

**Approval for Estimated Conference Spending in Excess of \$500,000 for a Single Conference in Accordance with Office of Management and Budget Memorandum M-17-08, "Amending OMB Memorandum M-12-12, Promoting Efficient Spending to Support Agency Operations"**

As Chairman of the U.S. Nuclear Regulatory Commission (NRC), I hereby approve estimated spending in excess of \$500,000 for the 2021 Regulatory Information Conference (RIC). The NRC is planning to hold the next annual RIC in March 2021.

For the reasons detailed below, I have determined that exceptional circumstances exist and that spending more than \$500,000 on hosting the 2021 RIC is the most cost-effective option to achieve a compelling purpose.

The NRC's mission is to license and regulate the Nation's civilian use of byproduct, source, and special nuclear materials to ensure adequate protection of public health and safety, promote the common defense and security, and protect the environment. The RIC supports this mission, as well as the NRC's commitment to conduct its work openly and transparently, by providing a unique forum that brings together diverse groups of stakeholders to inform them of significant and timely policy decisions and regulatory oversight activities, as well as ways that the NRC is transforming to become a more modern, risk-informed regulator.

Since its inception in 1987, the RIC has become one of the premier nuclear conferences in the world. It is widely attended, typically bringing together nearly 2,300 participants representing over 33 countries. Although the NRC cancelled the 2020 RIC due to the COVID-19 public health emergency, the projected attendance was on par with attendance at the 2019 RIC. RIC participants typically include members of the public; Federal, State, and local government officials; nuclear safety regulators from other nations; experts from the national laboratories; advocacy groups; media representatives; licensees; vendors; and other interested stakeholders. The technical program features nuclear experts from across the agency, as well as external speakers from industry, academia, public interest groups, and the international community.

The RIC is highly valued by both agency and external stakeholders for its technical and educational content. This conference also provides a unique opportunity for attendees to hear firsthand the views of each member of the Commission related to emerging regulatory issues and policy matters affecting the agency. In addition, the RIC offers an environment for influencing nuclear safety on a global scale, building new partnerships, and strengthening connections, both domestically and internationally. The NRC staff and stakeholders use the RIC to share relevant information, exchange views and perspectives, discuss challenging policy issues facing the agency, and promote safety and security best practices in the nuclear arena. As we continue to learn from recent events in the nuclear community, this forum is crucial to the agency's mission.

Successfully executing such a large and complex conference requires extensive coordination and the effective management of resources. The Office of Nuclear Reactor Regulation and the Office of Nuclear Regulatory Research cosponsor the RIC. Both offices are dedicated to the NRC's commitment to responsible fiscal stewardship. The NRC is continually identifying ways to reduce conference costs. As the lead office, the Office of Nuclear Reactor Regulation diligently scrutinizes and monitors the planning, logistics, and implementation of the RIC to ensure that the agency spends appropriate funds in the most cost-effective, efficient manner.

Enclosure

The objectives and work requirements of the RIC cannot be accomplished successfully under any of the other existing NRC contracts exclusively; therefore, the NRC has two additional contracts in place to assist in executing the RIC: (1) a planning and logistical support contract, a small business contract under the Small Business Administration's 8(a) program, and (2) a conference facility contract. These contracts cover web development, registration, audiovisual support, onsite logistics, and conference meeting space. For RIC 2020, the costs associated with these two contracts were estimated to be approximately \$1 million. As anticipated, the expected costs for RIC 2020 increased from those for RIC 2019 due in part to new awards for both contracts, which contain new labor rates and increased information technology and audiovisual requirements as well as an appropriate annual adjustment to fixed hourly rates based on economic factors. It should be noted that the NRC negotiated reasonable termination settlement costs associated with the "termination for convenience" for the current contract year of the facility contract. In addition, the NRC negotiated a reduction in scope to the base period of the planning and logistical support contract and to the contract ceiling price. The reduced scope of that contract enables the contractor to continue work on closing out matters related to the 2020 RIC cancellation and to start preparing for the 2021 RIC.

Separate from these two contracts, where possible, the NRC uses existing contracts in support offices for RIC assistance and services, including registration system security, web hosting, web streaming, captioning, videography, photography, transcription, video teleconferencing, onsite physical security, limited English proficiency and reasonable accommodations, and shipping and delivery activities. Using the actual costs of RIC 2019 as a benchmark, the NRC estimated these costs for RIC 2020 to be approximately \$96,000. The actual costs incurred from the support offices to cover these areas totaled approximately \$10,000.

An integral part of the NRC's transformation is investing in our future by modernizing and changing our culture. In meeting these objectives, some of the state-of-the art, transformative, and technology-driven initiatives implemented in 2020 to support a more modern RIC included live polling and electronic questions and answers through the RIC mobile application, WebEx technical sessions, an NRC transformation exhibit, video presentations, staff training on new technologies, and interactive digital exhibits. Related resources were largely expended to prepare for the conference, as its cancellation due to the COVID-19 public health emergency occurred shortly before it was to begin.

Although we cannot predict the outcome or pace of recovery from the COVID-19 pandemic, we do know that the landscape for meetings and conferences has changed. Based on current trends, we plan to transition the 2021 RIC to a virtual platform, with potential live streaming of some portions. We will continue to proactively seek best practices from other conferences taking place around the world, and to consult with NRC stakeholders and with the planning and logistical support contractor to identify ways to reduce contract risk for both the NRC and the contractor. As planning for the 2021 RIC progresses, we recognize that the NRC may need to adapt our programming to support the digital environment and that this may incur unplanned costs. However, the NRC remains committed to using innovative methods, including applying new and emerging technologies, to ensure that the RIC continues to give its audience an invaluable opportunity for engagement and participation and a rewarding conference experience. A preliminary cost estimate for a virtual RIC is approximately \$647,000 for planning, logistics, audiovisual support, and information technology support. Conducting a virtual RIC will result in a cost savings of approximately \$273,000 because we will not need the Marriott conference facility contract. If we proceed with a hybrid approach to include some

live-stream opening or plenary sessions, or both, the NRC will consider those additional costs before proceeding with that approach.

The compelling purpose achieved by the RIC constitutes exceptional circumstances. On this basis, I am confident that the costs associated with executing the 2021 RIC are valid and prudent. Therefore, in accordance with Office of Management and Budget Memorandum (OMB) M-17-08, "Amending OMB Memorandum M-12-12, Promoting Efficient Spending to Support Agency Operations," dated November 25, 2016, I hereby approve expenses exceeding \$500,000 on a single conference for the 2021 RIC.



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Kristine L. Svinicki, Chairman



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Date