's correct. I was just making the
23 point that there would be some reduction. That sort of ---

24 CHAIRMAN HENDRIE: But not in program support.

25 MR. COOPER: Not in program support. You might want to
put that all together ---

1 CHAIRMAN HENDRIE: Jesus, all I want to talk about
2 is program support. Let me do that.

3 It may come up higher.

4 COMMISSIONER AHEARNE: As I say, I don't know.

5 The one thing, though, I do believe we ought to add
6 in program support money for improving the Emergency Response
7 Center, not equipment, but I think they have to have a more
8 thorough and I think they are going to have to hire someone to
9 come in and tell them how to do it.

10 CHAIRMAN HENDRIE: Architectural changes or equipment?

11 COMMISSIONER AHEARNE: Well, later I would have
12 equipment. Then I would have a big slug of money in '81 for
13 the equipment.

14 CHAIRMAN HENDRIE: You are thinking now in terms
15 about ---

16 COMMISSIONER AHEARNE: In '80 I'm thinking about
17 designs ---

18 CHAIRMAN HENDRIE: Process monitoring and such things.

19 COMMISSIONER AHEARNE: That's right.

20 CHAIRMAN HENDRIE: Sort of a little Houston.

21 COMMISSIONER AHEARNE: Well, if you want to put it that
22 way.

23 CHAIRMAN HENDRIE: Okay.

24 Now, that would throw some doe into the '80 supplement.
25 Anybody know what that might be?

1 COMMISSIONER AHEARNE: That was more of a guess. I
2 don't know. It could go as high as 500.

3 MR. BARRY: Yes.

4 CHAIRMAN HENDRIE: Then something like \$3 million out
5 in ---

6 COMMISSIONER AHEARNE: In '81.

7 CHAIRMAN HENDRIE: But that would be in the equipment
8 column.

9 COMMISSIONER AHEARNE: Yes.

10 CHAIRMAN HENDRIE: I would put \$6.691 million as
11 Vick Stello's request to the Commission for '81. Where is my
12 long sheet. Is that what was on that thing too? The program
13 support dollars in I&E.

14 COMMISSIONER GILINSKY: I see \$7 million.

15 MR. GOSSICK: \$7.031, it says, request.

16 CHAIRMAN HENDRIE: I see a mixed number with a
17 set aside and so on. But Vick ---

18 COMMISSIONER AHEARNE: I had \$6.9.

19 MR. BARRY: Yes, that's what I've got.

20 CHAIRMAN HENDRIE: Why \$6.9 instead of \$6.69. Where
21 was the other two?

22 COMMISSIONER AHEARNE: A million out on modified
23 inspection, I think.

24 CHAIRMAN HENDRIE: Stello's amended request as given
25 in his briefing sheets to the Commission was for \$6.691 million.

1 MR. GOSSICK: Yes, it is, it is \$6.691.

2 CHAIRMAN HENDRIE: Now, the EDO mark had \$5.6 million
3 and a \$2.3 million set aside. The set aside had mostly to do
4 with -- somebody remind me? Had mostly to do with the unit
5 inspector program and leaves me totally confused because the
6 Congress has mandated a thing, so I found it difficult to go back
7 and forth across the numbers and ended up sticking to Stello's
8 thing. Okay, I've got a nod there. \$6.669 plus appropriate
9 Response Center stuff. Does that sound okay?

10 Vick came down under his previous request. I think
11 the sheet you are looking at, Peter, shows an office request of
12 \$7.031, and Vick modified that after the EDO scrub on it to
13 \$6.691, which, I think, comes out nicely in the middle and I
14 left a check-mark by that one.

15 MR. BARRY: Plus the doe for equipment.

16 CHAIRMAN HENDRIE: Well, when we get to equipment, why,
17 yes, I think we need to do something out there.

18 Now, would you like to quit or go on with one more?

19 MR. BARRY: Where did we finish on the supplemental
20 program support?

21 CHAIRMAN HENDRIE: It's going to be in the neighborhood
22 of a million to a million five is my guess, with details to be
23 settled.

24 MR. BARRY: A million, a million-five.

25 CHAIRMAN HENDRIE: Well, it is a \$1.64 million on

1 their request. That might go down a little bit.

2 COMMISSIONER AHEARNE: I tried to stick in some money on
3 program support.

4 CHAIRMAN HENDRIE: Yes.

5 COMMISSIONER AHEARNE: The Emergency Response Center.

6 CHAIRMAN HENDRIE: You were putting in some Response
7 Center contract money, get an architect and those type of people
8 who worry about Response Centers, to plan. There was also the
9 question with, what? Depending on how the transportation question
10 came out, you might be talking about more or less money for
11 transportation.

12 There was a possible slight reduction in training costs
13 if one went slower on the unit inspection program. It just
14 doesn't seem to me that that's going to be much dollars ---

15 COMMISSIONER BRADFORD: You are focusing on our
16 Response Center. This is not the site response center?

17 COMMISSIONER AHEARNE: Our Response Center. I think
18 that we can focus on improving the site response, but I think---

19 CHAIRMAN HENDRIE: I found it very difficult to work
20 in I&E with the BRG because you treated the 146 people as a
21 set aside, and God damn it, the Congress is saying, line up,
22 solute and do this. That is a very peculiar set aside to be
23 presented with.

24 COMMISSIONER AHEARNE: Well, I've got to endorse the
25 BRG's position in a sense that they were trying to say that I

1 believe that the Commission has not decided on what a unit
2 inspector on quote "program" is. It is very difficult for
3 them to say here are the monies and ---

4 CHAIRMAN HENDRIE: Yes, I agree, and I don't apply
5 criticism here for the people putting it down this way.

6 On the other hand, if I'm trying to get a column
7 of numbers, which when I add them, I'm going to represent a
8 request in the '80 supplement, there is very little point in
9 my putting in the cost for 146 people in there and so on, you
10 know, that is in the 363, 340 and 80, it is already there.
11 It is not a supplement.

12 COMMISSIONER AHEARNE: Although it wasn't definitely
13 sure that it was going to be there when the BRG was doing its
14 work.

15 CHAIRMAN HENDRIE: Well, that's right. If you go back
16 to the beginning of the budget review process, things were a
17 lot shakier than that now. Absolutely, absolutely.

18 I'm just saying that from the standpoint of making
19 this present sheet, why I find it confusing and so I'm
20 clutching Stello's vugraphs here.

21 Let's see. Do you want to quit? Have you had enough
22 for an initial stretch at this.

23 COMMISSIONER AHEARNE: Gee, I don't know. It's great
24 stuff.

25 COMMISSIONER GILINSKY: John can stay with it. Don't

1 let John cool down. Keep him running to our zero hour.

2 CHAIRMAN HENDRIE: When we hit our stride on the
3 budget, why we will have work schedules in which John will be
4 kept working by at least two other Commissioners at all times,
5 but if we trade back and forth, why ---

6 COMMISSIONER GILINSKY: What do you call it when you
7 keep the turbine rotating.

8 COMMISSIONER BRADFORD: Spinning reserve.

9 COMMISSIONER GILINSKY: Spinning reserve.

10 CHAIRMAN HENDRIE: A question. Tomorrow, we, in
11 addition to grinding on the Budget, we have got to go back and
12 grind on the TMI-1 Order.

13 (At this point, the Commission went into an agenda
14 planning session terminating this meeting at 12:15 p.m.)
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