



SOUTHWEST RESEARCH INSTITUTE

July 19, 2022

The Honorable Christopher T. Hanson
Chairman
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001
Via Email

OFFICE OF THE PRESIDENT

Dear Chairman Hanson,

Thank you for the opportunity to visit with you on June 27, 2022, regarding the Center for Nuclear Waste Regulatory Analyses (CNWRA), the NRC's only Federally Funded Research and Development Center. Southwest Research Institute (SwRI) has proudly operated the CNWRA for 35 years, and we deeply value the relationship between the NRC and our organization. SwRI's mission closely aligns with the NRC's mission of protecting public health and safety and the environment, and we hope to continue to serve and work with the NRC for many years to come.

The CNWRA offers the NRC an irreplaceable knowledge base developed since its founding in 1987. With our foundational knowledge in spent nuclear fuel storage, transportation, and disposal, significant current staff experience can be applied to any future back-end-of-the-fuel-cycle program to disposition nuclear waste. CNWRA institutional knowledge would be instrumental in supplementing the NRC's expertise for a future repository program, a consent-based siting program, a long-term storage program, or the development of new 10 CFR Part 60 and Part 63 regulatory frameworks. Our existing Charter Contract also enables the CNWRA to support Low-Level Waste programs such as the Waste Incidental to Reprocessing program and updates to 10 CFR Part 61.

Importantly, beyond the Charter waste programs that the CNWRA was founded to execute, our staff now has over two decades of expertise supporting non-Charter projects through the Enterprise-Wide Contract (EWC). Under the EWC, we offer easy-to-access, conflict-of-interest-free support for many NRC programs, including front end of the fuel cycle, nuclear power plant licensing and operations, environmental reviews, research projects, regulatory guidance development, advanced reactors, and public outreach. The long-standing experience of CNWRA staff is augmented by unparalleled reach-back capabilities to SwRI's 2,800 staff members and state-of-the-art laboratory, computing, and radiological facilities. Loss of the CNWRA and SwRI support for NRC programs would mean the loss of both an experienced core of experts whose work spans the agency and a program with a history of high-quality, timely work.

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As we discussed during our meeting, the CNWRA is nearing the end of our current 5-year Charter and EWC contracts that have facilitated the broad range of support we provide to the NRC. During the last few years, the volume of contracts placed with the CNWRA has declined and has reached a level of funding that is insufficient to maintain the required breadth and depth of staff expertise and infrastructure set forth in the Charter contract, resulting in a loss to SwRI of approximately \$100,000 per month. This loss is not sustainable, and as such, we are seeking to continue an open, transparent dialogue with the NRC about its long-term intentions for the CNWRA, as well as terms and conditions that may accompany new 5-year Charter and EWC contracts and how those terms allow SwRI to ensure the CNWRA is sustainable and able to fulfill its mission. We believe the CNWRA could return to financial viability through several actions, the most efficient of which would be providing NRC with a breadth of contract support that effectively funds a minimum contract funding "floor" on the new Charter and/or EWC Contracts. Additional actions that would facilitate placement of work include (i) increased use of the EWC contract, particularly with recapture of work currently being sent to DOE national labs or other vendors; (ii) reinstating a policy of first considering CNWRA for contract work; and (iii) increasing awareness among NRC staff of CNWRA as an available asset. We welcome the opportunity to discuss these and other actions with you and your staff prior to any official procurement action related to potential new 5-year contracts. We are optimistic that we can continue to assist the NRC in its future-facing and transformative efforts and remain an important resource for the agency.

I also wish to again personally extend an invitation to host you for a visit to SwRI headquarters in San Antonio, Texas. We would be proud to share our beautiful campus and outstanding technological capabilities firsthand. Please feel free to contact me and my staff with any information requests or questions you may have. Thank you again for your time and for your continued commitment to the CNWRA.

Sincerely,



Adam L. Hamilton, P.E.
President and CEO
Southwest Research Institute