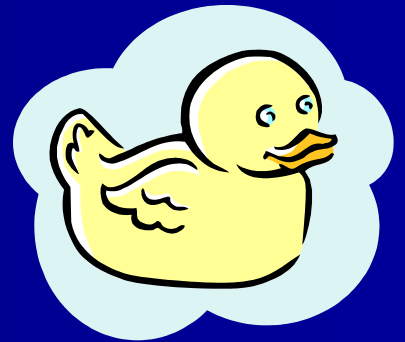
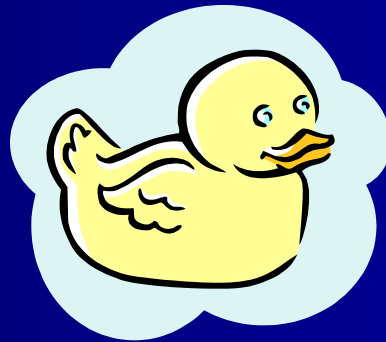
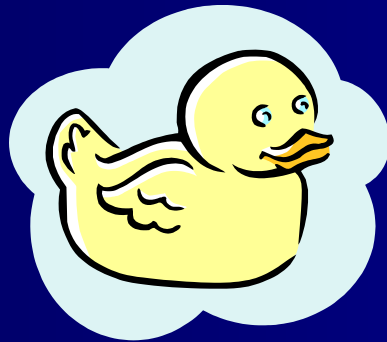
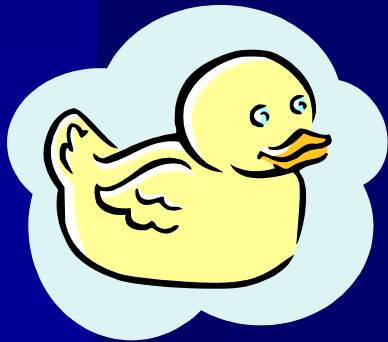
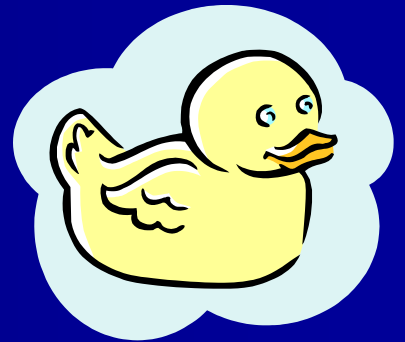
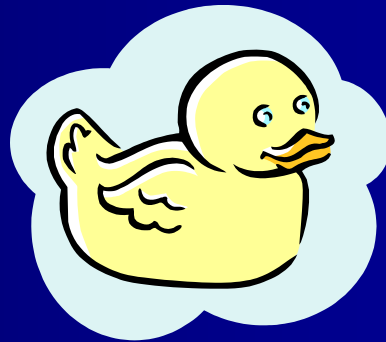
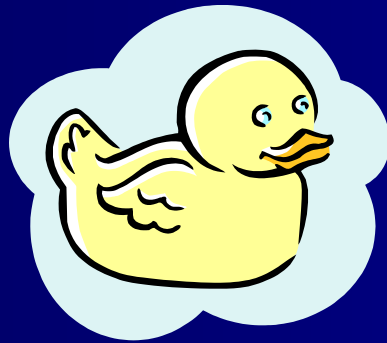
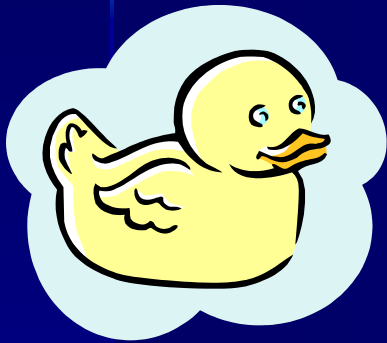
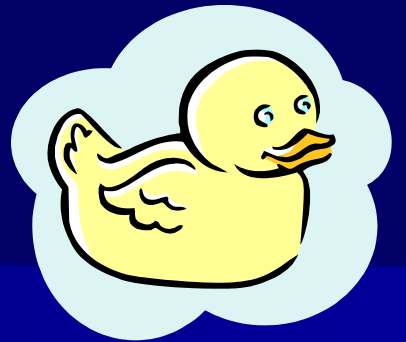
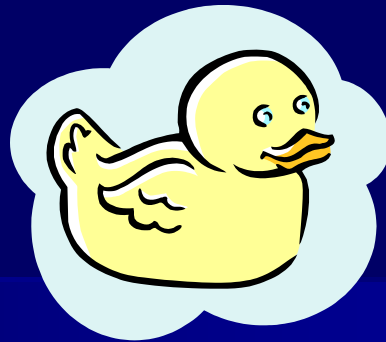
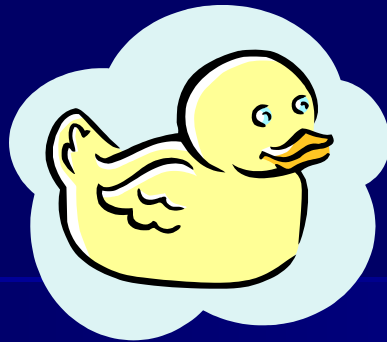
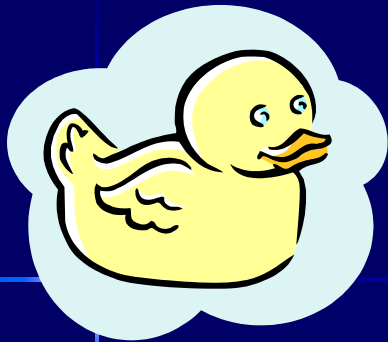
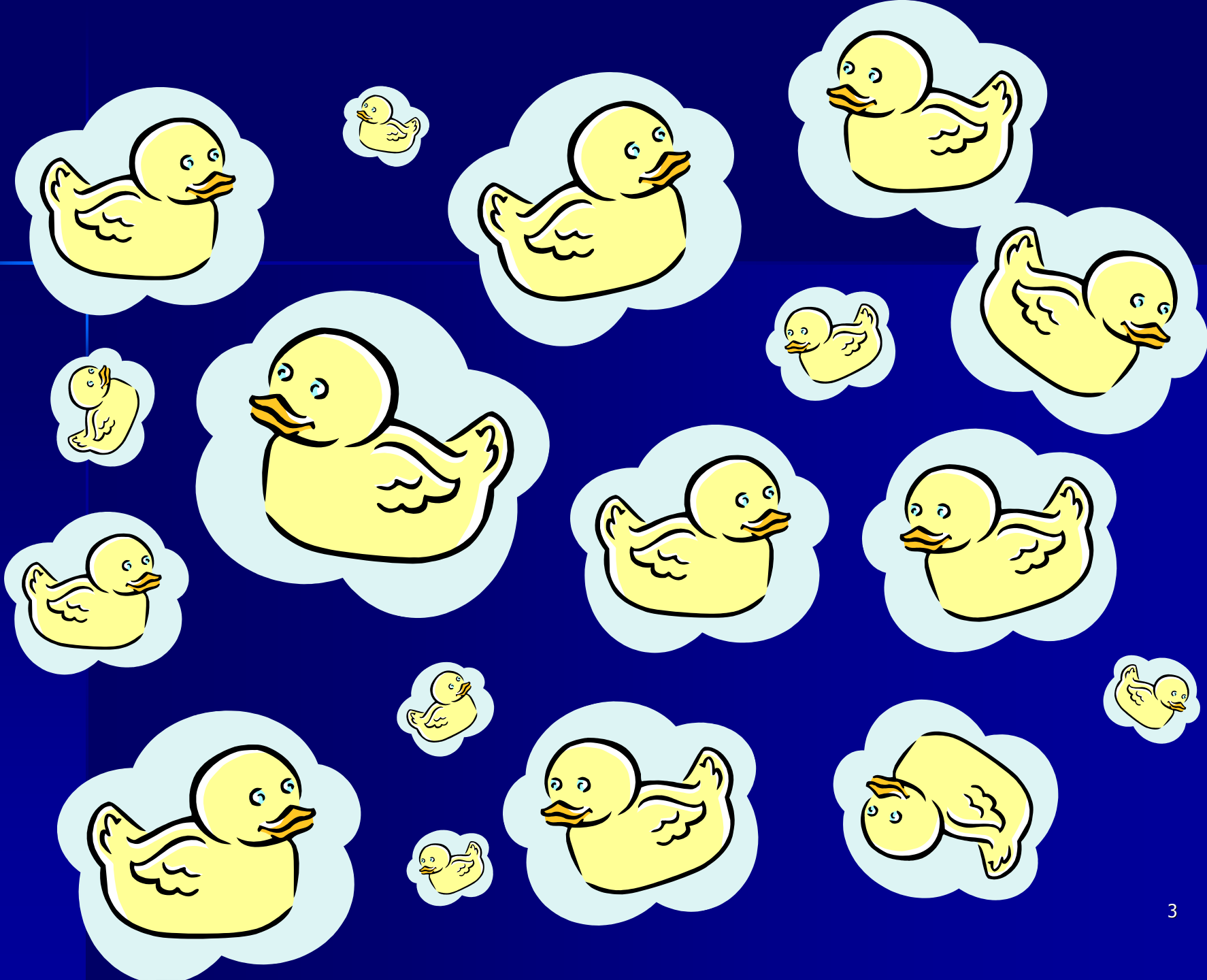


The Challenges Ahead

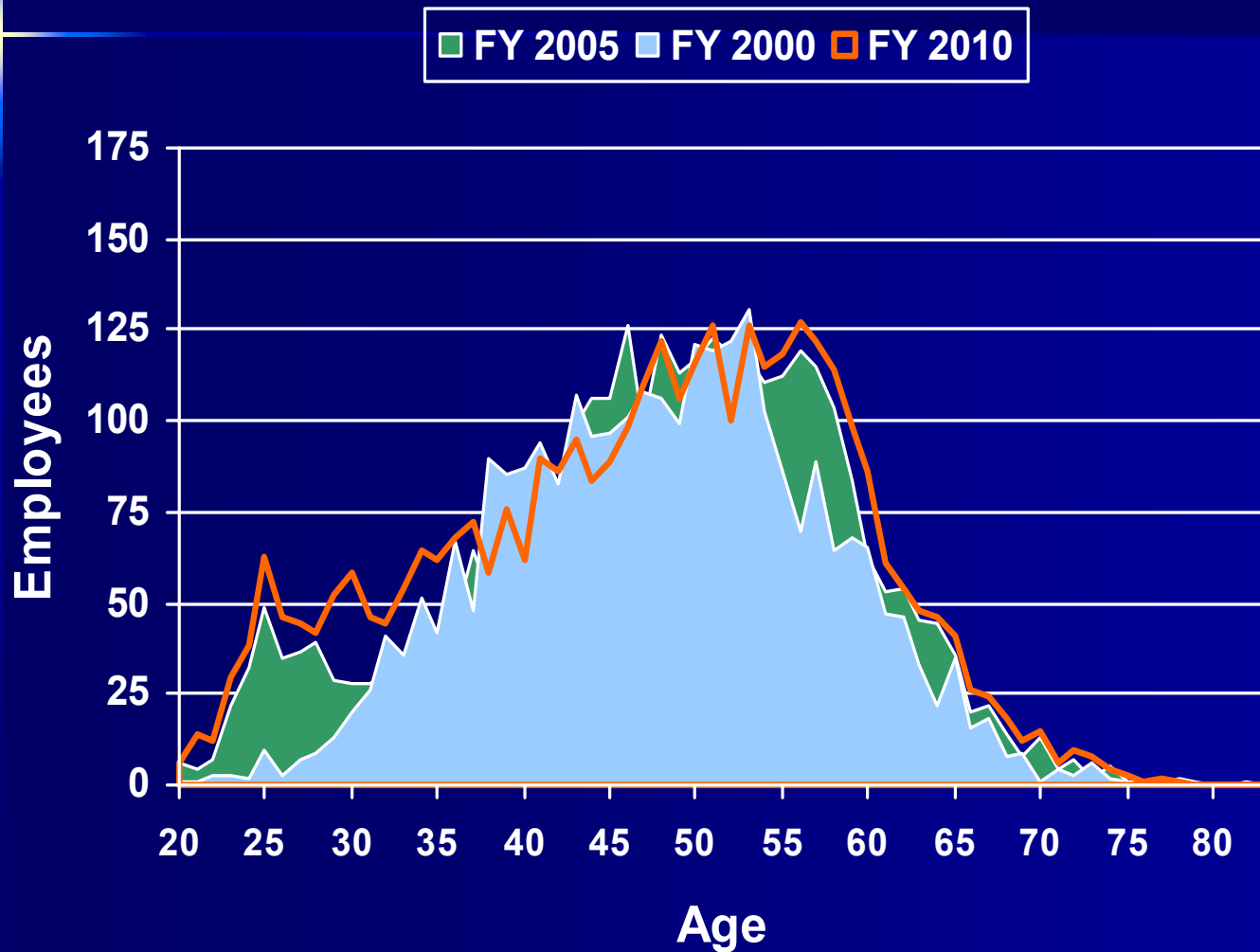
The Musings of a Pessimist/Realist

Edward McGaffigan, Jr., Commissioner
NRC Regulatory Information Conference
March 7, 2006



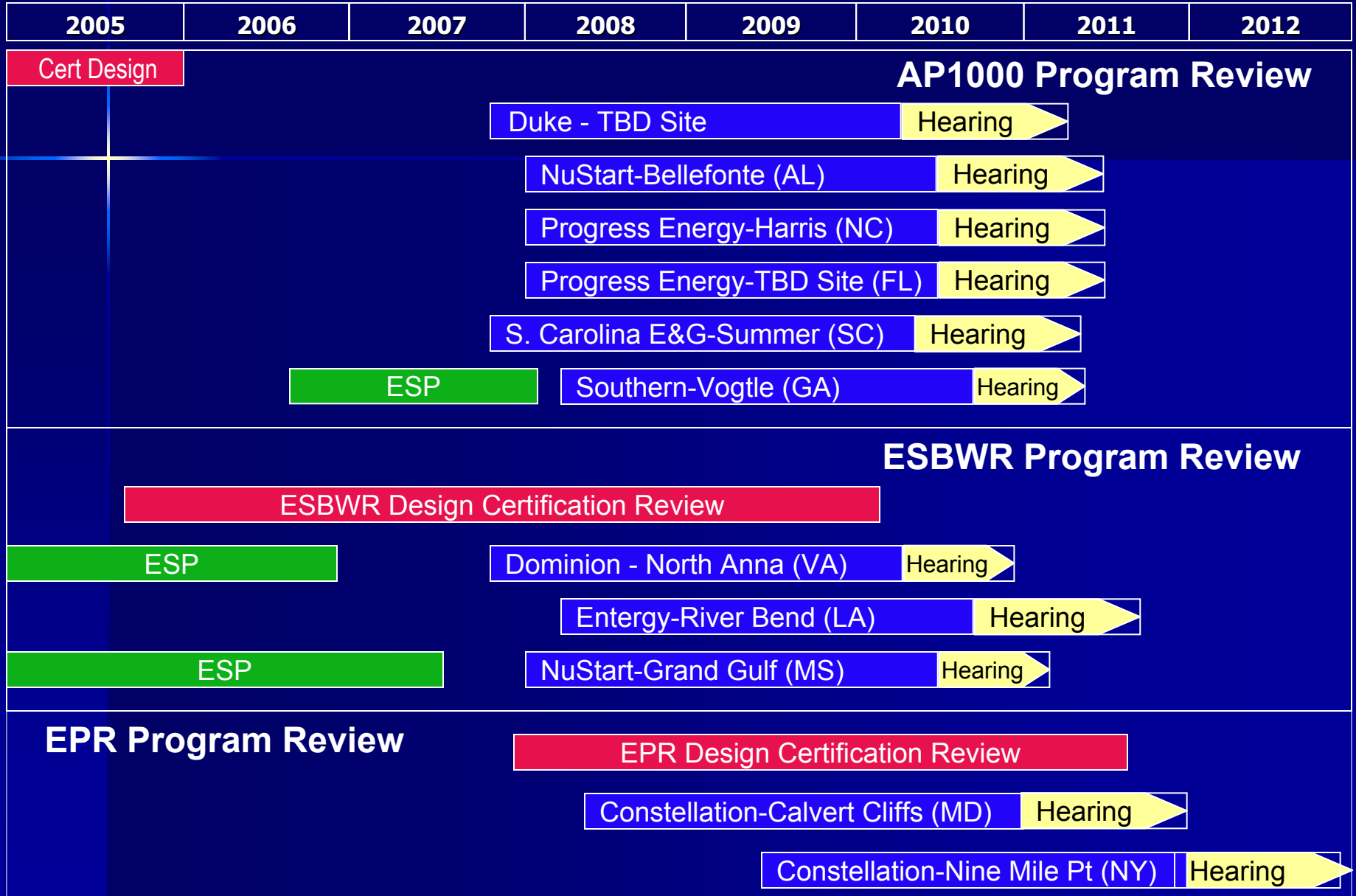


Age Distribution of Permanent Employees



New Plant Licensing Applications

An Estimated Schedule



What Has To Go Right?

- NRC Most Successful in History in Hiring New Staff
- NRC Most Successful in History in Training New Staff
- NRC Receives Extraordinary Support from GSA on Office Space

What Has To Go Right?

- NRC Completes Part 52 Rulemaking and Finds Jewels in the Dump Truck



- Congress Adds Significant Resources Above NRC's FY 2007 Budget Request

What Has To Go Right?

- NRC Completes Three Security Rulemakings:
 - Design Basis Threat
 - 10 CFR 73.55, 73.56, 73.57, Appendices and Safety/Security Interface
 - Target Set Analysis for New Reactors

What Has To Go Right?

- NRC Completes Standard Review Plan
- NRC Completes Guidance on COL Application Content
- NRC Lines Up Extraordinary Contractor Support, Particularly for Environmental Impact Statements

What Has To Go Right?

- DOE/Industry Agree on New Standard Contract on Spent Fuel
- DHS/NRC Complete MOU on EPA Act Section 657 Implementation
- DHS Prepares for Role on Security and Emergency Preparedness Reviews

What Has To Go Right?

- Industry Submits High-Quality, Stable COL License Applications
 - Not Dominion's ESP
- Industry Submits High Quality, Stable ESP Applications

What Has To Go Right?

- Industry Submits High-Quality, Stable Design Certification Applications
- Finnish and French Support Saves NRC Resources in EPR Design Certification Review

What Has To Go Right?

- All Issues with Non-NRC Governmental Stakeholders Resolved in COL/ESP Applications
 - Historic Preservation Act
 - Endangered Species Act
 - Coastal Waterways Act
 - Etc, Etc

What Has To Go Right?

- NRC's Designed Centered Approach Actually Works for Organizing Work on SERs
- NRC's Hearing Boards Become Rocket Dockets and the Commission Streamlines Its Appellate Reviews



What Has To Go Right?

- Appeals Courts Do Not Overturn NRC Decisions
- No Need Arises to Revisit 1990 Waste Confidence Decision
- Even with all this, NRC is going to have to prioritize. Not everyone will get across the finish line in 2010, 2011.

Conclusion

- Expectation/Reality Mismatch
- Let's Avoid the Blame Game
- Success Has Many Fathers, but Failure is an Orphan
- Goal: No Orphans