



Transcript of Proceedings NUCLEAR REGULATORY COMMISSION

BUDGET BRIEFING

PUBLIC MEETING

Tuesday, July 27, 1982

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UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

- - -
BUDGET BRIEFING

- - -
PUBLIC MEETING

Nuclear Regulatory Commission
Room 1130, Commissioners' Conference Room
1717 "H" Street, N.W.
Washington, D. C.

Tuesday, July 27, 1982

The Commission met, pursuant to notice, in public session at
2:05 o'clock p.m., NUNZIO J. PALLADINO, Chairman of the Commission,
presiding.

COMMISSIONERS PRESENT:

- NUNZIO J. PALLADINO, Chairman of the Commission
- JOHN AHEARNE, Member of the Commission
- THOMAS ROBERTS, Member of the Commission
- JAMES ASSELSTINE, Member of the Commission

STAFF AND PRESENTERS SEATED AT COMMISSION TABLE:

- W. DIRCKS
- H. DENTON
- J. DAVIS
- L. BARRY
- R. DeYOUNG
- J. O'REILLY
- R. MINOGUE
- G. CUNNINGHAM
- P. NORRY

AUDIENCE SPEAKERS:

- L. DONNELLY
- J. BLAHA
- F. GILLESPIE
- R. SCROGGINS

DISCLAIMER

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P R O C E E D I N G S

1
2 CHAIRMAN PALLADINO: Good afternoon, ladies and
3 gentlemen. This afternoon's meeting is a continuation of the
4 Commission's review and discussion of the fiscal year '84-'85
5 budget estimates and current plans for '82 and '83. As I
6 mentioned at the beginning of last Friday's meeting, this
7 year's budget preparation approval process is being carried on
8 in accordance with the Court's decision regarding the conduct
9 of Commission consideration of budget matters.

10 Copies of the materials under discussion have been
11 made available to the audience to facilitate their observation
12 of the discussion. Charts on the Commission and the EDO staff
13 offices and administrative support funding have been added to
14 the material distributed last Friday.

15 At the conclusion of Friday's meeting, we discussed
16 the schedule for our remaining budget action that anticipates
17 Commission approval of the budget by August 4th. I understand
18 that the general feeling is that the schedule is tight but
19 achievable. During last Friday's meeting, we reviewed the
20 resource estimates for the agency as a whole and for Head-
21 quarters and regional support of the Reactor Regulation and
22 Material Safety and Safeguards programs.

23 When we adjourned we were discussing Inspection and
24 Enforcement, and if we could have chart 12 portraying the I&E
25 decision unit summary on the screen, we could pick up the
discussion at that point.

(Slide.)

CHAIRMAN PALLADINO: I believe that there are some
more Commission questions on this, and I think Commissioner

1 Ahearne was in the process of asking some of these questions.

2 COMMISSIONER AHEARNE: Yes, a couple of questions on
3 I&E and as we have been having some difficulty throughout, I
4 am not sure whether it is I&E Headquarters or the former I&E,
5 the regional, where the question really lies and that perhaps
6 can be addressed. One issue is with respect to training.
7 Could you say a few words about how training is going to be
8 handled?

9 In the past I&E Headquarters did have a training
10 effort down in Chattanooga and I know the path we have been
11 going on at the time had been to actually assist in building
12 a facility down there at the Soddy-Daisy Center at TVA. I
13 gather that because of some of TVA's decisions, we have now
14 dropped that particular feature of the program, but I would be
15 interested in what kind of a training program is embedded in
16 this budget as the agency's effort in regional field activities
17 is increasing and, therefore, less of a contact with Head-
18 quarters by a larger portion of the agency, is there going to
19 be an increase in the training staff, an increase in the
20 training function, will it be regionalized, what is the budget
21 assumption?

22 MR. DeYOUNG: The training staff -- we in Headquarters
23 run the training. We call it NRC technical training. It is
24 not only for the I&E and for the regions, itself, but it is
25 for the NRR people, standards, research people -- we train a
26 lot of different people.

27 COMMISSIONER AHEARNE: That is under your specialized
28 technical training?

29 MR. DeYOUNG: That's right. It is called specialized

1 technical training. The staff that we have up there now or are
2 supposed to have 19 slots for the training facility. As you
3 stated, we are no longer interested in having the training
4 facility at Soddy-Daisy because TVA has determined that they
5 will not build the motel/restaurant complex that they had
6 planned to build. Therefore, it is not cost effective for us
7 to carry people back and forth.

8 Also, it is only about one-third or one-quarter of
9 the people that we train at any one time are involved with
10 the TVA simulators that are at the TVA facility. We have a
11 planned reduction from 1982 to 1983 of two slots, from the
12 19 down to 17.

13 We also will probably utilize parts of the remainder
14 of the people to help with the CAT team approach. We have to
15 provide a CAT team. We do not have the additional resource
16 so we have to find them someplace and there are specialties
17 down there that we may utilize as part of the CAT review. We
18 are not certain, but we are still looking at it.

19 COMMISSIONER AHEARNE: Dick, just to break in for
20 a minute, last time you had mentioned an approximate number
21 for the people that would be in the CAT team. I forget whether
22 that was six or seven.

23 MR. DeYOUNG: Six.

24 COMMISSIONER AHEARNE: But I gather from what you
25 just said, that isn't an additional six somewhere, it is a
26 six collected out of the group that are already here.

27 MR. DeYOUNG: Right. The I&E 1982 allotment is 187.
28 We are supposed to go down to 162, a reduction of 25 people,
29 plus we have to find a six-man CAT team from the remainder

1 of people.

2 COMMISSIONER AHEARNE: On the training, there is a
3 slight reduction, a stablization, is that based upon an
4 estimate of the work load of people flow through?

5 MR. DeYOUNG: No, it is not. It is just that we
6 had to find some slots to cut, so we took two out of 19 from
7 the training group. We thought that we would have larger
8 classes and we would screen the personnel proposed for
9 training a little more closely to see that we didn't train
10 somebody that was absolutely not required to have that training.
11 We had another problem, of course, and that is with re-
12 training of some of the people we have for other slots in the
13 agency before we even think about RIF's.

14 So that will be an increased work load, but we will
15 have to do that through larger classes.

16 CHAIRMAN PALLADINO: Are the CAT teams under reactor
17 construction inspection?

18 MR. DeYOUNG: They will be.

19 CHAIRMAN PALLADINO: And you say you are taking three
20 out of specialized technical training to put up there?

21 MR. DeYOUNG: No. We don't know where we are going
22 to get the CAT team yet. We are trying to find bits and pieces
23 of a number of people to provide that coverage for the CAT
24 review team.

25 Reactor construction, we had 20 slots there. We have
not cut those 20 slots. Of the 20 slots, nine were supposed to
be doing program development, four were supposed to be doing
regional assessment of the implementation of the I&E Program.
The third-party activity took two people, and the supevision of

1 clerical were five, for a total of 20.

2 We can't get the CAT team from that group. We may get
3 two of them. We will cut down on program development, but we
4 will have to find the other four someplace else.

5 COMMISSIONER AHEARNE: Is it also correct and I am
6 having a little difficulty keeping up with the latest set of
7 answers to questions that I asked, so I am not sure whether I
8 have really identified all of the answers. But one of the
9 questions that I had asked was, on what is the budget based,
10 with what assumption with respect to accreditation and I
11 gather from the answer that it was based on the IEEE approach
12 -- yes, here it is -- if industry accreditation is assumed,
13 we estimate that it will require essentially an additional
14 three to four staff years. So if the Commission opts on the
15 industry approach, then you would have to find an additional
16 three to four?

17 MR. DeYOUNG: I think so. The accreditation, we
18 thought that the proposal that we had would take about three
19 staff people. If we did it with the industry proposal, we
20 thought that would double. If we did it all within I&E
21 without any help from outside, we thought a dozen or so.

22 COMMISSIONER AHEARNE: On the enforcement I guess I
23 am a little puzzled and perhaps it is because as we now put
24 in an Office of Investigation that there is perhaps a little
25 confusion as to what the enforcement function is and perhaps
26 my question then is really due to that confusion.

27 The number of operating facilities will be increasing
28 in the years '83, '84 and '85. The regional budget seems to
29 have four people for enforcement. I&E Headquarters' allocation

1 to enforcement goes from eight to seven. I am puzzled
2 whether this is an assumption that in the future that our
3 licensees will be doing so well that we aren't going to have
4 the need for more enforcement?

5 MR. DeYOUNG: No, that is not the assumption we have
6 made and I think that might be a wrong assumption. If our
7 enforcement program is truly effective, there should be some
8 reduction in violations of the regulations as to license
9 requirements. But there will always be some level --
10 personnel, mistakes, things going wrong -- whereby the
11 regulations are violated or conditions under which the license
12 is violated.

13 So I think that is just a recognition that resources
14 are tight. We have to find them someplace. Those allocations
15 for people, I think there are more people involved in
16 enforcement. There is technical back-up, there is technical
17 research on each of the violations. So it is difficult to
18 apportion them exactly. The four for the regions, for example,
19 I would dare say in any one region or in any one year, there
20 are more resources utilized like one man a year to provide
21 enforcement back-up.

22 I think that must be the enforcement coordinator in
23 each of the regions. Jim.

24 MR. O'REILLY: That's correct. These are specific
25 positions in the regions entitled, "Enforcement Coordinators,"
and they are the people who review packages for policy
consistency, train the staff -- these types of things.

COMMISSIONER AHEARNE: And one region does not have
such a person?

1 MR. O'REILLY: No. The activity level in the smaller
2 regions IV and V is assigned --

3 COMMISSIONER AHEARNE: Doesn't warrant a full time
4 person.

5 MR. O'REILLY: They have a combined job.

6 COMMISSIONER AHEARNE: Emergency Preparedness. I
7 notice there is a reduction of, I guess, 10 from the office
8 request, is that correct, 30 to 28?

9 MR. DeYOUNG: Really five were already gone. We were
10 carrying them on the books. They had been allotted to the
11 regions, so it is a reduction of six.

12 COMMISSIONER AHEARNE: Let me see if I can understand
13 that answer. I have a program office request for '83 of 38.8.

14 MR. DeYOUNG: You call that 39. Five of those were
15 already slated to go to the regions. So it is 34.

16 COMMISSIONER AHEARNE: So in other words you are
17 saying that the program office request was not for the office
18 of I&E, it included --

19 MR. DeYOUNG: Thirty-four of those were I&E, five
20 were slotted to regions, one to each of the regional offices.

21 COMMISSIONER AHEARNE: So should I view the I&E
22 request then really being 34?

23 MR. DeYOUNG: Thirty-four.

24 COMMISSIONER AHEARNE: All right. So that went down
25 to 28. Now the regional allocation for emergency preparedness,
26 does that include those five?

27 MR. DeYOUNG: No, it does not. We don't count them
28 twice.

29 MR. DONNELLY: No. The regional allocation does

1 include those five, and in the answer to your question as to
2 how the regional number grows, you will see approximately five.

3 COMMISSIONER AHEARNE: I am wondering then, if I have
4 two columns embedded in here, one is Headquarters I&E office
5 request and the other is regional labelled office request,
6 and Dick has just said that the Headquarters I&E had five in
7 it that were slated to be transferred. Did those five show
8 as a double count i the regional office request?

9 MR. DONNELLY: Yes. They were slated to go the year
10 before and I guess one could debate which office should have
11 shown them.

12 COMMISSIONER AHEARNE: All right, but at the moment
13 it is true then that it is really a double count?

14 MR. DONNELLY: In the request column.

15 CHAIRMAN PALLADINO: On emergency preparedness, if
16 you go to all the activities that are involved in the budget
17 in '83, I think the office request was 93 and what we gave
18 was 83, but there are a lot of activities in emergency
19 preparedness that are shown in the cross-cuts.

20 MR. DeYOUNG: There are really two major activities
21 in that program. One is emergency preparedness and the other
22 is incident response. That is the duty officers at the response
23 center in Headquarters.

24 COMMISSIONER AHEARNE: Obviously part of the problem
25 is just trying to understand all of the labels. For example,
26 on the answers, the revised answers, that we just received to
27 a set of my questions, page 23 of the revision, this is
28 addressing the fact -- this now addresses the emergency prepar-
29 edness increase and for '83, the increase is 5.1, for '84, it

1 is 3.8 and for '85, it is 4.5 in the regions. But on page
2 eight theoretically the breakout of the total resources in
3 the regions it is 6, 5 and 5 for emergency preparedness.
4 So the anomaly I have here is that, is that really saying
5 that there was .9 scheduled in '83? Was it really that small?

6 Was there essentially almost nothing scheduled in
7 the regions for emergency preparedness? If this is an
8 accurate reflection then --

9 MR. DeYOUNG: That is an accurate reflection.

10 COMMISSIONER AHEARNE: So it is basically the five
11 that were transferred away so the additional six that you have
12 lost really represents an absolute reduction? It is in no way
13 a transfer to the regions?

14 MR. DeYOUNG: Yes.

15 COMMISSIONER AHEARNE: Bill, was this based on a
16 relative priority sense or the sense of emergency preparedness
17 actions are not sufficiently well along?

18 MR. DIRCKS: It is tasks within that general heading,
19 there were people, for example, bits and pieces of people
20 coordinate with FEMA, instead of 1.6 man years that the
21 office requested, I think we said, "Do it with one." It is
22 just a general attempt to spread the resources.

23 COMMISSIONER AHEARNE: I don't mean this in a
24 pejorative sense, but is this "green-eye shade" budgeting?

25 MR. DIRCKS: When you are dealing with the type of
budgeting we go through and you justify everything in terms
of man loading, I think it turns out to be "green-eye shade"
budgeting.

COMMISSIONER AHERNE: I guess my other questions

1 relate more to Jim. We have a sheet and I think it was given
2 out by Len last time on regional operations. The preoperation-
3 al testing line staff years, is that based upon a forecast of
4 the reactors that will actually be coming up to that stage?

5 I notice that you go up some from '82 to '83 and
6 you drop quite substantially from '83 to '84 and start coming
7 back up in '85.

8 MR. O'REILLY: Yes, sir. This is our assessment of
9 the workload for the regions developed by the regions.

10 COMMISSIONER AHEARNE: Based upon best estimate of
11 when reactors are going to be coming into that stage?

12 MR. O'REILLY: Yes, sir.

13 MR. DONNELLY: We used the same fuel load base that
14 was used in the rest of the agency's budget and then worked
15 backwards from those dates and the pre-op number represents
16 the number in that fiscal year which precedes the fuel load
17 date by five months.

18 COMMISSIONER AHEARNE: And since the type of
19 inspection that is done there is not that dissimilar from other
20 inspections that you do, the people who are allocated can
21 shift back and forth, is that correct?

22 MR. O'REILLY: Yes, sir. That is correct.

23 COMMISSIONER AHEARNE: Your items 11, 12 and 13,
24 is this again rather than an identification of individuals,
25 these are estimates of the workloads that will be swept up
under this --

MR. O'REILLY: Yes, sir.

COMMISSIONER AHEARNE: So where it says, "people,"
it really isn't people --

1 MR. O'REILLY: Yes, FTE.

2 CHAIRMAN PALLADINO: It says, "people."

3 COMMISSIONER AHEARNE: Your lab technical line, are
4 these the people who run the mobile labs?

5 MR. O'REILLY: Yes, sir.

6 COMMISSIONER AHEARNE: How many labs do we have now?

7 MR. O'REILLY: In the larger regions we have an
8 average of two laboratories, mobile laboratories. In the
9 smaller regions, we have one.

10 COMMISSIONER AHEARNE: So you have about eight?

11 MR. O'REILLY: Yes, sir.

12 COMMISSIONER AHEARNE: And there is just one person
13 per lab?

14 MR. O'RE. . . There are more people involved in
15 this, but they are part-time. Obviously, there is some
16 supervision, a supervisor supervising a laboratory and he
17 would also be supervising several related functions, environ-
18 mental information, environmental inspections and part of that
19 function would be attributed to the supervision of the
20 laboratories.

21 COMMISSIONER AHEARNE: And the out year, the
22 assumption is that the level of effort required to do this
23 work -- is it that the labs are now utilized to full capacity
24 and we are not going to get any more? Or that the workload
25 is stablized or that we don't have enough resources to go
beyond that?

MR. O'REILLY: No, sir. We are still experimenting
with the laboratories. We have this last year put into oper-
ation the NDE laboratory that Region I is evaluating and plans

1 for expansion of their area are not included, but if that works
2 out well, we would come back to the Commission looking for
3 more resources to support that activity next year.

4 Without a lab, we also have a lot of other testing
5 equipment in the other regions and have been done that not in
6 a situation that would require a very capital intensive
7 vehicle like this laboratory.

8 COMMISSIONER AHEARNE: How much lab technical work,
9 people to do that, are we getting by contract?

10 MR. O'REILLY: Region I has contract support to
11 assist them in the conduct of some of their measurements
12 involving construction, welding, radiography. So in that
13 area, I don't know the number, but I can obtain it if you
14 like, but that is contract support.

15 MR. DONNELLY: It is a quarter of a million.

16 MR. O'REILLY: With regard to radiological expertise,
17 we do not get contract support. We have our own people do
18 that. The support is just in the servicing and calibration
19 and repair.

20 COMMISSIONER AHEARNE: So it just the NDE lab.

21 MR. O'REILLY: That has the large number of actual
22 contractors technically supporting the NRC.

23 COMMISSIONER AHEARNE: I similar question just to
24 check and I imagine it is the same answer, on the preoperational
25 testing. Reactors under construction, a significant drop off
in the people looking at the staff years allocated to
reactors under construction, is that again geared to the
completion of construction?

MR. O'REILLY: Yes, sir. It goes up and ops and down

1 in construction.

2 COMMISSIONER AHEARNE: Significantly?

3 MR. O'REILLY: Yes, sir.

4 COMMISSIONER AHEARNE: So by '85, you would expect
5 a demand of almost one-third of what you would have in '83?

6 MR. O'REILLY: Almost exactly, yes, sir.

7 COMMISSIONER AHEARNE: Two and a half. Could I ask
8 the difference between the line of number three, reactors under
9 construction, and number fifteen, increased inspection at
10 construction sites?

11 MR. O'REILLY: Yes, sir. Item 15 is the new initia-
12 tive of programatically through our increasing the amount of
13 inspection effort directed at construction sites. We are
14 planning to provide additions to out construction/inspection
15 force of approximately 0.3 man years per site in fiscal year
16 '83, and 0.5 applied to the construction sites that would
17 exist at that time in '84 and '85.

18 COMMISSIONER AHEARNE: Are you saying though that
19 as far as the functions they will perform, that it will be
20 very similar to the ones in three?

21 MR. O'REILLY: No. These people will be concentrated
22 more in the area of -- not just relating to our current QA
23 problems, that is a different issue -- these people will focus
24 on additional inspections in the area of QA, QA implementation
25 and the facilities under construction. These are in addition
to the other items.

CHAIRMAN PALLADINO: But they could be included? We
show ups and downs in others. Why couldn't this be included
in three?

1 MR. O'REILLY: It could be.

2 MR. DONNELLY: It could have been. It was just a
3 choice of calling it out separately in the budget process.
4 It could be up on that other line.

5 CHAIRMAN PALLADINO: The problem is though reactors
6 under construction looks like it is going down and then you
7 add on top of it and it certainly is not going down as much
8 if going down at all. It seems like an artificial division.

9 COMMISSIONER AHEARNE: That is why I wondered what
10 it was. That is a good point.

11 Would I gather by the fact that in your two staff
12 years allocated across the five regions for contract manage-
13 ment, that indicates you don't really see contracts being a
14 growing part of regionalization?

15 Let me ask it a different way. As you know technical
16 support comprises a large, a very large part, of the operations
17 at many Headquarters' offices. These Headquarters' offices
18 are shifting functions to the regions. Is there an implicit
19 assumption that the regions will not pick up an increasing
20 requirement for technical support?

21 MR. O'REILLY: No, sir. We are receiving this
22 contract money not at the ratio as Headquarters. We expect to
23 receive more of the staff at the beginning, but we will be
24 receiving substantial contract support similar to the support
25 provided Headquarters that will be run by the regions so we
will need that type of numbers to monitor those types of
contracts.

We will still be maintaining some contracts at
Headquarters that lend themselves better to centralized

1 monitoring and procurement and they will provide the services
2 to the region.

3 COMMISSIONER AHEARNE: Maybe I am misreading this,
4 in the past NRR and NMSS, I think, have been heavy users of
5 program support money. These are now areas shifting or
6 beginning to shift out into the regions. But the explanation
7 here is the contract management is reduced to reflect the
8 level of contract review effort more consistent with that
9 of I&E Headquarters. I wondered whether that is really
10 appropriate?

11 MR. DONNELLY: What we budgeted as an estimate,
12 one professional staff year per million dollars of contract
13 money that was planned in the budget to go to the regions,
14 the experience on the part of the program offices managing
15 those funds was that it was closer to \$1.5 million per man.
16 The reduction, if I understand it correctly, reflects the
17 reduced effort associated with the 1 per \$1.5 million versus
18 1 per \$1 million.

19 COMMISSIONER AHEARNE: My guess is and this is
20 obviously down in the drips and drabs of tiny numbers, that
21 first you have a minimum amount of time that you have to spend
22 on contract management in order to understand the complexities
23 of contract management. In the Headquarters, if you are look-
24 ing at \$5 million dollars or \$10 million dollar lumps, then
25 that kind of averaging works out. But if you are out in the
region where you may in many cases be below the \$1 million
dollars, it is not going to equivalently say, "Well, we will
just have a person spend a third of his time on it."

Secondly, consistency with I&E Headquarters' program

1 support may not track as you are picking up more of the NRR
2 and NMSS area. I am puzzled by the percentage of supervision/
3 clerical/administrative support which at least in the regional
4 operations' chart, seems to be running about one-third,
5 33 percent, staff years. Initially, that seemed very low,
6 one out of every three persons is in supervision/clerical/
7 administrative support.

8 MR. O'REILLY: The regions have been operating at
9 a higher ratio because of their size. That is a problem. We
10 have looked at the number carefully and we stayed with the
11 number that we have been able to live with in the past, and
12 we have accepted the new rates that the other offices have
13 been using when we accept their FTE to accomplish that function.

14 So our overall number will be coming down in that
15 regard, but we do need at least with the size that we are now
16 additional resources to cover the number of functions. That
17 is one of the problems you run into. I feel certain that
18 you recognize in the field, it performs almost every service
19 for its personnel.

20 CHAIRMAN PALLADINO: Which number would that compare
21 with on an agency-wide basis? For example, on one of the
22 charts we show management direction and support and we show
23 administration and they add up to almost one-third of the
24 agency.

25 COMMISSIONER AHEARNE: Len, what is our agency
average?

CHAIRMAN PALLADINO: It depends on what you want to
count, and that is why I was saying, which one of the headings
agency-wide would this compare with or which combination of

1 agency-wide --

2 COMMISSIONER AHEARNE: Do we have something that
3 compares with this supervision/clerical/administrative support?

4 CHAIRMAN PALLADINO: Yes, we have it on the new cross-
5 cut. We have balance of administrative support, for example,
6 for '82 is 399 and then management direction and support is
7 645 and that is roughly one-third of the agency budget.

8 I am not saying that that is an action that is going
9 to be followed.

10 COMMISSIONER AHEARNE: I am not sure if it is a
11 comparable number.

12 CHAIRMAN PALLADINO: That is what I don't know. Is
13 it a comparable set of numbers.

14 MR. BARRY: As Jim said, the ratio is higher in the
15 field.

16 CHAIRMAN PALLADINO: It depends on what he counts
17 there as compared to what you count elsewhere.

18 MR. BARRY: His numbers have to include, of course,
19 his administrative support as well as his clerks, supervisors.
20 We have a director of Administration.

21 CHAIRMAN PALLADINO: It might be interesting to
22 compare two sets of numbers prepared on the same basis.

23 COMMISSIONER AHEARNE: On inspection modules and
24 again I am not sure whether it is a question to Dick or to
25 Jim, I had asked the question whether there was any assumption
made under revision of inspection modules and the budget to
me appeared to be based on continuation of the present
inspection practices and I asked whether it was correct.

The revised answer does not answer whether that is

1 correct or not.

2 CHAIRMAN PALLADINO: We were having trouble getting
3 responsive answers.

4 MR. DeYOUNG: Which page?

5 COMMISSIONER AHEARNE: Revision 3, but it does
6 go through a lengthy description, but really my question wasn't
7 whether we had a program to revise the modules because by now
8 I am convinced having been here for four years we do have a
9 program to revise modules. Now how well that program is going
10 to work is always the open question, but the program does
11 provide it.

12 My question was really a more technical budget
13 question. Are the load factors assumed the same? In other
14 words, what an inspector is assumed to be doing, are there
15 any major changes embedded in that?

16 MR. DIRCKS: Will we gain any more efficiencies from
17 the new module?

18 COMMISSIONER AHEARNE: Yes.

19 MR. DIRCKS: That's the question.

20 COMMISSIONER AHEARNE: Or conversely, do we have
21 under here the assumption, the modules don't change and the
22 efficiencies don't change, then the assumption is that out
23 through '85, will still be running at maybe 60 percent of
24 what the program would say should be inspected.

25 MR. DONNELLY: I don't know. All I can say is
that the assumptions with respect to level of effort per
reactor and so forth did not change. If the program does not
change, I think you have to come to the same conclusions.

MR. DeYOUNG: I think it will change. I think we are

1 trying to revise the modules on the basis of the importance
2 to safety or the detection of violations and so forth. Our
3 program, we are revising it, so that if you really consider
4 it as an inverted pyramid, the first part of that program we
5 will say must be done each year by the field and it will be
6 done 100 percent each year.

7 We continue to climb up that pyramid and say if
8 you have additional time, you do these things and part of the
9 modification of the modules that we are attempting now is not
10 only to improve some of the modules but eject some of the
11 modules that we don't think are very effective.

12 COMMISSIONER AHEARNE: What I think you are saying,
13 Dick, is that the budget is based on no change, but that you
14 have a program which may or may not have significant impact
15 on the out year budget.

16 MR. DeYOUNG: That's right.

17 COMMISSIONER AHEARNE: In an answer to my question
18 on quality assurance and this was with respect to a cross-cut
19 page and I don't think there has been a revised answer -- no.

20 CHAIRMAN PALLADINO: What page?

21 COMMISSIONER AHEARNE: Page 37. I was asking what
22 kinds of people were the staff years, whether they were
23 specifically allocated to quality assurance or are they
24 construction/inspection staff years now labeled as QA and the
25 answer I get is, "The resources included are estimates of those
construction/inspection activities associated with the review
and evaluation of the applicants' QA program." How are those
estimates arrived at since a significant question, obviously,
is the amount of effort that the agency is putting into QA

1 inspection, I wonder what weight I should give to these
2 estimates.

3 MR. DeYOUNG: I am lost.

4 MR. DONNELLY: People in I&E who are working on the
5 current QA program work with us, my staff, to try to best
6 estimate the amount of resources within the construction
7 program that we could say are clearly focused on the quality
8 assurance work being done at the site. I don't know the
9 precise definition of that and how they arrived at that
10 number. I can get it for you.

11 COMMISSIONER AHEARNE: The problem that it leads to
12 is not really being able to know whether or not those are
13 good numbers or approximately good numbers or within factors
14 of two since whether we have adequate resources into quality
15 assurance is a big issue and if I look out here, it is the
16 regions who are really carrying the weight, obviously.

17 I would be interested if you could give me some
18 sense. What I am trying to do is to figure out if we really
19 have a solid amount of effort located on quality assurance or
20 is it a rough guess which could be off so maybe we have half
21 that effort?

22 MR. DeYOUNG: I think it is a rough guess.

23 COMMISSIONER AHEARNE: My last question relates to
24 page 24 and this is the NDL under emergency preparedness. I
25 am still not really following the answer completely. I do
gather that the budget, the million dollars in '84 and five
million dollars in '85 and we would be estimating an additional
four million dollars in '86, and that the cost and schedule
would be based upon going into 80 sites.

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MR. DeYOUNG: That's correct.

COMMISSIONER AHEARNE: Now the absence of a number for '87, I am just assuming that those are approximately right, so this works out to about \$125,000 per site for the estimate, is that correct?

MR. DeYOUNG: That's roughly correct.

COMMISSIONER AHEARNE: Is there embedded in there some assumption as to the utility would be picking up a large part of the cost at the site?

MR. BLAHA: Those, sir, are preliminary estimates pending study that is starting very soon. It is more of a wedge or a place holder in getting this started in '84 with another planning figure in '85 that would be refined as a result of this study. So I don't think we have a specific answer.

COMMISSIONER AHEARNE: What I am trying to see is whether or not we really have the dollars beginning to be identified in the budget which would fund the NRC contribution to the Data Link were we to want to do it and the Congress to approve.

I think what the answer I just got is, "No, it is not there."

MR. BLAHA: We have a modest start in '84 with another larger increment planned in '85.

COMMISSIONER AHEARNE: Right. But the larger increment isn't based upon any calculated amount that it would cost to put in a Nuclear Data Link system and the number of plants that might be required and the pro rata share that we would try to get the utility to pay.

1 MR. BLAHA: Not a detailed analysis of that level,
2 that is correct.

3 COMMISSIONER AHEARNE: All right.

4 CHAIRMAN PALLADINO: But you are trying to put
5 80 in under \$125,000 per unit?

6 COMMISSIONER AHEARNE: No. Let me say what I think
7 we were just told and if it is wrong, Jim or Dick, correct it.
8 They foresee that if we go ahead with the Nuclear Data Link
9 there would be 80 sites at which this is accomplished. They
10 foresee that if we go ahead with the Nuclear Data Link we
11 ought to start putting some monies in the budget so they have
12 \$1 million dollars allocated and \$5 million and \$4, but that
13 should not be treated as an estimate of dollars per site. They
14 are independent.

15 CHAIRMAN PALLADINO: What are we going to do with
16 \$10 million dollars? I thought we were going to buy equipment.
17 If we are not, then --

18 MR. BLAHA: I think it is not based on an estimate of
19 dollars per site as much as we would have a difficult time
20 convincing you that that was the defensible logical number.

21 COMMISSIONER AHEARNE: You are.

22 (Laughter.)

23 MR. BLAHA: For that reason.

24 CHAIRMAN PALLADINO: What was the question you
25 thought you were going to have difficulty with?

MR. BLAHA: Convincing you that whatever the estimate
was is a firm number.

CHAIRMAN PALLADINO: Do you mean the \$125,000?

MR. BLAHA: Yes, because the study hasn't been done

1 yet and the details haven't been worked out which is why we
2 thought it prudent to put a larger amount in for '84 when
3 we couldn't defined specifically why we needed that larger
4 amount. So we are being very modest in '84.

5 CHAIRMAN PALLADINO: I am misunderstanding, what are
6 you going to do with this \$10 million dollars over the three
7 years if you are not going to buy or help install --

8 COMMISSIONER AHEARNE: They are, but the point that
9 Jim is making is he can't show that it is going to be \$125,000
10 particularly given that there are some estimates that go up
11 to several million dollars.

12 MR. BLAHA: The number in '85 may be slightly larger
13 or smaller depending upon the study and the results of that
14 will be starting soon, so the '85 number we would expect to
15 be updated based on a detailed plan which the Commission and
16 Congress would approve.

17 CHAIRMAN PALLADINO: But it so happens here, your
18 \$125,000 per and your \$10 million dollars --

19 COMMISSIONER AHEARNE: That's how I got it.

20 MR. DeYOUNG: It is a guess. At this point it is a
21 guess.

22 COMMISSIONER AHEARNE: I think that exhausts my
23 questions on I&E.

24 CHAIRMAN PALLADINO: Jim, did you have more?

25 COMMISSIONER ASSELSTINE: Let me follow up with a
Data Link question on what John just raised. As I had under-
stood the earlier Commission proposal that had actually been
included in the '82-'83 budget request, it was for implementa-
tion over a two year period of time. Now we have gone to the

1 prototype system, and it appears that the implementation once
2 the prototype study is done is stretched out over a longer
3 period of time, that is, more than three years. What is the
4 basis for stretching out the implementation once we do the
5 prototype study and assuming that that leads the Commission
6 and the Congress to support implementation of the Data Link?

7 MR. DeYOUNG: I thought it was about a two year
8 period, about a two and a half year period. A few sites
9 will be completed in 1984 and then all of them --

10 COMMISSIONER ASSELSTINE: In '86 and '87.

11 MR. DeYOUNG: That is about two and a half years.
12 I don't think we have changed that much. Some of the later
13 ones will drag out and some of the early ones will have
14 problems and we will go cautiously at the beginning.

15 COMMISSIONER ASSELSTINE: On construction, quality
16 assurance, quality assurance inspection for reactor construc-
17 tion, looking at page 45 of the cross-cut charts, it appears
18 that at least in the regions the QA inspection effort goes up
19 substantially from '82 to '83. Is it fair to say that at
20 least so far that is the major element in our construction
21 QA response?

22 CHAIRMAN PALLADINO: What are you looking at?

23 COMMISSIONER ASSELSTINE: The regions on page 45 of
24 the cross-cut chart.

25 MR. O'REILLY: The increase is the increase I
discussed earlier, that is, the programmatic upgrading to focus
on attention to QA during facilities under construction
during those years. That is the delta.

COMMISSIONER ASSELSTINE: Is that as far as our

1 response so far to the construction QA problem, that is the
2 one tangible element that we have so far which is a substantial
3 increase in regional inspection effort.

4 MR. O'REILLY: Yes, sir, 0.3 man years per site in
5 '83 and 0.5 in '84 and '85.

6 COMMISSIONER ASSELSTINE: When you add up the
7 regional and I&E inspection efforts for reactor construction
8 in '82, '83, '84 and '85, and you add up the regional IE
9 vendor inspection efforts in the QA area, you end up with a
10 greater effort in the vendor area than you do in the reactor
11 construction area.

12 For example, 39 to 33 in '82, 43 to 37 in '83,
13 43 to 42 in '84, and 44 to 34 in '85.

14 MR. O'REILLY: I wasn't involved in the development
15 of these cross-cuts and what is involved in the cross-cut
16 is the definitions that go into and that was the problem with
17 12 that we discussed earlier. I just don't know what was
18 intended. I can tell you what types of people we have.

19 To respond to your question, I can tell you that
20 in '83 in the area of construction inspection activities,
21 that there will be in the regions 166 inspectors and
22 supervisors involved and in '84, 130, in '85, 111. Those
23 are numbers that would be loaded with the support for those
24 people.

25 The problem exists in operations. I could give you
those numbers, also. In '83, there would be 341.

CHAIRMAN PALLADINO: What are you talking about now?

MR. O'REILLY: These numbers are getting away from
those cross-cuts. You have to put them in certain categories

1 and it is a definition problem and that was the problem that
2 we had a little earlier.

3 CHAIRMAN PALLADINO: What are the numbers that you
4 are quoting?

5 MR. O'REILLY: These numbers count from the break
6 down of the actual assignments in more detail before you go
7 into cross-cuts. These are total numbers. In operations,
8 there was 341 in '83, 387 in '84, 421 in '85. In the vendor
9 program, there is a total number that you looked at in one
10 line before and is close to 38 people in the vendor program.

11 COMMISSIONER ASSELSTINE: All right. Because if you
12 look at the QA cross-cut, at least the impression I had was
13 that greater effort was being put in the vendor side than on
14 the reactor construction side, and I guess I wondered if
15 that represented a judgment by the staff that unfortunately
16 that is where the more significant problems were.

17 MR. O'REILLY: No, sir. Those are the numbers.
18 I can give you some total numbers --

19 COMMISSIONER ASSELSTINE: So it is a problem more
20 with the cross-cut approach.

21 MR. O'REILLY: -- of just inspectors and in '83 --

22 CHAIRMAN PALLADINO: If they aren't different, is
23 it a distribution within the total number we got?

24 For example, under power reactors under construction,
25 maybe there is an error in the distribution between vendor
26 inspection and the others because if it isn't, there is
27 something wrong in the distribution among the major headings.

28 COMMISSIONER ASSELSTINE: I guess the impression I
29 have from what Jim was saying is that when you look at those

1 breakouts for QA for reactor construction, it may be somewhat
2 of an arbitrary breakout, that in fact, it is better to look
3 at the total inspection effort for reactor construction than
4 it is --

5 MR. O'REILLY: Yes, sir.

6 COMMISSIONER ASSELSTINE: But at least for vendors,
7 this may be a much closer approximation of the total effort
8 in the vendor area.

9 MR. O'REILLY: That is correct, yes, sir, who all
10 are put in the category of QA.

11 COMMISSIONER ASSELSTINE: I had a little difficulty
12 in getting a sense from the big chart of the regional
13 operations area how the changes in numbers of inspections per
14 year as we go from '82 to '83, '84 and '85 in these different
15 categories stacks up in terms of whether it is an increased
16 amount of effort over what we are doing now or a decreased
17 amount of effort or about a level amount of effort. I wonder
18 if you could just touch on each of those categories there
19 and mention sort of qualitatively where we are going?

20 MR. O'REILLY: The level of inspection activity
21 per plant for the activity that that plant is in with a
22 few exceptions remains the same. We will have more operational
23 inspections next year because of the numbers of reactors
24 that will be entering that phase.

25 So as you see the number changing, that number is
26 forced totally by the status of the plants and our independent
27 assessment of where they will be next year.

28 In addition to that number, we are applying the
29 additional 0.3 in fiscal year '83 to add a new emphasis to

1 our QA inspections, so that would change that number if you
2 look at the totals in '83.

3 COMMISSIONER ASSELSTINE: That is for reactors under
4 construction?

5 MR. O'REILLY: That is correct, reactors under
6 construction, so if you consider that addition plus the changes
7 due to the changes in schedules, that basically would be the
8 amount of resources we would be applying in the inspection
9 field.

10 COMMISSIONER ASSELSTINE: So basically it is a level
11 effort with the exception of construction where there is an
12 increased emphasis.

13 MR. O'REILLY: Yes, sir.

14 COMMISSIONER ASSELSTINE: I think that covers my
15 questions on I&E.

16 CHAIRMAN PALLADINO: Tom, did you have any
17 questions?

18 COMMISSIONER ROBERTS: No.

19 CHAIRMAN PALLADINO: I wonder if we could --

20 COMMISSIONER AHEARNE: I have another question.

21 CHAIRMAN PALLADINO: Go ahead.

22 COMMISSIONER AHEARNE: This again is sort of a
23 combination, Dick and Jim, the fuel facilities and materials
24 line in I&E Headquarters, it is dropping drastically. It is
25 17 in '82, 12 in '83, 9 in '84 and '85 and the regional
line is 31 in '82, 30 in '83, 27 in '84. Does this
represent that there is just not that much work or does it
represent the conclusion that it is lower priority?

MR. DeYOUNG: I think it is a part of both. The work

1 has reduced somewhat and the priority compared to some of the
2 reactor kind of construction activity and QA initiatives is
3 somewhat less. I think the regions stay about the same.
4 They drop slightly.

5 CHAIRMAN PALLADINO: They drop and then they go up
6 slightly.

7 MR. DeYOUNG: But there is a major reduction in
8 Headquarters.

9 COMMISSIONER AHEARNE: But that wasn't your request.
10 That was Bill's decision.

11 MR. DIRCKS: That's true. I just think that when we
12 were faced with the need to put more people under QA and beef
13 up other areas, we took it out of that account. We felt as
14 though we had a pretty firm ceiling there, so we just moved
15 resources around. I think it is a priority decision at this
16 point. Jim has something to add.

17 MR. O'REILLY: In the field activities, the reduction
18 is more in some of the phasing out of some of the fuel
19 facilities and not in the materials program.

20 COMMISSIONER AHEARNE: I wasn't really questioning
21 the number in the field. It was that there was a substantial
22 drop in Headquarters and no increase in the field which had
23 to be a conclusion that the work wasn't there or it was of
24 lower priority.

25 MR. DIRCKS: As was mentioned, the field sort of
stays about where it is. Headquarters, I think, our view was
that it was a priority problem and also if you look at
Headquarters' function these days is to develop inspection
programs and appraise how the regions are doing. I think it

1 was just a decision that we have to defer new regional appraisals
2 and new program development during this period of tight
3 resources.

4 COMMISSIONER AHEARNE: You would have to defer it.

5 MR. DIRCKS: I would hope as we always do in the
6 budgeting process that somehow or another we can get back in
7 out years.

8 CHAIRMAN PALLADINO: Any further questions?

9 MR. BARRY: Commissioner Ahearne, in answer to your
10 question a while ago on the ratio of management direction and
11 support to the entire force, in fiscal year '83 in the budget,
12 it will be four program offices with an average of about
13 six percent overhead to the staff. In the regions, it would
14 average about eight. In other words, there will be an
15 eight percent overhead factor like Harold Denton and his
16 immediate division directors and immediate support office
17 to the total number in his staff.

18 CHAIRMAN PALLADINO: That is different from what is
19 reported here. You are reporting something different.

20 MR. DIRCKS: It is a different way of putting it.

21 CHAIRMAN PALLADINO: That's all right.

22 COMMISSIONER AHEARNE: What I was really looking at
23 was in the chart that you gave out, I was really taking a ratio
24 of number 20 which has supervision/clerical/administrative
25 support and I was looking at what percentage that was of the
total.

MR. BARRY: That includes all the clerks and admin
type people also.

CHAIRMAN PALLADINO: Shall we try to go on to

1 Research? The next three slides, 13, 14 and 15, relate to
2 research. Slides 13 and 14 show the total resources and major
3 planned accomplishments for research. The staffing levels
4 decrease through fiscal year '85 while program support remains
5 fairly level except for a \$15 million dollar increase in '84.

(Slide.)

6 CHAIRMAN PALLADINO: You can see where the increases
7 in program support funds are primarily the more large scale
8 tests of pipes and corrosion, evaluation of system behavior
9 during transients, human engineering effects, risk assessments,
10 source term, severe accident data and Semiscale programs.

11 Then if you look at Slide 15 you see the summary
12 in terms of decision units.

(Slide.)

13 CHAIRMAN PALLADINO: The decision units showing the
14 largest decrease in staffing are facility operations, siting
15 and health and loss-of-coolant accident. The program support
16 level increases for most decision units with the largest
17 increase being reactor and facility engineering. This increase
18 is offset by large decreases in LOFT and LOCA.

19 Depending on your wishes, maybe keeping slide 15 on
20 would be the best basis for asking questions. Who would like
21 to start? Would you like to start?

22 COMMISSIONER ASSELSTINE: I have a couple.

23 CHAIRMAN PALLADINO: All right.

24 COMMISSIONER ASSELSTINE: One question I had is on
25 Mod-5. I guess what I would like to hear a little bit about is
what we intend Mod-5 to do and how much it is going to cost us,
what kind of contributions will we expect to see from the

1 industry on that and what we are doing to make sure that we
2 don't get into the situation where we are running another
3 large scale research project and not getting cost effective
4 results from it.

5 MR. MINOGUE: If I may, I would like to answer your
6 last question first. The size and complexity of these
7 facilities we put it at the bottom end of the group that you
8 would call large, expensive, complex facilities. So don't
9 think of it as being equivalent to the LOFT. It is a much
10 simpler facility.

11 It is a facility of a type of which a number have
12 been built over the years whose major function is to assess
13 thermal hydraulic transients and the way this is done is by
14 doing tests in simple configurations with heated sections that
15 simulate the thermal hydraulic behavior of the core sections
16 and the other system components.

17 Then you use that to validate your codes. So it
18 should be seen as something that is coupled with code
19 development and code validation. These facilities are also
20 used as test beds for instrumentation.

21 There are several of them around and the origin
22 of the term Mod-5 reflects this. Semiscale is a Westinghouse
23 configuration with some broad PWR applicability. It was
24 funded by NRC and it goes back to what I call, "the old days."
25 FIST which is also mentioned in the budget document is a GE
26 configuration. It has been funded in a mix among EPRI, GE and
27 NRC with NRC paying about 40 percent.

28 Mod-5 would be a B&W configuration with some
29 applicability to the CE plants reflecting the different

1 system configuration. What we contemplated would be that the
2 funding ratio would be the same as it was for FIST which
3 seemed a fair split among the three organizations. The
4 total cost which you asked about on a year by year basis is
5 \$7 million in '83 of which \$2.8 would be NRC, \$13 million
6 in '84 of which \$5.2 would be NRC and \$6 million in '85
7 of which \$2.4 would be NRC -- that is just 40 percent.

8 Beyond that from past experience, you would
9 expect continued operation and these are useful facilities
10 of broad applicability to design easy change out and basically
11 do a lot of tests on a very cost effective basis. The split
12 of the different parties though might change in out years
13 because the relative interest might shift.

14 The alternatives that we considered were in effect
15 build no facility and try to get this kind of data and
16 insights by looking at other sources of information.
17 Second to look to a modification and the GERDA facility which
18 is a B&W facility with a strong German interest. Third would
19 be Mod-5 which would be a new facility built next to Semiscale.

20 CHAIRMAN PALLADINO: Completely new?

21 MR. MINOGUE: Yes, sir. It would be new in the
22 sense that the piping would be all new. Much of the
23 building with the exception of either raising the roof or
24 lowering the floor is already there and the support facilities
25 would be there already. The loop itself would be completely
new.

CHAIRMAN PALLADINO: So mod doesn't mean modifica-
tion?

MR. MINOGUE: Not any more. I think that is the

1 origin of it, but no, this would be a new facility. Simply
2 to use the GERDA loop would cost a lot of money. As to what
3 we do if we are unable to make an appropriate arrangement with
4 industry, I think this is going to be a very tough call
5 because there is a two-way balance here. There are regulatory
6 actions you can take, too. You can build this facility and
7 get a better understanding and maybe impose a less stringent
8 regulatory solution or you can go with a lesser program
9 with fewer insights in a closed type of regulatory solution
10 so it is really not a very straight forward matter. It isn't
11 a go/no go.

12 If we were unable to reach appropriate accommodation,
13 I think what we actually do might be a mixture of regulatory
14 actions and research actions.

15 I hope I have answered all your questions.

16 MR. DIRCKS: You might want to hear from Harold
17 because a strong push came from NRR.

18 COMMISSIONER AHEARNE: Before I get to that, I have
19 to ask a question which if that answer is given in another
20 form will follow. Bob, could you give me an example of where
21 we built a big facility and so it lead to a reduced regulatory--
22 (Laughter.)

23 MR. MINOGUE: On a large scale in the sense in which
24 I take your question, there are no such examples. There have
25 been a lot of applications in the regulatory process but it
ends up pages and pages of laundry lists of mini-actions and
mini-modifications and guides.

A general across the board shift, the recently
initiated action to revise Appendix K would be the first such

1 example and that is sometime off before it is done.

2 COMMISSIONER AHEARNE: You were referring to
3 Harold.

4 MR. DENTON: We have strongly urged that research
5 provides such a facility. The ACRS has supported it. I
6 noticed in their comments on research, they reiterated their
7 agreement in this area in the Midland letter. We met just last
8 week I believe with the owners of all the B&W plants in
9 operation and under construction. I frankly am somewhat
10 disappointed I think B&W is still trying to resist the need
11 for additional experimental data and we are convinced that it
12 is needed and in the absence of some verification facility,
13 there will probably be regulatory actions taken to compensate
14 for this lack of knowledge.

14 COMMISSIONER ASSELSTINE: What you are talking about
15 is regulatory actions over and above those that are presently
16 in effect rather than a possible relaxation of the ones that
17 are now in effect.

17 MR. DENTON: We have given the working group, I think,
18 almost a year to try to work out an approach using either
19 analysis or experimental methods to solve some of the staff's
20 problems. I think in the last meeting some progress continues
21 to be made, I think, and they much prefer, I think, to use
22 the loop that exists at Alliance rather than participate in
23 an NRC facility.

23 MR. MINOGUE: An evaluation team went out and
24 inspected that loop within the last month or so and we got
25 some, I would say, guardedly optimistic feedback from that.
EPRI which is another party to this that we haven't touched on

1 has not made a firm commitment to participate nor have they
2 made a firm statement they won't participate. I think whether
3 they come in or not would be very favorably influenced if we
4 went to the GERDA Loop. They would be much happier about a
5 joint program that was built as the FIST project is on industry
6 property and run by industry research people.

7 COMMISSIONER ASSELSTINE: The second question I had
8 had to do with the overall staffing levels, levels for the
9 Research Office. As I recall the '82 and '83 agency budget
10 had some substantial reductions in the staffing of the
11 research office as a result of the consolidation standards
12 in research.

13 Now we are seeing a second and a third round of
14 reductions as we go out from '82 to '83 and from '83 to '84
15 and I wondered what the impact of those reductions were going
16 to be on the office. Does this reflect a lessening in the
17 work load or are there things that simply are not going to be
18 done?

19 COMMISSIONER AHEARNE: I think the question should
20 probably be directed to Bill.

21 COMMISSIONER ASSELSTINE: That's right, since this
22 was a reduction.

23 COMMISSIONER AHEARNE: When the request came in --

24 COMMISSIONER ASSELSTINE: Probably both of you.
25 Bill, maybe you could explain why you made the reduction and
then Bob can tell us what the impact is likely to be.

MR. DIRCKS: There may be three involved in this.

(Laughter.)

CHAIRMAN PALLADINO: I think I took two off. If you

1 can explain the first part, I can explain the second.

2 (Laughter.)

3 MR. DIRCKS: Again I think the impact will be
4 favorable. Again we are dealing with very tight personnel
5 resources and I think we just had to -- we will be cutting
6 corners. There is no doubt about it. When you cut back on
7 the staff and the program level remains the same, we run
8 into a great number of difficulties. But again we looked
9 at it from the overall agency standpoint where we had other
10 competing priorities and you heard all about them already.
11 This is another area and it is not something you can say
12 that if you eliminate this, you are going to lose that
13 function.

14 It is just a matter of trying to cut back and hope
15 that we can keep the thing going in one piece.

16 MR. MINOGUE: I would like to answer, also, and
17 my answer will compliment Mr. Dircks'. I will tell you where
18 we won't take the cut because it reflected in the previous
19 cut from consolidation which was a total of about 32 when the
20 dust settled.

21 A large part of that was a significant scrubbing
22 of administrative support services within the office and
23 by consolidation between the research and standards activities
24 and more efficient use of personnel and we have wrung that out
25 pretty hard.

26 The cut we are talking about here and I recognize
27 that it was just imposed on us fairly recently, but the plan
28 I had to deal with that breaks into several categories. First,
29 we had already been considering ourselves in an effort to run a

1 tight ship, some organizational shifts that would eliminate
2 two branches. That would take out two SES positions and also
3 might enable some minor consolidation of secretarial support.

4 Second, we are looking first through the whole list
5 of standards projects for candidates for elimination. These
6 would be specific tasks that may be couldn't stand the hard
7 scrub as to need and specific areas of standards that we
8 are looking especially hard at would be the updating and further
9 work on material control and accounting standards as one group,
10 transportation standards as other and third, the work with
11 the industry standards programs that are systems standards,
12 future plant type standards, work that in the past we have not
13 had a good experience with a high degree of usability of the
14 product.

15 The last part of the answer and this would be a
16 continuation of the trend that was reflected in the previous
17 32, there is a slow shift in the nature of the Office of
18 Research. We are moving away from having in-house narrowly
19 based technical experts in some field and working more to the
20 direction of broadly based research managers, guys who are
21 quick to retreat and move into new problem areas.

22 That is sort of an on-going process so as narrow
23 technical specialists depart for greener fields and we have
24 had a fair number of these leave, we don't replace them. It is
25 a combination of all those to make this cut. I think it is a
very reasonable figure. I accepted it given the agency
constraints across the board and the severe problems, the FTE
problem, I feel we should be asked to do our share.

CHAIRMAN PALLADINO: Actually the dollars expended

1 in '85 are actually less, at least projected to be less, than
2 they are in '82 and you are going to buy less research with
3 those dollars and you may not need as many people to handle
4 that.

5 COMMISSIONER AHEARNE: The dollars in '84 are
6 projected to be substantially more and the people number, the
7 cut to 260 --

8 CHAIRMAN PALLADINO: That's the best way to get more
9 efficient.

10 COMMISSIONER AHEARNE: If you really want to draw
11 that line, you should go farther in '85.

12 MR. MINOGUE: That is a little misleading.

13 CHAIRMAN PALLADINO: You can't afford to go up and
14 down.

15 MR. MINOGUE: We have a number of types of programs
16 and the dollars supervised by a single man vary all over the
17 place because you are dealing with a big facility where you
18 rely heavily on laboratory management. One guy can handle
19 multi-millions of dollars worth of projects. In some of the
20 waste areas and so on we have much more microstructured type
21 program. The dollars of research are quite different, so it
22 doesn't lend to that type of analysis.

23 CHAIRMAN PALLADINO: However, you can't go too far
24 on that because when you have a big multimillion dollar
25 project, you still have to look that the pieces are being
coordinated and it is money being well spent. As a matter of
fact, sometimes it is a bigger challenge than a lot of little
ones.

MR. MINOGUE: But we tend to put that burden on the

1 laboratory management. That is what we pay them to do.

2 CHAIRMAN PALLADINO: I am thinking in terms of
3 results.

4 MR. MINOGUE: You track it very closely and I
5 think we have met some real successes in LOFT in terms of
6 getting the costs down and much more predictable in terms
7 of scheduling, but that has largely been by tracking the way
8 things are going and if things look wrong, we don't go to the
9 guys who are doing the work, we go to the management of EG&G
10 in light of operations office and make them straighten it out
11 because that is what we pay them for.

12 CHAIRMAN PALLADINO: I was thinking of following
13 it, tracking it. I wasn't disagreeing with you except that
14 I don't go quite all the way because sometimes that principle
15 doesn't work as far as it ought to.

16 COMMISSIONER ASSELSTINE: The last question I had
17 related to LOFT. As I understand the budget proposals
18 particularly for the latter part of '83 and then into '84 and
19 '85, the money that is in here would be sufficient to fund
20 our share of the work if there is a LOFT Consortium put
21 together. Basically that is the assumption that is made here,
22 is that basically right?

23 MR. MINOGUE: Yes, sir, except that it is not an
24 assumption in the sense that it is not a share of the work.
25 It is a commitment to provide a certain level of funding.
If costs are not controlled by the LOFT Consortium management
that will be their problem, not our problem. We have signed
no open ended contracts.

COMMISSIONER ASSELSTINE: So this is a fixed limit to

1 our financial contribution.

2 MR. MINOGUE: Yes, sir.

3 COMMISSIONER ASSELSTINE: If the Consortium does not
4 develop and I don't know where that stands right now, is it
5 the idea that you use this money for decommissioning and
6 decontamination? If so, how much money would that cost and
7 how does this relate to that? When would we have enough
8 money to pay that off?

9 MR. MINOGUE: The assumption is that the money would
10 go for decommissioning and decontamination which in the budget
11 as we developed it without the Consortium, we assumed that
12 that would begin in '86.

13 CHAIRMAN PALLADINO: Without the Consortium?

14 MR. MINOGUE: The decommissioning activity would begin
15 in '86, so there was no money in the budget other than for
16 unloading fuel and things like that, but not for any
17 significant activity of decommissioning through '85. If the
18 Consortium were not to go forward then the appropriate thing
19 to do would be to forward fund particularly with the '85 money
20 some of the decommissioning activities and perhaps even start
21 somewhat earlier.

22 That is a fairly controllable thing as to when you
23 start as long as you have waited a certain number of months
24 you can start when you want to.

25 COMMISSIONER ASSELSTINE: What are total decommissioning or decontamination costs?

MR. MINOGUE: That depends on the condition of the facility. The estimates that I have used and these are not based on the figures that I would care to defend against a

1 hostile audience range from about \$15 million up to about
2 \$90 million, the imponderable being what is the condition.
3 Right now, it is very clean in spite of doing all these
4 horrendous tests, the system is in very good shape.

5 COMMISSIONER AHEARNE: When was the last test?

6 MR. MINOGUE: The last test, the L2-6, may very well
7 contaminate the facility. Now the extent to which it is
8 contaminated and the extent to which you can by bleed and feed
9 and other measures reduce the hard plate out is pretty
10 imponderable. So we don't know the exact cost. If we run
11 L2-6 wisely, hopefully it will be in the \$15 million dollar
12 range. If we have severe fuel failure and local fuel melt,
13 it will be much, much higher.

14 COMMISSIONER ASSELSTINE: Those are all of my
15 questions.

16 CHAIRMAN PALLADINO: John.

17 COMMISSIONER AHEARNE: Bob, in the material that you
18 provided the words you use if the Consortium doesn't material-
19 ize, the funds requested could be reduced and the remaining
20 funds would provide for program closeout and some decontamin-
21 ation and decommissioning. I am not sure why you would be
22 reducing it, why you wouldn't then just keep all those funds
23 and allocate them.

24 MR. MINOGUE: I think there is a problem in timing
25 here. We discussed it, and one situation would be that the
26 consortium costs were strictly an add on and any incremental
27 costs in the consortium would just be red lined out of our
28 budget and I think those words probably reflect that.

29 COMMISSIONER AHEARNE: The issue here was that if the
30 Consortium doesn't materialize, why would not our plan "B" take

2A

1 whatever monies we had and put it towards decontamination and
2 decommissioning.

3 MR. MINOGUE: Yes, sir. That was the final decision.

4 COMMISSIONER AHEARNE: That is not what the words
5 say.

6 MR. MINOGUE: I am sorry about that. Maybe it is a
7 problem of QA in handling all of this voluminous documentation.
8 At an early stage we discussed it in terms of if the Consortium
9 doesn't go, the money is turned back and we go back on the mode
10 that we run the NRC program and begin decommissioning in '86.
11 We talked about that and as the Chairman reviewed the budget,
12 the final decision and that is what my remarks just now are
13 based on, that no, we really shouldn't do that. If the
14 Consortium doesn't go, that we should begin some decommission-
15 ing activities or forward fund the decommissioning activities
16 in '84 and '85.

15 COMMISSIONER AHEARNE: Now the concept in the
16 Consortium, what link would remain between that facility and
17 the NRC? Who would own the facility?

18 MR. MINOGUE: The facility would be owned by DOE as
19 it is today. They own it already. But we would be relieved of
20 any responsibilities that we might have as users of the
21 facility for decommissioning or ultimate disposal costs. We
22 really would be relegated to the position of being a buyer of
23 time.

23 COMMISSIONER AHEARNE: We are the principal respon-
24 sible for the facility, aren't we?

25 MR. MINOGUE: We are now, yes, sir. Part of the
agreement participation in the LOFT Consortium would be the

1 negotiation of the hold harmless clause that would relieve us
2 of the responsibility that we have now and hand that back to
3 DOE as part of the package.

4 COMMISSIONER ASSELSTINE: In that regard, are we
5 sure now that we have sufficient controls to make sure that
6 there is say a lag in setting up the Consortium? We are not
7 going to be stuck with paying the costs of maintaining the
8 operability of that plant once our tests are done? That is,
9 everyone is on notice that once are tests are done either the
10 Consortium is in effect and takes over responsibility or we
11 go to a reduced mode?

12 MR. MINOGUE: Everyone is on notice that if the
13 Consortium issue does not come to a head within the next month
14 or month and a half, and it appears that it will, it has been
15 moving forward well in terms of moving towards resolution,
16 that we are going to go ahead on the basis that terminates
17 operation as a test facility in February or March and I have
18 forgotten the exact date.

19 That is well understood and further, the funding is
20 limited. The authorization bill that is working its way
21 through the conference process has an explicit dollar limit on
22 the amount of money we spend on LOFT. That dollar limit is the
23 amount of money that would be involved in finishing the NRC
24 test. It would not allow for any stand-by fully operable status
25 which, of course, is very costly.

There is one qualifier to what I have said. We have
set aside as part of the commitment that we have made to DOE
and have actually spent a large part -- almost a million
dollars worth -- of program planning money that gets charged

1 against the \$57 million limit for Consortium tests. It is
2 part of the staff support that we agreed to provide.

3 COMMISSIONER AHEARNE: If it falls apart when would
4 we have to start initiating action on the decontamination and
5 decommissioning?

6 MR. MINOGUE: In a formal sense, not for several
7 years.

8 COMMISSIONER AHEARNE: How about putting in monies
9 for the advance planning?

10 MR. MINOGUE: There is money in there for advance
11 planning. There is money in there for removal of fuel and
12 some preparatory activities.

13 COMMISSIONER AHEARNE: When would we have to start
14 taking the actions such as going to contractors or allocating
15 staff --

16 MR. MINOGUE: That is right now because the first
17 step is to start pulling fuel and you would be doing that
18 next spring. We are now operating on a mode of terminating
19 operations over the next year. We will start laying people
20 off the first of October. That is going on right now. In
21 fact, I think a lot of it has already been done.

22 CHAIRMAN PALLADINO: In developing the research
23 budget, we did not have the benefit of the ACRS input. It came
24 later. Do you have comments on that or do you want to ask more
25 detailed questions?

26 COMMISSIONER AHEARNE: Yes. I have a whole bunch
27 of detailed questions on that.

28 CHAIRMAN PALLADINO: All right. Maybe I will wait
29 and let you pick it up. I have a few but I will follow up,

1 but I do want some attention to the ACRS comments.

2 COMMISSIONER AHEARNE: Before we get to the ACRS
3 comments, could we go back to a question that Commissioner
4 Asselstine asked relating to some of the reductions and focus
5 upon the staff reduction. I noticed a substantial amount of
6 the staff reductions are in the facility operations area
7 to the extent that I believe this piece of paper and I wondered
8 what will be cut in that? In theory, that had been an area
9 where the agency had been putting increased emphasis.

10 MR. MINOGUE: Of course, the safeguards stuff is
11 in that division. It is in that decision unit. I must admit
12 that there is an element of "glitch" here and the best way
13 to answer this is to lay it out right up front.

14 We got a request and the amount is really not that
15 large if you look at the total budget. Where would you take
16 a reduction of this amount if it were taken and it was
17 allocated without much careful thought as to what the areas
18 would be that you would actually reduce.

19 In answer to Commissioner Asselstine's comment, I
20 gave you what I would call the straight answer as to the
21 areas that we would focus on for potential reductions and the
22 only one of those that is in that division is the safeguards
23 stuff. I think those figures were not that carefully thought
24 though.

25 CHAIRMAN PALLADINO: Are you talking facility
operations?

COMMISSIONER AHEARNE: Yes.

MR. MINOGUE: Yes, sir.

CHAIRMAN PALLADINO: That includes two important

1 items, human factors and I&C, Instrumentation and Control.
2 One of the comments often being made is that Instrumentation
3 and Control deserves some more thorough and detailed attention.

4 MR. MINOGUE: We are not cutting that area, Mr.
5 Chairman, nor are we cutting human factors.

6 CHAIRMAN PALLADINO: Then what are you cutting?

7 COMMISSIONER AHEARNE: Since you are taking an 18
8 percent cut, my concern is where it is going to be as the
9 Chairman just mentioned.

10 MR. MINOGUE: I have explained the areas where we
11 would actually cut. In the course of pulling these sheets
12 together, we get a lot of quick requests and sometimes they
13 are not handled as well as they should be.

14 MR. GILLESPIE: There was a basis as quick as it
15 was that we had when we were working through that and that
16 decision unit is made up of safeguards, instrumentation and
17 control, human factors including QA and occupational health.

18 COMMISSIONER AHEARNE: Right.

19 MR. GILLESPIE: There are right now 12 people in
20 the Safeguards Branch which are about evenly split, and this is
21 the logic we went through in rapidly doing it, which are about
22 evenly split between material control and physical security.
23 I think we are looking at a drop of five.

24 COMMISSIONER AHEARNE: Eight.

25 MR. GILLESPIE: Eight all together, but now look at
occupational health. Again it was considered in our rapid
thought process at the moment to be chiefly a standards group
working on what might have been -- on a snapshot of the
moment -- some lower priority standards, regulatory guide

1 revisions and that was the genesis of that.

2 MR. MINOGUE: These are the ALARA guides. They are
3 detailed guides for specific material activities. In fact,
4 we have a meeting scheduled in the next few days with Mr. Davis
5 to look for alternative ways of coming at that. It is now
6 Part 20.

7 COMMISSIONER AHEARNE: Frank, embedded in here is
8 the assumption of taking a reduction of five in safeguards?

9 MR. GILLESPIE: Embedded in the thought process
10 behind that initially was that, that is right.

11 I think if you look at the safeguards budget
12 numbers, you will see that we have only budgeted one million
13 dollars for that planned accomplishment. But I think we are
14 being very consistent even to longer term planning for many
15 months ago and we came up with that budget level. We are
16 reducing that budget level by a half.

17 CHAIRMAN PALLADINO: You are at 51 now or least the
18 '82 FTE would be 51, now did you say that there were 13 on
19 human factors, 13 on I&C, and 13 on occupational radiation
20 protection, that they are evenly split and then 12 on
21 safeguards?

22 MR. GILLESPIE: No. I went through it quickly in
23 my mind because there is a Division Director and a Deputy
24 Director and it is not a matter of dividing by four: There is
25 a hierarchy.

26 CHAIRMAN PALLADINO: You said those three were all
27 equally divided.

28 MR. GILLESPIE: It is about 12 per branch. We have
29 12 man branches.

1 CHAIRMAN PALLADINO: Now what do you do when you
2 get to '85?

3 COMMISSIONER AHEARNE: You are down to 43.

4 CHAIRMAN PALLADINO: Yes, you are down to 43.

5 MR. GILLESPIE: I think what we have done is
6 recognized the budget levels that we already put in ourselves
7 and when we had the people cut, we matched up the people cut
8 with the budget reductions we had already put in -- allocations.

9 CHAIRMAN PALLADINO: Even admitting that which I am
10 not sure is quite right, how did they come out? Does
11 Safeguards go down by five?

12 MR. GILLESPIE: We didn't have to get into that much
13 detail so we didn't.

14 CHAIRMAN PALLADINO: So you didn't do that.

15 MR. GILLESPIE: What I am saying is the thought
16 process behind it was within that decision unit, there was
17 available if we really looked at the work a possibility of
18 the eight people.

19 CHAIRMAN PALLADINO: The reason I was asking was
20 because you said that I&C and human factors were not going to
21 go down.

22 MR. GILLESPIE: It was anticipated that the loss
23 would come from safeguards and occupational protection.

24 COMMISSIONER AHEARNE: I guess what you are really
25 saying is that you were given a mark and now you looked at
26 where would it be most realistic to take that mark?

27 MR. GILLESPIE: That's true.

28 MR. MINOGUE: We were given a mark and a few hours
29 to just give our first indication of where we would take it.

1 It looked to me like fine structure. I wasn't actually
2 directly involved in this. I was out of town at the time.

3 COMMISSIONER AHEARNE: I understand that.

4 MR. MINOGUE: What was done was as Mr. Gillespie
5 has presented it, that was the reasoning process. Since
6 then out thinking has matured and, for example, we have
7 identified a couple of branches that could be eliminated
8 so there are two positions. We have identified a whole
9 new area --

10 COMMISSIONER AHEARNE: But it isn't a bottom up
11 construction, top down reduction?

12 MR. MINOGUE: It came from Mr. Ross who was acting
13 as my deputy and we were implementing Mr. Dircks' mark. In
14 fact, when I got back from my trip the first thing that I
15 found on my doorstep was Karl Goller madder than hell because
16 he read it the same way the Chairman did, and I gave him the
17 same answer. I told him to calm down. It will come out in
18 the wash. We are not going to cut that area, but he had the
19 same reaction.

20 COMMISSIONER AHEARNE: Now along with that
21 reduction and let me go back and preface, if I look at the
22 dollars in program support and we had that lengthy discussion
23 before, there is a five and a half percent increase on all
24 research dollars.

25 MR. GILLESPIE: The research dollars are as presented
in the given years.

COMMISSIONER AHEARNE: For example though when I
look at a number that is \$13.5 million in '83 and it goes
to \$16.8 million in '84 and I see that that is a \$3,300,000

1 increase, I should understand that embedded in there is a
2 percentage of inflation?

3 MR. GILLESPIE: Yes, sir. That is in there.

4 CHAIRMAN PALLADINO: When the number stays the
5 same, you are getting less for your money?

6 MR. GILLESPIE: Yes.

7 COMMISSIONER AHEARNE: In this area you have just
8 been talking about, you are going to take reduction of about
9 eight people in facility operations and you increase the
10 funding by about 25 percent.

11 MR. MINOGUE: And you will find that funding in
12 human factors and instrumentation and control. There was
13 a basic underlying logic that was in the standards area
14 that we would seek this round of cuts and the standards work
15 is people intensive.

16 MR. GILLESPIE: It is hard to look at our numbers
17 and say we are looking for a five percent increase and call
18 that a level program. We have projects that are coming to
19 term and are ending on a given year and a new project with
20 a separate deliverable is starting the next year. So you
21 are not going to see that nice five percent increase on a
22 steady workload basis.

23 COMMISSIONER AHEARNE: I understand that. In
24 siting and health you go from 31 people in '82 to 22 in '84.
25 What is the drop?

MR. MINOGUE: There are significant areas of
reduction there. The environmental program in particular
is just being wound out. This is also an area where we
have some of these narrow specialists that I talked about

1 and as they are finding greener pastures, we are not tending
2 to replace them.

3 COMMISSIONER AHEARNE: So are you saying that the
4 major drop though is due to decreasing areas in the environ-
5 mental program?

6 MR. MINOGUE: Yes, that area is basically being
7 phased out.

8 COMMISSIONER AHEARNE: What are the assumptions?

9 MR. MINOGUE: It is the same problem and I am sure
10 that Harold would make the same comments, many of these
11 environmental issues have been thoroughly laid out, they are
12 well understood, they are handled smoothly in the licensing
13 process and any specific problems that arise are likely
14 related to the application and that is the Applicant's problem.
15 That is not our problem.

16 In terms of research needs for the Agency, we see
17 this as an area not only of no growth, but appropriate for
18 zeroing in on.

19 CHAIRMAN PALLADINO: Are you going to go to the ACRS
20 next?

21 COMMISSIONER AHEARNE: Yes.

22 CHAIRMAN PALLADINO: I have a feeling that we are
23 going to have a fair number of questions on ACRS and I was
24 going to suggest that we take a five minute break. -

25 (Whereupon, a short recess was taken.)

26 CHAIRMAN PALLADINO: We will reconvene, please.
27 Commissioner Ahearne can lead off with questions relating to
28 ACRS.

29 COMMISSIONER AHEARNE: We will get back eventually to

1 the basic question that the Chairman opened with which really
2 addresses the recommended changes, but let me ask some more
3 specific questions which were addressed in some of the
4 responses.

5 The ACRS makes the statement that staff states
6 and this is on design against sabotage. It is your response
7 page 43 and it is their page 3 of their report and they say,
8 "The staff states that budget constraints have limited the
9 extent to which they are developing a regulatory policy on
10 possible design approaches to prevent sabotage."

11 Now the response doesn't really address the next
12 question. The question is, does research believe that we
13 should be developing such approaches, but that budget
14 constraints are preventing it.

15 I ask the question because of the way the ACRS
16 statement was made.

17 MR. MINOGUE: No, I don't believe that. Let me give
18 you a fairly long answer if I may. I do not believe that we
19 should be developing approaches for design to reduce vulner-
20 ability to sabotage now even if we had a lot of money to throw
21 out if there were no budgetary constraints.

22 There is still a question of the appropriate
23 timing of this kind of work. Let me make an important
24 differentiation here. You can talk about design to reduce
25 vulnerability sabotage in terms of physical separation and
things that lend themselves to access control. You can talk
about something a lot more subtle that relates to how
systems interact with each other where you are really looking
at the design of interactive systems in a way that reduces

1 vulnerability. That is the area of dispute. We have already
2 done a lot of work aimed at the question of physical separation
3 and access control.

4 The problem is that we have a lot of other ongoing
5 problems that are a logical first step and I think are more
6 urgent to any kind of general sabotage reassessment. These
7 are the control systems interaction studies, the general
8 issues of C&I response and C&I systems as part of the general
9 response of the combined systems to accident situations.
10 The work we are doing on common cause failure modes, the devel-
11 opment of event trees and so on that take this into account
12 and we recognize many common cause failure modes of the same
13 sorts of things that a saboteur might attempt.

14 To me, the logic of doing an orderly job demands
15 that you concentrate now on these broadly applicable questions
16 which I just enumerated and then recognize that from that
17 at a later stage with taking advantage of many of the
18 insights that you got from that, you should now go back
19 and apply that methodology to the issues of sabotage protection.

20 So the debate here is one of timing rather than
21 resource availability. I think if this were not a new
22 disagreement, the same issue was discussed last year with the
23 ACRS, and we simply do not agree on the appropriate timing
24 of this work. I think it should wait several years and they
25 don't.

26 COMMISSIONER AHEARNE: Then specifically, you disagree
27 with their statement that the staff states that budget
28 constraints have limited the extent.

29 MR. MINOGUE: I have never made that statement to

1 them. Others on the staff may have. I can't speak to that.
2 I have given them the same explanation I just gave you and
3 I have not heard any rebuttals or counter arguments or any
4 specific discussions as to where that is wrong.

5 COMMISSIONER AHEARNE: So that your staff has not
6 been arguing with you then?

7 MR. MINOGUE: No, sir. I don't know for a fact that
8 all of my staff agrees with me though.

9 COMMISSIONER AHEARNE: I am not asking for a poll.
10 Perhaps the same kind of a question, the ACRS on page 4 which
11 is now addressing the response on page 44, my question was,
12 "Research should explain why the SSMRP Program shouldn't
13 include a limited probabilistic seismic safety study of a BWR,"
14 and the answer is, "Current plans do call for such."

15 MR. MINOGUE: Yes.

16 COMMISSIONER AHEARNE: Is this a lack of understand-
17 ing on the part of the ACRS?

18 MR. MINOGUE: They raised this as a comment in an
19 earlier stage. I find their arguments persuasive. Arlotto and
20 I went out and talked to the people at Livermore and we took
21 steps to include a BWR element in the study, and it has been
22 initiated. It may be that we just failed to get the word
23 back to them. I don't know. I don't remember this being
24 discussed when I met with the ACRS, but they did make this
25 point.

26 If I can go back to the Chairman's earlier general
27 comment, you have to recognize that the feedback that we get
28 on the research program from ACRS is not a unique event. It
29 goes on all year long in various subcommittee meetings and so

1 on. Many of these issues you see in this letter had actually
2 been raised earlier in a different context. I found them
3 persuasive on the BWR issue, and we did add it to the study.

4 COMMISSIONER AHEARNE: In talking about their
5 comments on damaged fuel, their comment is that they don't
6 recommend the work planned at the NRU and your answer is
7 that the budget does not include any funding.

8 MR. MINOGUE: That is correct. That program has been
9 eliminated.

10 COMMISSIONER AHEARNE: So this is then another
11 example where their understanding of your proposal was
12 incorrect.

13 MR. MINOGUE: This is a very dynamic process and
14 a lot of their feedback carries a lot of weight. The decision
15 on NRU was not solely because of their feedback. It certainly
16 has some bearing. The elimination of the NRU tests from the
17 action program actually was carried out in an internal
18 reassessment. It related more to interfaces between us and NRR
19 as we are working hard to develop a fully cost effective
20 program here in which the ACRS comment was taken into account.

21 COMMISSIONER AHEARNE: You make a statement or a
22 statement is made in the answer on looking at the PBF,
23 saying that phase two of PBF testing would in all likelihood
24 would not take place if foreign funding does not develop.

25 MR. MINOGUE: That is correct.

COMMISSIONER AHEARNE: Is that equivalent to saying
that -- I guess it doesn't really say how much foreign funding
is needed.

MR. MINOGUE: The amount of money required to do it

1 would be, and Frank can correct me if I am wrong, but it is
2 on the order of \$5 million per year. We have already
3 received cash in hand payment from the British for \$2 million.
4 We have received indications from a number of other countries
5 that they are interested in making contributions.

6 The likelihood of getting a full funding of phase
7 two from foreign contributions is significant, I think.

8 Further, in the course of this ongoing process
9 because we are actually working on the Severe Accident Plan
10 right now, EPRI has taken a very strong position of support for
11 the type of tests that only PBF can do. They have argued for
12 improvements in the operation and reductions of costs and so
13 on.

14 So there are other sources of potential funding,
15 but within NRC, itself, and given the competitive demands for
16 resources and the use to which we would put the data and
17 recognize that there are some severe experimental limitations
18 to PBF which I will elaborate on if you want, I don't think
19 the program can stand beyond phase one without a broader
20 base of support. If we hit the test of cost effectiveness,
21 then we simply don't need it.

22 COMMISSIONER AHEARN: What budget assumption do
23 you have?

24 MR. MINOGUE: The cost of running the facility is
25 around \$16 million per year.

COMMISSIONER AHEARNE: In the budget?

MR. MINOGUE: The assumption in the budget would
do phase one and would not do phase two with the exception, of
course, there are some close out costs and things of that type.

1 I think the numbers were in the answer that we sent you.

2 COMMISSIONER AHEARNE: No.

3 MR. MINOGUE: Frank, can you give me the exact
4 numbers. I have them in some notes here, but I would rather
5 let Frank tell you, the figures allocated for PBF.

6 MR. GILLESPIE: The budget assumption is that we would
7 only put about \$4 million dollars into that in '84 for our
8 contribution to PBF phase two.

9 MR. MINOGUE: That is for phase two, but phase one
10 is \$7 million in '84, and that is in the budget.

11 MR. GILLESPIE: As in the budget.

12 MR. MINOGUE: The final stages of phase one is
13 \$7 million and what I have here in front of me is \$4 million
14 NRC money that would be a cost that you would incur if you
15 shut the facility down. It would be close out costs or if
16 we got outside funding for phase two, it could be allocated
17 to phase two which would leave a \$5 million shortfall.

18 COMMISSIONER AHEARNE: How about for 1985?

19 MR. MINOGUE: For '85, the figure I have here is
20 \$6 million with the same general constraints though.

21 COMMISSIONER AHEARNE: The total close out costs
22 for PBF would be what?

23 MR. MINOGUE: That I don't know. We don't have a
24 firm estimate on that. It is an estimate in terms of the
25 decommissioning costs and there are also people involved
and severance pay and things of that type, the same sort
of thing that we are going through now with LOFT. These are
estimates.

COMMISSIONER AHEARNE: But you are saying that as far

1 the budget at the moment is concerned, it is consistent with
2 no phase two?

3 MR. MINOGUE: That is correct. There are dollars
4 in there that could be used for partial funding of phase two
5 to the tune of \$4 million in '84 and \$6 million in '85 as I
6 understand it that if there were no phase two would still be
7 required to pay close out costs, but that is an estimate not
8 based on the figure we have negotiated with BG&G or the
9 Idaho Operations Office.

10 COMMISSIONER AHEARNE: What is the time in which
11 the decision has to be made whether to go to close out or can
12 you elaborate on this?

13 MR. MINOGUE: Really early next year and I think it
14 is unlikely we will go that mode. We are getting strong
15 foreign interest. We have gotten strong statements of
16 interest from EPRI. I think it is very unlikely that we will
17 be in that mode.

18 COMMISSIONER AHEARNE: In the LOFT and that is page
19 49, you make a statement that under the proposed Consortium
20 Agreement, NRC's contribution to the decontamination and
21 decommissioning of LOFT is fixed and is based on the
22 probably lower cost of decommissioning to DOE standards.

23 From that should I infer that the DOE standards for
24 decommissioning are sufficiently weaker than ours, that
25 therefore, it would cost less?

MR. MINOGUE: The DOE practice, and I am going to
answer you very carefully, let me first tell you what I
assumed we would do if it were our facility, we would
decommission it to the same standards, the standards to be

1 demonstrably related to what we would require a licensee to
2 do, that there were elements in our regulations that allowed
3 for special handling of remote sites that that could be taken
4 care of. DOE practice in Idaho, the Snake River Plan is
5 covered with it, is to lock the door and go away, and that is
6 a fact. I think the reference to standards here was perhaps
7 not the best choice of words.

8 What we were trying to reflect is the reality that
9 when DOE completes operations on facilities on that site and
10 recognize that is a national reactor testing station and it
11 is a very remote site, it is a very large dedicated site,
12 they have generally been in a walk-away mode, and we have
13 always assumed in our budget planning that the NRC would find
14 itself unable to do that, that we would have to stand up and
15 decommission it just as we would require a licensee to do.

16 COMMISSIONER AHEARNE: Interesting. The ACRS had
17 made a comment on page 14 of their --

18 MR. MINOGUE: Commissioner Ahearne, may I add,
19 DOE, itself, I was told by Dr. Ross the other day has
20 estimated the decommissioning costs at about \$7 or \$8 million
21 dollars. That is substantially less than the lowest figure
22 that we felt in our estimates.

23 COMMISSIONER AHEARNE: What kind of estimates did
24 we have?

25 MR. MINOGUE: I answered that earlier, from a low
of \$15 million up to something like \$90 million depending on
the condition of the facility.

 COMMISSIONER AHEARNE: The ACRS had made a comment
towards the end of their paper in which they basically

1 questioned the '85 funding level. As we have discussed in
2 the previous meeting, the '85 funding level as the chart
3 shows decreases and it decreases significantly from '84.
4 The issue that they raised is that perhaps inappropriate to
5 decrease that much because you are now talking several years,
6 can you really identify.

7 So I made a comment that I agreed with the ACRS
8 and I didn't think we were prepared to identify in detail
9 the program for '85. The answer is the current funding
10 request is in accordance with the overall guidance provided
11 by the PPG and the EDO program guidance.

12 So I interpret that to say that you were given
13 \$195 million dollars for '85?

14 MR. MINOGUE: I really can't answer the question that
15 way. That isn't the way these numbers were developed. What
16 we are looking at here is the end of an era. As we get out
17 of the business of running big facilities and as we answer some
18 of the questions that require facilities, I hope to God the
19 cost of the research program will come down substantially.

20 COMMISSIONER AHEARNE: I understand that. My
21 question was, were you given \$195 million dollars by the EDO
22 for the budget level for '85?

23 MR. MINOGUE: I don't remember. We developed the
24 budget requirements based on what we perceived as being the
25 user needs and then compared that against the EDO levels,
the past experiences, and then they tend to get close.

MR. BARRY: In the guidance that we provided
which was meant to stay within that level, was 201.

COMMISSIONER AHEARNE: For 1985?

1 MR. BARRY: For '84, I am sorry.

2 COMMISSIONER AHEARNE: I am talking about '85.

3 MR. BARRY: It was less than that.

4 MR. MINOGUE: Let me stress that the way we
5 developed the program is we do not begin with a number and
6 then a program to match it. We try to look at regulatory
7 needs and develop a program to meet the needs. I then
8 compare that against the number and if I am on the high
9 side of it, I do some hard prioritization and scrubbing and
I get down below it.

10 So if we come in at the EDO level that doesn't mean
11 that I developed a program.

12 COMMISSIONER AHEARNE: No, I understand that. But
13 it does mean that that was a controlling factor and then I
14 was going to ask Bill if it was, what his rationale was.

15 MR. DIRCKS: My rationale. I think we were just
16 taking a general decline in research as a given and we
just assigned numbers along that line.

17 MR. MINOGUE: May I add to that? I would feel very
18 free the way we work together if I did that scrub of comparing
19 against the EDO mark and doing some hard prioritization and
20 I couldn't get under that figure with a program that I felt
21 met real needs, I would come back and ask the figure to be
22 raised and I would have some confidence that would get
carefully considered. That has not proved necessary.

23 CHAIRMAN PALLADINO: If you couldn't get him to
24 raise it, you would come back here?

25 MR. MINOGUE: I would raise it with the Commission
if I felt it was a major area that was absolutely necessary.

1 CHAIRMAN PALLADINO: I gather you are not raising
2 it?

3 MR. MINOGUE: Absolutely not, no, sir. In fact,
4 I think our first cuts were very close to the EDO figure.

5 COMMISSIONER AHEARNE: My last question, I guess,
6 goes back more towards the Chairman's questions.

7 CHAIRMAN PALLADINO: I was interested in the fact
8 that the ACRS does exhort us not to go as low as \$195 million
9 and thinks that we ought to be about \$201.5 and it makes some
10 minor adjustments in the way they would spend the money and
11 you may have answered it in the process of answering the
12 earlier question, but I was interested in what your feeling
13 was with regard to the readjustments they suggest and the
14 total amount?

15 I was looking at ease of following the table on
16 page 15 of their report.

17 MR. MINOGUE: Let me answer the second question
18 first if I may. I think there is a fundamental difference
19 of view between us and the ACRS regarding the long term
20 trend. When I have a long range program that shows a down
21 turn, I think that is real, and they don't. I think that
22 is sort of a fundamental difference of opinion.

23 COMMISSIONER AHEARNE: They did agree with some
24 reduction.

25 MR. MINOGUE: Yes, and we have a lot of back and
forth. We are looking at the hole in the doughnut here. There
is enormous amount of agreement between us and the ACRS and
we are looking at some areas of disagreement.

COMMISSIONER AHEARNE: Of course.

1 MR. MINOGUE: I definitely feel that they have
2 a different concept of long term direction than we do. The
3 other comment that I would like to respond to is they think
4 in terms of these dollar amounts as how much they love some
5 particular subject area as a measure of love and I look at
6 the dollar amounts as an indication of how much is required to
7 do the necessary --

8 COMMISSIONER AHEARNE: Do you want to defend the
9 ACRS as a former member?

10 CHAIRMAN PALLADINO: I am just trying to search
11 for the truth.

12 (Laughter.)

13 MR. MINOGUE: If I may finish my comment, I look at
14 it more in terms of how much is required to do a specific
15 task. Quite frankly, I pay a lot of attention to their
16 specific technical comments on program content because I
17 learned from experience that it is almost very good advice.

18 I don't pay a lot of attention when they make up
19 these numbers because that just tells me how important they
20 think an area is. When they say, "Put more money into it,"
21 they say that they think it is important not that they have
22 some well defined tasks in mind that they think that money
23 ought to be spent for.

24 CHAIRMAN PALLADINO: They show an increase of
25 \$1.5 million in facility operations which includes two
important programs, at least two important programs, the
Instrumentation and Control and the Human Factors. They show
under risk analysis, I think, a \$3 million addition and they
show under advanced reactors, \$1 million addition.

1 COMMISSIONER AHEARNE: Challenge that last one.

2 MR. MINOGUE: I can discuss it.

3 COMMISSIONER AHEARNE: I was just joking.

4 CHAIRMAN PALLADINO: I was wondering if you had any
5 comments on whether any of these we should be adding.

6 COMMISSIONER AHEARNE: For example, in facility
7 operation one of the reasons that they give for an increase
8 is a program directed towards human failure and maintenance
9 and testing.

10 MR. MINOGUE: The difference in dollars is
11 actually safeguards work because they don't tend to look at
12 the bucks in terms of specific tasks.

13 COMMISSIONER AHEARNE: I am not sure about that.
14 Your reduction was, but they are saying that here is where
15 you ought to put more dollars.

16 MR. MINOGUE: I just got this letter a week or two
17 ago. As we go on to implement the program and look at the
18 specific program elements in that area, I will be going back
19 and monitoring this letter again for that kind of advice.

20 COMMISSIONER AHEARNE: I was really just trying to
21 raise -- certainly there are many people who advocate
22 increases and decreases in programs because of affection for
23 them, and it is just not restricted to the ACRS. I am
24 questioning whether all of their increases and decreases
25 here are really just because they have affection for them.
They seem to have some specific reasons. For example, the
one I just raised as a question.

MR. MINOGUE: The exact dollar value of the change
they suggest, I find generally does not tie back to

1 sum reality.

2 COMMISSIONER AHEARNE: Clearly, the exact dollar
3 value they felt pinned at \$209.9.

4 MR. MINOGUE: The indication of an area that we ought
5 to work more on I take very seriously.

6 CHAIRMAN PALLADINO: Maybe you want to look at their
7 specific comments on the increases and that might give you a
8 better sense of what they are trying to say.

9 COMMISSIONER AHEARNE: Part of the difficulty I
10 guess realistically and I know for myself although I can't
11 speak for the others, I have to try to come up with a vote
12 on the budget. You have proposed one budget and the ACRS has
13 come in and said, "No, here are some suggestions." I guess I
14 can't say that I will just pass. I have to take a position
15 one way or the other. If you don't have a position on theirs,
16 could you think in the next few days you could make --

17 MR. MINOGUE: On this one specific point?

18 COMMISSIONER AHEARNE: Yes.

19 CHAIRMAN PALLADINO: For the '85 budget on research,
20 '84 and '85.

21 COMMISSIONER AHEARNE: They have addressed a few
22 specific areas where they have said to put in more money
23 or take out money.

24 CHAIRMAN PALLADINO: On '84, at least their total
25 comes out about the same and we have time to readjust the
26 details, but on '85 there is a fundamental question of whether
27 we go for more money.

28 MR. MINOGUE: The problem is they haven't developed
29 these numbers in terms of any specific tasks or things that you

1 do.

2 COMMISSIONER AHEARNE: But, Bob, as you pointed
3 out when I asked you on some of the cuts in your program
4 in the budget that you proposed, there aren't specific tasks
5 either. This is characteristic of a budget unfortunately.
6 I am not saying that your budget is any different than anybody
7 else's budget. When you are going into the final stages of
8 the budget, there are a lot of cuts and adds and reductions
9 and all you can make are approximate statements.

10 I guess I would like to get some sense where you
11 would come out either in agreement or disagreement in what
12 they have recommended. They have recommended two things,
13 one, some reallocation and second, going back up to a higher
14 level in '85.

15 In the absence of a comment from you, then I have
16 to sort of guess myself.

17 MR. MINOGUE: We can certainly provide to you in
18 each of these '84 reallocation areas some reaction or
19 commentary based on such facts as are in this letter to
20 support your position.

21 COMMISSIONER AHEARNE: Yes.

22 MR. MINOGUE: From our own knowledge from discus-
23 sions, but in some cases, of course, I have a very clear
24 understanding of what underlies these numbers, but the
25 advanced reactor thing, for example, I know exactly what
26 they have in mind. So we can deal with that.

27 CHAIRMAN PALLADINO: What do they have in mind?

28 MR. MINOGUE: What they are talking about is a
29 risk assessment and a future reactor component beyond the CRBR.

1 CHAIRMAN PALLADINO: I think that would be very
2 helpful.

3 MR. MINOGUE: I can certainly do that within the
4 next day or so, we can give you some feedback on these
5 differentials.

6 CHAIRMAN PALLADINO: I am asking if possible --

7 COMMISSIONER AHEARNE: It is a PRA of the CRBR.

8 CHAIRMAN PALLADINO: What was that?

9 COMMISSIONER AHEARNE: What they say is we
10 recommend that the NRC Safety Research Program include a PRA
11 of the Clinch River Breeder Reactor.

12 CHAIRMAN PALLADINO: Is that under advanced reactors
13 or PRA?

14 COMMISSIONER AHEARNE: It is under advanced reactors.

15 MR. MINOGUE: Yes, that is my understanding.

16 COMMISSIONER AHEARNE: That is very specific.

17 MR. MINOGUE: I know exactly what they have in mind.

18 CHAIRMAN PALLADINO: Our schedule is tight. We were
19 trying to get the Commissioners' suggestions on where to mark
20 up if possible by Thursday evening.

21 COMMISSIONER AHEARNE: But the answers got slipped.

22 CHAIRMAN PALLADINO: But you had the draft answers.

23 (Laughter.)

24 CHAIRMAN PALLADINO: I had the option of signing
25 the letter last night to some of the answers and I sat down
with Jim and said, "This isn't responsive. That isn't
responsive." So I didn't sign it until today. I was trying
to be helpful to you. But I still feel that that is the target.

COMMISSIONER AHEARNE: Certainly I will be aiming

1 for Thursday.

2 CHAIRMAN PALLADINO: I will accept them Friday,
3 but what I am saying is if you could get something down to
4 us in the next day or so.

5 MR. MINOGUE: We certainly can do that. It won't
6 be an 80 page document, a page or two.

7 CHAIRMAN PALLADINO: We are not looking for an 80
8 page document.

9 MR. MINOGUE: We can certainly hit the high spots.

10 CHAIRMAN PALLADINO: If you just marked up that
11 page, take a xerox and mark it up, and then put any rationale
12 attached to it.

13 COMMISSIONER AHEARNE: This is a difficult question
14 given already your previous response about the variability of
15 project size. Do you have any rule of thumb on the number of
16 staff managers you need per million dollars?

17 MR. MINOGUE: No, I really don't. I hadn't tried
18 to come at it that way. I think in a more homogeneous
19 program, that is a good approach. I have used it in my
20 previous job for tech assistance to standards, I used that
21 kind of approach, but here I don't think it would work.

22 COMMISSIONER AHEARNE: Those are all my questions.

23 CHAIRMAN PALLADINO: Any other questions?

24 COMMISSIONER ASSELSTINE: Let me ask one quick
25 question on advanced reactors. Of the program support money
you identified for HTGR two functions, one, issues related
to Fort St. Vrain and second, issues related to possible
follow-on plant. What is the approximate break out? Is most
of the effort on Fort St. Vrain?

2B

1 MR. MINOGUE: Surprisingly enough, it turns out
2 a substantial percentage of it is Fort St. Vrain related work.
3 We got from Harold a very long list which totals of the \$2.5
4 million, probably half of it is stuff that comes out of Fort
5 St. Vrain. We tried to do it in a generically applicable way.
6 But about half of it comes out of Fort St. Vrain.

7 The other part is HIGR specific risk assessments
8 and the development of criteria, general design criteria
9 and siting criteria, specific to HTGR's based on the lead
10 plant design concept as has been developed.

11 COMMISSIONER ASSELSTINE: So if the Congress does
12 what it usually does directs that we spend more money in
13 that area, then that would have to be absorbed?

14 MR. MINOGUE: I don't believe so. This is part of
15 a rather carefully crafted agreement among all parties.
16 Instead of having a \$5 million dollar program, we have agreed
17 on \$2.5 million dollar level. It is aimed at what they call
18 preapplication review and I just identified what that is.
19 The commitment is to do generically applicable work. If this
20 flows out of Fort St. Vrain that is good for me. Maybe we
21 can use it to support a licensing problem, but it is
22 legitimately generically applicable.

23 This is an agreement among all parties that is
24 being honored by all parties and I don't expect any-mandates
25 to increase the level.

26 COMMISSIONER ASSELSTINE: Sounds good.

27 COMMISSIONER AHEARNE: Maybe with a change in
28 Congressional staff we won't get those kind of mandates.

29 (Laughter.)

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COMMISSIONER ASSELSTINE: Widespread support.

MR. MINOGUE: I can assure you that it has very widespread support. I noticed with some interest that Congressman Udall was going to the annual HTGR technology bash and I think that reflects the perception on his part that these are inherently safer reactors and he would like to see them not die or at least not die because of any inaction on the part of the regulatory staff.

CHAIRMAN PALLADINO: All right. Any other questions?

(No response.)

CHAIRMAN PALLADINO: There are several other areas that we have not addressed and to help address them we did prepare slides 15A, 15B and 15C. Slide 15A relates to the Commission Offices, 15B to the EDO offices and 15C to the administrative support summary by category.

(Slide.)

CHAIRMAN PALLADINO: I thought we might see what questions we have on any of those.

COMMISSIONER AHEARNE: My first question comes under EDO.

CHAIRMAN PALLADINO: Shall we go to EDO and have slide 15B?

(Slide.)

COMMISSIONER AHEARNE: Let me ask a question on AEOD. I noticed that the EDO's program support dollars are larger than the AEOD's request and in asking about it I was told, the answer to my question 28, it funds a reactor events analysis of construction and vendor program data base which was

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1 originally requested in I&E and has now been transferred over
2 to AEOD.

3 In reading the write-up on resource changes, I am
4 left puzzled by whether you have embedded in here coding of
5 all old LER's. I asked another question, whether the coding of
6 LER's was included in here and was told, "Yes, it is only
7 funded in AEOD." But there are some 25,000 old LER's and
8 the last estimate we received at how much that would cost
9 was something like \$2.5 million dollars if they were going to
10 be coded and I wonder whether under the budget assumption, is
11 the assumption that we will not code, not put in the AEOD's
12 new system on the old LER's and only use it for future ones?

12 MR. SCROGGINS: The budget assumption does assume
13 full operation of the sequence coding system in AEOD. I
14 think part of your question that I can't answer right now
15 is the question of the old versus the new, but the full
16 funding for the sequence coding system and the intent to move
17 from I&E was to try to consolidate all of this in one
18 location.

18 COMMISSIONER AHEARNE: I see that.

19 MR. SCROGGINS: I can't give you a specific answer
20 on that.

21 COMMISSIONER AHEARNE: But given the response that
22 all of the coding is embedded here and given that the previous
23 estimate was that it would cost -- that the best estimate
24 was probably an underestimate-- \$2.5 million dollars to code
25 the old ones, then I am puzzled by what the budget assumption
is, and I would conclude that it probably means that we have
made a budget assumption and we will not incorporate the old

1 LER's.

2 MR. SCROGGINS: There was no budget assumption made--

3 COMMISSIONER AHEARNE: Implicit.

4 MR. SCROGGINS: It would be by AEOD and I would have
5 to go back and get a specific answer to that question.

6 MR. DIRCKS: I don't think there were any budget
7 constraints on Carl Michaelson. Whatever decisions he made are
8 in here.

9 COMMISSIONER AHEARNE: I would appreciate your finding
10 that out. Another question is on state programs. I noticed
11 that although we have a big regionalization, the state
12 programs office goes from 27 in '82 to 23 in '85. I wondered
13 why there isn't more.

14 MR. DIRCKS: Why there isn't more movement?

15 COMMISSIONER AHEARNE: Yes. It seems to be a very
16 large state programs office.

17 MR. DIRCKS: Ron is saying that some of it has
18 already gone out, so I guess we didn't reflect it in the '82
19 and '83 changes.

20 CHAIRMAN PALLADINO: I missed that.

21 MR. DIRCKS: Some of the positions had already been
22 regionalized in '82, so we didn't pick it up in '82 and '83.

23 COMMISSIONER AHEARNE: I was not comparing '83 to
24 '84. I was comparing '82 to '84.

25 MR. DIRCKS: We didn't regionalize enough. I just
don't know. I think we were again dealing with a small staff
with real individuals and I think we were not pushing them
into a move this early. So I think it is that type of an
explanation.

1 CHAIRMAN PALLADINO: But you have 27 or that is the
2 current estimate for '82, but if people move then you would be
3 down to your 23.

4 MR. DIRCKS: Yes. There is another element in there
5 which has that Jerry Salsbins/Price Anderson function which
6 is embedded in here, so they not only have the state programs,
7 they have the Price Anderson operation. So there is going to be
8 a number in here and I am not quite sure what the core number
9 is. It is not all state liason/state agreements in here.

10 COMMISSIONER AHEARNE: It is a collection function.

11 MR. DIRCKS: It is a collection of functions,
12 right.

13 COMMISSIONER AHEARNE: The only other question I
14 had really referred to ADMIN and since that is your last
15 chart, maybe someone else had some questions.

16 COMMISSIONER ASSELSTINE: I have a question on ELD.

17 CHAIRMAN PALLADINO: All right. Why don't you go
18 ahead?

19 COMMISSIONER ASSELSTINE: I have to look out for my
20 own comrades.

21 COMMISSIONER AHEARNE: I think a lot about them, too.

22 COMMISSIONER ROBERTS: Well and favorably, I am
23 sure.

24 COMMISSIONER ASSELSTINE: As I understand the office
25 request, basically the office request was to reflect the
transfer of the regional attorneys and then basically to stay
level in number of attorneys from '82 to '83. Now Bill, your
proposal or the Chairman's, reduced that down by nine more
positions, down to 100. What I would be interested in hearing

1 is first, Guy, what your projections are for the change in
2 workload from '82 to '83 and second, particularly on case-
3 work whether you aren't projecting either a level load or an
4 increased load over the next year or so since you all tend to
5 lag a little bit being NRR, I think.

6 CHAIRMAN PALLADINO: Could I make an observation
7 before you even answer? In '83 part of the drop off was
8 adding three to the OGC. Now it is my understanding that
9 you have assigned to OGC five people on detail.

10 MR. CUNNINGHAM: That is not correct, Mr. Chairman.
11 That concerns me that you have that impression.

12 (Laughter.)

13 CHAIRMAN PALLADINO: All right. Let me finish
14 the paragraph and if that is all wrong, yes it is my impres-
15 sion that you have them on detail to OGC and they said, "Well,
16 as long as they can be assured of that, that would be all
17 right." I said, "Somewhere along the line if it is going to
18 be a constant practice, we ought to make some transfers,"
19 and that is the three that you will see higher in OGC and
20 three of the nine that you see lower.

21 MR. CUMMINGHAM: We have a total now of three
22 detailed to OGC. It has never been higher than that.
23 Bill Parler --

24 CHAIRMAN PALLADINO: See, I picked the right number.
25 Somehow, I didn't go all the way to five.

COMMISSIONER ASSELSTINE: Michael assures me that
they are doing the work of five.

MR. BLUME: That's right, Mr. Chairman.

CHAIRMAN PALLADINO: Okay. Go ahead.

1 MR. CUNNINGHAM: It is only three and we had a clear
2 understanding at the time Bill Parler, the first of those,
3 went down there that he would be able to return after six
4 months. We subsequently changed that agreement to he could
5 return upon selection of a new General Counsel and staffing
6 of that office with its supergrade SES complement. But I
7 had expected all along that he would return and hope very
8 much that he would.

9 The other two were detailed to help out because of
10 the OGC attrition and if it is necessary for ELD to reduce in
11 size according with your mark on the budget, we would antici-
12 pate that as OGC recruits, they would look to ELD and there
13 would be some movement.

14 CHAIRMAN PALLADINO: I would hope so, too.

15 MR. CUNNINGHAM: But now to get to Commissioner
16 Asselstine's questions about the workload. I understand the
17 two halves of the question to be the same thing, and that is
18 the hearing workload. While there has been some decline
19 in what we anticipate for next year, that has been offset
20 by gains. Specifically the declines come in the area of
21 cases like Bailly and Black Fox which has been terminated,
22 Scaggett because of the relocation of the plant will not be
23 litigated until some time in the future.

24 On the other hand, we have cases that we expected
25 to complete in '82 such as Shoreham and Indian Point which
will go into '83 and will continue to demand resources, cases
such as Zimmer which was completed has now been reopened which
will require additional resources. There is a possibility and
this is the biggest problem we have is these intangibles.

1 There is a possibility that Diablo will be reopened.
2 There is a motion to do that. There is a possibility of
3 hearings in the TMI steam generator repairs, the Point Beach
4 steam generator repairs, and we anticipate another wave
5 of spent fuel pool expansions. The last go around about
6 half of those cases involved hearings. We had made a policy
7 decision, NRR did, to prenotice an opportunity for hearing
8 in all spent fuel pool expansion cases. Experience with
9 about half of them resulted in hearings.

10 Some of those requests are on the way in now and
11 I would anticipate hearings in '83 on them. So that at
12 best, we have about an even trade off in workload.

13 COMMISSIONER ASSELSTINE: And at worst, an increase.

14 MR. CUNNINGHAM: And at worst; an increase.

15 COMMISSIONER AHEARNE: In your out year budget
16 workload assumptions, do you make any assumption about changes
17 due either to legislative reform or administrative reform
18 within the agency?

19 MR. CUNNINGHAM: No.

20 CHAIRMAN PALLADINO: There is one assumption that
21 we all characteristically make and that is what we are doing
22 now is possibly the reference point. I went back and looked
23 at the reference point some time back and tried to relate it
24 to what I thought the situation was and I don't remember the
25 numbers, but ELD had been growing for several years and I
think part of it may have been related to the activities
associated with the aftermath of Three Mile Island.

 My impression in looking up to the out years and the
workload of hearings is that 95 for the out years was not all

1 that bad.

2 COMMISSIONER AHEARNE: Could I ask Len a question
3 related to that?

4 As I recall, Len, the book numbers that ELD showed
5 in most years were not the actual numbers. ELD was always
6 substantially over hired.

7 MR. BARRY: Yes. The book number for a long time
8 was 95, the ceiling for a long time was 95, and we usually
9 had 100 to 105 actually on board.

10 CHAIRMAN PALLADINO: When?

11 MR. BARRY: 1977, 1978, 1979.

12 COMMISSIONER AHEARNE: Before TMI.

13 MR. BARRY: Before TMI, yes.

14 COMMISSIONER AHEARNE: I thought your looking back
15 at your reference point, the book might not have been
16 accurate.

17 CHAIRMAN PALLADINO: If they are not going to main-
18 tain accurate books, you are not going to come out with
19 accurate answers.

20 (Laughter.)

21 CHAIRMAN PALLADINO: I use that basis quite a
22 bit and I also don't ignore anecdotal data. Some of the
23 indications are that perhaps we don't need as many people in
24 ELD as we have.

25 MR. CUNNINGHAM: I can't respond to anecdotal data
that has not been particularized.

COMMISSIONER AHEARNE: And I don't know how to vote
on it.

CHAIRMAN PALLADINO: I agree. I think it is primar-
ily looking at the staffing level over a period of years. I

1 did make the adjustment for the three to OGC and I thought
2 that was a reasonable number to come up with.

3 COMMISSIONER AHEARNE: Was then the reason that you
4 increased -- You see, I thought part of the loan from ELD to
5 OGC was because OGC was having difficulty filling slots.

6 MR. CUNNINGHAM: My understanding was that OGC --

7 CHAIRMAN PALLADINO: The report that I received from
8 OGC is that they have been working characteristically at a
9 level of 30 and that they have been getting help from ELD.
10 There has been perhaps additional help because of their
11 open positions.

12 MR. CUNNINGHAM: The help from ELD has been recent,
13 the last several months. It was presented to me in the
14 situation that they were in worst straits than we were, but
15 I tried to make the point that we were not a bottomless pit,
16 that I didn't feel that I had the burden to solve their
17 personnel problems on a long term basis.

18 CHAIRMAN PALLADINO: I will go back and check on
19 the history of what they have been getting from you by talking
20 to both of you together.

21 COMMISSIONER AHEARNE: Was the basic reason that
22 you increased OGC three because they --

23 CHAIRMAN PALLADINO: No. I started out by saying
24 that we have a lot more litigation and we have a number of very
25 important litigations coming up that we are going to have to
26 handle and I think they are going to stretch over a period of
27 time and that is the way it started.

28 Then I learned that they had this 30 and I said
29 that it gives me even more reason to move it up to 28.

1 COMMISSIONER ASSELSTINE: If you get reduced six
2 to seven people from '82 to '83 and your workload stays the
3 same or increases, what is going to give?

4 MR. CUNNINGHAM: We will accomplish every task that
5 is given to us. The question is how quickly they do it and
6 how well you do it. I should point out that after the Beville
7 hearings and we got into the real crunch to adhere to a time
8 line, the Office of the Executive Legal Director had a policy
9 that we would not seek extensions of time to file pleadings.

10 When I took over my present position, the Chairmen
11 of each of the Boards, the Appeal Board and the Licensing
12 Board, told me that they had noticed that as a result of that
13 policy that there was a decline in the quality of the plead-
14 ings. We got them filed, but if you have less people to do
15 the same amount of work, you don't do it as well.

16 COMMISSIONER ASSELSTINE: Yes.

17 CHAIRMAN PALLADINO: Any other questions?

18 COMMISSIONER AHEARNE: Not until I get to ADMIN.

19 CHAIRMAN PALLADINO: Let's go to Administration.
20 (Slide.)

21 COMMISSIONER AHEARNE: Just basically my question
22 of Administration and it was referenced in my question that I
23 sent out to the staff, there is a very sizable reduction in
24 the number of people in ADMIN and the words that go along with
25 it let me to ask whether this was a warning that we were out
on thin ice and were about to break through or whether it was
we are going to close the Monument.

 COMMISSIONER ROBERTS: The what?

 COMMISSIONER AHEARNE: Washington Monument.

1 MR. DIRCKS: Let me start off. I think we have had
2 a tendency to dip into ADMIN because we have been protecting
3 program offices and we have been going into ADMIN or the EDO
4 staff offices when we need personnel. We did it last year
5 where ADMIN took a significant cut as a result of the
6 budget revision. We are doing it again this year.

7 My view is we have reached a point where we have
8 no choice but to cut back on services. I think we have just
9 reached the end of our ability or our efficiency dividend
10 and we will have to take a look at where we can take some
11 real cuts or do business in a different way.

12 Pat is faced with this assignment. She is going
13 to have to look at perhaps the area of technical information
14 and instead of doing it by direct government employees, we
15 will have to look at our contracting a lot of that work out.
16 We have to look at where we assign CRESS units. We have done
17 that through a centralized area.

18 There are services we provide. In security, we
19 provide -- and I am dealing in small numbers.

20 COMMISSIONER AHEARNE: I guess what I was really
21 raising the question and probably more to alert my colleagues
22 since when this comes home to roost I won't be here, but I
23 am wondering whether you are raising such issues as there
24 no longer will be guards outside, one day they will find
25 that the Chairman will have a driver that he can reach but
the other Commissioners will just not be able to get a car
when they need it.

We will find that we will have asked for a meeting
down here and the time lag of people to get here will get

1 increased because Bill Dircks won't be able to come down by
2 car either or the Office Director.

3 CHAIRMAN PALLADINO: We will be consolidated by
4 then.

5 COMMISSIONER AHEARNE: I doubt it.

6 CHAIRMAN PALLADINO: I hope.

7 COMMISSIONER AHEARNE: They will find a situation
8 where they will get one of these big packages that have to
9 be rapidly reproduced and it won't be able to. We will go
10 out to a contractor to get it down and in a couple of days
11 we can get it back.

12 Are you really alerting these other people that
13 this is what they ought to recognize may begin to happen
14 here?

15 MR. DIRCKS: We may be poor but we are not going to
16 be foolish. Undoubtedly Commissioners will notice very
17 little reduction in services. I think where we take reduction
18 in services will be that the staff will get fewer services.

19 Maybe NRR will have to wait until certain documents
20 are run off for them. Maybe the Personnel will take a little
21 more time to process a personnel action. Maybe a contract
22 will be delayed. I think that is the area.

23 COMMISSIONER AHEARNE: It is a good thing that John
24 Davis has already left.

25 MS. NORRY: There are limitations on our ability to
contract out for one thing. There are some areas in which
we are simply just not able to do that by law and by regulation.
So contracting out is not the only answer. I have a basic
reservation about increasing the contracting out option too

1 much anyway because you lose some direct control over your
2 services which if I am going to provide the services I would
3 like to have the degree of control that enables me to provide
4 that.

5 But as Bill said, the Commissioners will still have
6 drivers and those kinds of things will go on. We are going to
7 have to cut back though in every area that we can. But it is
8 limited where we can cut back. I can't afford to cut back
9 too much in the area of personnel, for instance. This whole
10 staffing plan that is facing this agency in 1983, I am going
11 to need every personnel resource that I have to deal with
12 labor relations and to deal with how we get people from here
13 to the regions and those kinds of questions.

14 So when I look at the areas where I have some options
15 they get ever more limited and there will be cutbacks in
16 services. People will have to wait longer for things and
17 so forth. Our basic jobs will get done because they must
18 get done, but there will be an impact.

19 COMMISSIONER AHEARNE: Just remember that I had
20 alerted you.

21 COMMISSIONER ASSELSTINE: Pat, on the personnel
22 reductions slated from '82 to '83, I guess one of the things
23 that concerns me is the agency went through the effort a
24 couple of years ago to get a lot of people on board now in
25 permanent slots like the telecommunications people. They
previously had to be temporary employees not full-time
permanent employees.

Similarly, some of the other parts of ADMIN that
are fairly people intensive like the CRESS units that are

1 fairly efficient ways of doing business, are some of those
2 things in jeopardy?

3 MS. NORRY: There is a problem there. We have a
4 fairly well-working machine that is in support of the
5 licensing effort, for instance, which involves CRESS, which
6 involves reproduction, which involves the provision of
7 editorial services -- all of those things work well.

8 COMMISSIONER ASSELSTINE: I suspect that they are
9 much more efficient than if you had to contract out.

10 MS. NORRY: If we have to start taking bits and
11 pieces of that and contracting them out, you are interfering
12 with that well-working machine, that is right.

13 We will obviously try to find those parts which
14 will not impact too heavily, but we are just not going to be
15 able to do it without some impact.

16 CHAIRMAN PALLADINO: I would like to make an
17 observation. It may be that Administration as we define
18 Administration here is not the right place to take some of
19 these, but if you look at our management direction/support/
20 administration, it does constitute about a third of our
21 budget.

22 It seems a bit inordinately high to me and what is
23 more, it is projected to go up.

24 COMMISSIONER AHEARNE: A lot of that is not --

25 CHAIRMAN PALLADINO: I say it may not be the right
place. Maybe we are looking too hard in one place, but I
think as far as we can we ought to try to look at opportuni-
ties for efficiencies and take advantage of them.

COMMISSIONER ASSELSTINE: Let me ask a question
about the CRESS unit, Pat. Is that pretty much now devoted

1 to NRR work?

2 MS. NORRY: The bulk of it is, yes.

3 COMMISSIONER ASSELSTINE: How many people are in
4 that?

5 MS. NORRY: We have 18 people.

6 COMMISSIONER AHEARNE: Occasionally they do other
7 things. I know Forrest used them extensively on the Safety
8 Goals.

9 MS. NORRY: Yes, we do have some available for
10 other work, but the majority of them are devoted exclusively
11 to NRR.

12 CHAIRMAN PALLADINO: Any other questions?

13 COMMISSIONER AHEARNE: Not of ADMIN, I have a
14 question of Len and Bill and then I have a question for Bill
15 and you.

16 (Laughter.)

17 COMMISSIONER AHEARNE: The question for Len and
18 Bill, I have a revised answer to the first question I asked
19 which is the '83-'84 dollars and the revised answer which
20 is now revision one --

21 CHAIRMAN PALLADINO: It is not responsive either.

22 COMMISSIONER AHEARNE: I just wanted to focus on
23 one part of it. It is a question to be contracted as a
24 precise projection of NRC's future requirements and given a
25 5.5 percent inflation rate if OMB informal guidance is
assumed, then approximately \$15 million dollars in additional
program support funds would be necessary to stay even with
fiscal year '83. From that, should I assume that although
you have a fairly detailed calculated budget, that we ought to

1 conclude that unless workloads significantly decline, there
2 is going to be a problem in getting at the program support
3 particularly if inflation is worse than 5.5 percent?

4 MR. BARRY: If you look at our program support
5 baseline in '83 and you subtract some of the things that
6 should be subtracted such as LOFT came down, there was good
7 reason for NRR to come down about \$10 million and there were
8 some pluses, too. But when you did those minuses and pluses,
9 then you put a factor of 5.5 percent in there, you really
10 needed to increase your program support in '84 by \$15 million
dollars.

11 You will notice that in program support it goes
12 up about \$15 million dollars between '83 and '85. So in
13 my judgment we came out just about even:

14 If on the other hand you said but some of the
15 programs really were program increases whichever of those
16 particularly in research you would care to look at where you
17 see increases and say that they were programatic increases not
inflation, then you would need additional funds.

18 But it is hard to discern how many of those were
19 increase in workload and how many were inflation.

20 COMMISSIONER AHEARNE: So I think what you are
21 saying is I should not assume that at the moment you can
22 forecast that unless inflation is 5.5 percent, we are in
trouble?

23 MR. BARRY: That is correct.

24 COMMISSIONER AHEARNE: The other question, Bill,
25 are there any significant reclamas that the office directors
wanted to make that they did not make that you know of?

1 MR. DIRCKS: No. They didn't make any to me. I
2 think they came in and discussed the original mark and we
3 agreed on certain changes. They were all satisfied and I
4 think they were all here and they supported generally the
5 mark.

6 COMMISSIONER AHEARNE: So you don't know of any
7 major pains?

8 MR. DIRCKS: No.

9 COMMISSIONER AHEARNE: All right. Joe, do you
10 know of any -- a similar type question -- in the Commission
11 level offices?

12 CHAIRMAN PALLADINO: Yes. I had some and I
13 modified one.

14 COMMISSIONER AHEARNE: Given the budget we now
15 have in front of us, was there any major pain there from
16 the Commission offices?

17 CHAIRMAN PALLADINO: I don't think so. The principal
18 one was the Boards, SECY, also. I could identify areas
19 where SECY could make some changes. Let me look at my list
20 and I will be able to tell you better. I think those were
21 the principal reclama areas.

22 COMMISSIONER AHEARNE: Those questions were more
23 for completeness.

24 (Laughter.)

25 CHAIRMAN PALLADINO: Any other questions?

(No response.)

CHAIRMAN PALLADINO: I would like to make a couple
of closing remarks. I would appreciate your suggested
changes to the budget and they can be as brief as you want to

1 make them. I would urge in considering making them that we
2 maintain the target that I set for us. You don't have to
3 agree, but I still urge that we not show continued growth
4 and that we do level off in the outlying years and consider
5 slight reductions. We don't want to go too far because we
6 will have considerable work well into the future either in
7 the form of caseload or in the form of operating reactors.

8 So I am not calling for a big turn around, but I
9 do think that we need to peak out somewhere and I think this
10 is a good time to think of it.

11 Then what I would do is take the suggestions and
12 I may come back and talk to you, but try to get by Monday
13 and I guess that is the second, get to you a suggested voting
14 device and I will probably have talked to each one of you
15 before you have to vote so we can make some adjustments as
16 necessary.

17 We still can see if our notation votes can converge
18 by the fourth. If they don't converge by the fourth, then
19 I think we will have to convene and try to hammer it out.

20 COMMISSIONER ROBERTS: I won't be here until the
21 fifth.

22 CHAIRMAN PALLADINO: I appreciate that, but there
23 is so much on the fifth that I hate to consider adding
24 another one. If I think I am losing on an important point --

25 (Laughter.)

CHAIRMAN PALLADINO: You are leaving on Monday.

COMMISSIONER ROBERTS: I am leaving actually on
Sunday.

CHAIRMAN PALLADINO: Sunday. Well, if you have any

1 thoughts on the budget, let me know.

2 Anything more?

3 (No response.)

4 CHAIRMAN PALLADINO: Thank you very much. We will
5 stand adjourned.

6 (Whereupon, the Commission meeting was adjourned at
7 4:50 o'clock p.m., to reconvene at the Call of the Chair.)

8 - - -

NUCLEAR REGULATORY COMMISSION

This is to certify that the attached proceedings before the
NUCLEAR REGULATORY COMMISSION

in the matter of: BUDGET BRIEFING

Date of Proceeding: Tuesday, July 27, 1982

Docket Number: _____

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

were held as herein appears, and that this is the original transcript
thereof for the file of the Commission.

Marilynn M. Nations

Official Reporter (typed)

Marilynn M. Nations

Official Reporter (Signature)

U. S. NUCLEAR REGULATORY COMMISSION
CHAIRMAN'S BRIEFING TO THE COMMISSION ON
FY 1982-1985 BUDGET ESTIMATES

DECISION UNIT SUMMARY

INSPECTION AND ENFORCEMENT

DECISION UNIT	FY 1982 CURRENT ESTIMATE		RECOMMENDED LEVEL					
	SY	PS \$	FY 1983		FY 1984		FY 1985	
			SY	PS \$	SY	PS \$	SY	PS \$
REACTOR CONSTRUCTION INSPECTION	20	\$0.3	20	\$ 0.7	21	\$ 0.9	21	\$ 0.9
REACTOR OPERATIONS INSPECTION	28	1.7	22	2.0	22	1.9	22	1.9
ENGINEERING AND QUALITY ASSURANCE	40	0.8	35	0.6	35	" 0.7	35	0.7
FUEL FACILITIES AND MATERIALS	17	0.9	12	1.4	9	0.9	9	0.6
ENFORCEMENT	8	-	7	-	7	-	7	-
EMERGENCY PREPAREDNESS	39	3.0	28	2.3	27	3.3	25	7.0
SPECIALIZED TECHNICAL TRAINING	19	1.6	17	1.3	17	2.3	17	1.8
MANAGEMENT DIRECTION AND SUPPORT	24	0.1	21	0.1	20	0.1	20	0.1
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
SUBTOTAL IE	195	\$8.4	162	\$ 8.4	158	\$10.1	156	\$13.0
REGIONS	693	0.8	704	3.3	722	2.8	738	2.7
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL	888	\$9.2	855	\$11.7	830	\$12.9	894	\$15.7

RESEARCH

FY 1982 CURRENT ESTIMATE		RECOMMENDED LEVEL					
SY	PS \$	FY 1983		FY 1984		FY 1985	
		SY	PS \$	SY	PS \$	SY	PS \$
286	196.8	271	195.2	260	209.9	260	195.0

- PROVIDES TECHNICAL BASIS FOR RESOLUTION OF PRESSURIZED THERMAL SHOCK ISSUE IN FY 1984.
- PROVIDES SUPPORT FOR AND CONFIRMATION OF REGULATORY POSITIONS ON STEAM GENERATOR TUBE INTEGRITY, EQUIPMENT QUALIFICATION, SEISMIC SAFETY MARGINS, AND REACTOR MATERIALS AND COMPONENT AGING.
- SUPPORT THE DEVELOPMENT OF TECHNICAL RESOLUTIONS FOR THE ISSUES IDENTIFIED IN THE LONG-RANGE HUMAN FACTORS PLAN.
- CONTINUES EXPERIMENTS TO EVALUATE SYSTEM BEHAVIOR DURING TRANSIENTS (INCLUDING SEMISCALE AND FIST).
- INCLUDES NRC SHARE FOR CONSTRUCTION OF SEMISCALE MOD-5 (B&W CONFIGURATION).

NUCLEAR REGULATORY RESEARCH - CONTINUED

- CONTINUE DEVELOPMENT OF IMPROVED PRA METHODOLOGY AND SUPPORT TO SEVERE ACCIDENT POLICY DETERMINATION AND SAFETY GOAL.
- DEVELOP THE TECHNICAL BASE FOR COMMISSION POLICY DETERMINATIONS ON SOURCE TERM BY EARLY FY 1983 AND SEVERE ACCIDENTS BY FY 1984 (INCLUDES RESEARCH ON DAMAGED FUEL, CONTAINMENT LOADING AND INTEGRITY, FISSION PRODUCT RELEASE AND TRANSPORT, SEVERE ACCIDENT SEQUENCE ANALYSIS AND IMPROVED SAFETY SYSTEMS).
- CONTINUE TO SUPPORT THE INTERNATIONAL 2D/3D PROGRAM.
- COMPLETE NRC-SPONSORED LOFT TESTING BY MID-FY 1983. PROVIDES FUNDING FOR NRC SHARE OF THE LOFT CONSORTIUM BEGINNING IN FY 1984 (\$10M/YEAR FOR 3 YEARS).
- CONTINUE RESEARCH EFFORT TO SUPPORT THE CRBR LICENSING DECISION.

DECISION UNIT SUMMARY

RESEARCH

DECISION UNIT	FY 1982 CURRENT ESTIMATE		RECOMMENDED LEVEL					
	SY	PS \$	FY 1983		FY 1984		FY 1985	
			SY	PS \$	SY	PS \$	SY	PS \$
REACTOR AND FACILITY ENGINEERING	59	\$ 33.1	58	\$ 37.0	57	\$ 40.5	58	\$ 42.8
FACILITY OPERATIONS	51	13.0	47	13.5	42	16.8	43	17.1
THERMAL HYDRAULIC TRANSIENTS	10	16.3	10	21.7	10	27.5	10	22.6
SITING AND HEALTH	31	9.3	23	9.0	22	11.0	23	11.7
RISK ANALYSIS	51	16.0	49	15.9	48	19.3	49	22.2
ACCIDENT EVALUATION AND MITIGATION	23	33.1	25	47.2	24	45.4	23	38.6
LOSS-OF-COOLANT ACCIDENT	8	14.6	7	11.1	6	10.5	5	9.2
LOFT	4	42.0	2	15.0	2	17.5	2	10.0
ADVANCED REACTORS	3	7.5	3	12.7	3	9.5	2	8.5
WASTE MANAGEMENT	24	11.9	24	12.1	24	11.9	23	12.3
MANAGEMENT DIRECTION AND SUPPORT	22	-	23	-	22	-	22	-
TOTAL	286	\$196.8	271	\$195.2	250	\$209.9	260	\$195.0

PERSONNEL SUMMARY

COMMISSION OFFICES

COMMISSION OFFICES	FY 1982 CURRENT ESTIMATE	RECOMMENDED LEVEL		
		FY 1983	FY 1984	FY. 1985
COMM	31	31	31	31
SECY	40	36	36	36
ACRS	40	38	38	38
ASLBP	47	52	48	44
ASLAP	14	17	16	15
OIA	27	27	27	27
GC	25	28	28	28
PA	16	16	16	16
PE	18	18	18	18
CA	9	9	9	9
OI	29	42	42	42
TOTAL	296	314	309	304

Book...

PERSONNEL SUMMARY

EDO OFFICES

<u>EDO OFFICES</u>	<u>FY 1982 CURRENT ESTIMATE</u>	<u>RECOMMENDED LEVEL</u>		
		<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>
EDO	18	18	19	19
ELD	113	100	95	95
SDBUCR	7	7	7	7
IP	30	28	28	28
SP	27	23	23	23
RM	133	125	121	121
AEOD	33	33	37	37
TOTAL	<u>361</u>	<u>334</u>	<u>330</u>	<u>330</u>

ADMINISTRATIVE SUPPORT SUMMARY

CATEGORY	FY 1982 CURRENT ESTIMATE	RECOMMENDED LEVEL		
		FY 1983	FY 1984	FY 1985
TRANSPORTATION - PERSONS	\$.4	\$.4	\$.4	\$.4
TRANSPORTATION - THINGS	.5	.8	.4	.4
RENTAL OF SPACE	6.2	6.3	8.0	8.0
TELECOMMUNICATIONS	8.6	9.3	9.3	9.6
POSTAGE	.9	1.0	1.0	1.0
EQUIPMENT RENTAL	1.1	1.1	1.0	.9
PRINTING AND REPRODUCTION	2.2	2.7	2.6	2.6
GUARDS	1.4	1.4	1.4	1.4
SECURITY INVESTIGATIONS	.8	1.0	1.0	1.0
DCS (CURRENT CONTRACT)	2.3	2.5	3.0	6.5
OTHER SERVICES	5.0	4.8	4.7	4.7
SUPPLIES AND MATERIALS	1.5	1.7	1.7	1.7
TRAINING	.9	.9	1.0	1.0
EQUIPMENT PURCHASE	<u>1.3</u>	<u>1.3</u>	<u>1.4</u>	<u>1.4</u>
SUBTOTAL (HEADQUARTERS)	\$33.1	\$35.2	\$36.9	\$40.6
ADP	5.8	6.4	7.0	7.1
REGIONS- ADIA	5.3	6.4	7.5	7.8
TOTAL	<u>\$44.2</u>	<u>\$48.0</u>	<u>\$51.4</u>	<u>\$55.5</u>

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Meeting Title:

Budget Briefing

MEETING DATE:

7/27/82

Open
Closed

DCS COPIES:

(1 of each Checked)

ITEM DESCRIPTION:

ITEM DESCRIPTION:	Copies Advanced To PDR:	*	DCS COPIES:		
			Original Document	May be Dup*	Duplicate Copy*
1. <u>transcript</u> <u>(w/ 2 newspaper articles attached)</u>	<u>1</u>	*	<u>1</u>		
2. _____	_____	*	_____	_____	_____
3. _____	_____	*	_____	_____	_____
4. _____	_____	*	_____	_____	_____
5. _____	_____	*	_____	_____	_____

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