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TRANSCRIPT OF PROCEEDINGS

## APPEARANCES

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Director  
Office of Nuclear Regulatory Research

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Commissioner  
U.S. Nuclear Regulatory Commission

## P R O C E E D I N G S

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2           BRIAN SHERON: All right, could I ask everybody to please take  
3 your seats? Okay, good morning. The Honorable William Ostendorff was sworn  
4 in for a second term as commissioner of the U.S. Nuclear Regulatory  
5 Commission on July 7, 2011, to a term ending June 30, 2016. His first term was  
6 from April 1, 2010 to June 30, 2011. Mr. Ostendorff has a distinguished career  
7 as an engineer, legal counsel, policy advisor, and naval officer. Before joining  
8 the NRC, Mr. Ostendorff served as the director of the Committee on Science,  
9 Engineering, and Public Policy and as a director of the Board on Global Science  
10 and Technology at the National Academies. Mr. Ostendorff came to the National  
11 Academies after serving as principle deputy administrator at the National Nuclear  
12 Security Administration from April 2007 until April 2009. From 2003 to 2007, he  
13 was a member of the staff of the House Armed Services Committee. There he  
14 served as counsel and staff director for the Strategic Forces Subcommittee, with  
15 oversight responsibilities for the Department of Energy's atomic energy defense  
16 activities as well as the Department of Defense' space, missile defense, and  
17 intelligence programs.

18           Mr. Ostendorff was an officer in the United States Navy from 1976  
19 until he retired in 2002 in the rank of -- I'm sorry -- in the grade of Captain.  
20 During his naval career, he commanded an attack submarine, an attack  
21 submarine squadron, and served as director the Division of Mathematics and  
22 Science at the United States Naval Academy. Mr. Ostendorff earned a  
23 bachelor's Degree in systems engineering from the United States Naval  
24 Academy and law degrees from the University of Texas and Georgetown  
25 University. And he's a member of the State Bar of Texas. Commissioner?

1 [applause]

2 COMMISSIONER OSTENDORFF: Thanks, Brian. Good morning.  
3 I'm really pleased to be with you here today, the 24th RIC. It's a privilege to  
4 speak to this assembly of distinguished colleagues. I want to welcome those  
5 who have been welcomed by others who travelled so far from any countries in  
6 particular to be here. I think this international cooperation is just terrific. Before I  
7 begin my remarks, I do want to thank and add my thanks to those of others to the  
8 NRC staff who's worked so hard to bring this about, and to Brian and Eric and  
9 their teams.

10 A good sense of situational awareness is really important for a  
11 commissioner and relevant to my remarks. I've got to tell a sea story -- I  
12 promise, only one. But I want to highlight the importance of situation awareness,  
13 and I'm going to use this story to send a message. I apologize in advance to  
14 some of you who I know have heard this story. While Commissioner Svinicki  
15 may have two neutron jokes, I only have one situation awareness story.

16 [laughter]

17 So, we go back to 1979. Lieutenant JG Ostendorff is underway on  
18 USS George Bancroft, SSBN-643, the gold crew, a missile submarine on a  
19 deterrent Cold War patrol. We're submerged someplace in the Atlantic. I can't  
20 tell you where. We're in a routine. We're on about a 70-day underway period,  
21 and I walk into the ship's office about 1930, 7:30 p.m. for those non-military types  
22 here. And I see Chief Link [spelled phonetically], the YNC, the E7 ship's only  
23 personnel officer at his IBM mag card machine. Some of you may recall those.  
24 The chief's in there and he's doing the two-finger typing, and he's saying oh,  
25 blank -- I can't tell you what he said. But I watched him for about five minutes.

1 He's making a lot of mistakes here. I said, "Chief, what's wrong?" Ostendorff's a  
2 hard name to pronounce. He says, "I don't know, Mr. O." "Chief, how much  
3 coffee are you drinking?" "I don't know, probably too much." So, I pulled out of  
4 my pocket a three-by-five card, I said, "Chief, here's what we're going to do. It's  
5 1935 here. I'm going to come back in in 24 hours from now, and I want every  
6 time that you have drunk a cup of coffee in the intervening 24 hours, I want you  
7 to draw a little tick mark down here." "Okay, Mr. O." I walk out, come back in 24  
8 hours later. "Chief, how are you doing?" "Not so good." "Did you count your  
9 cups of coffee?" "Yes, sir." "Well, how many did you drink?" "I'm not going to  
10 tell you."

11 [laughter]

12 "Chief, how many did you drink?" "I'm not doing to tell you." I said,  
13 "Dammit, Chief, this is an order. How many cups of coffee did you drink?" "37."

14 [laughter]

15 I assure you from this point on that Chief Link had proper situational  
16 awareness of his coffee consumption. So why do I tell this little sea story? Well,  
17 two reasons. First, acknowledge my awareness of the insightful comments of my  
18 commissioner colleagues down here yesterday and today. I really enjoy hearing  
19 your perspectives, and I think Commissioner Svinicki last year said, you know, I  
20 don't know how many of you know this, but these comments and our remarks are  
21 not coordinated in any way. I had no idea what Bill Magwood was going to say  
22 until 8:35 this morning. And I think that's really a refreshing aspect that you all  
23 here, the unvarnished perspective of what individual commissioners think is an  
24 important message. I'll also comment that I think Bill did a great job on taking on  
25 some tough questions. I think I saw the local Rockville chapter of the Mensa

1 Society out here trying to work with EDO's office beforehand. Well done,  
2 McCauley [spelled phonetically].

3           Second, as the fifth of five commissioners speaking, I am mindful  
4 that I need to be brief in my remarks. Attention span half-lives for commissioner  
5 comments gets shorter with time. I'll do my best to be brief. But one last  
6 preliminary before getting into my formal remarks, I want to extend three thank  
7 you's, and I'm going to join my colleagues -- some of them have already made  
8 these comments, but I think they're important to repeat. First, I want to add my  
9 thanks to those of Chairman Jaczko yesterday when he extended his thanks to  
10 the leadership of Jim Ellis at INPO. Admiral Ellis has been an inspirational  
11 leader. He's had a unique vision and a calming voice, and I think we all thank  
12 him for his service.

13           [applause]

14           Second, I want to join Bill Borchardt and Bill Magwood in thanking  
15 Marty for his service. I personally think the NRC is in really good shape on our  
16 post-Fukushima actions. Marty, I credit your leadership of the steering  
17 committee for taking us to where we are today. Thank you.

18           [applause]

19           Third and finally, I want to associate myself clearly with my good  
20 colleague Commissioner Svinicki's remarks from yesterday when she talked  
21 about the importance of the NRC staff and Commission office staff. I will  
22 personalize this a little bit further and bring it closer to home. For the past two  
23 years, I've been blessed to work alongside one of the most dedicated,  
24 hardworking professionals I've ever seen. That's my chief of staff, Ho Nieh. Ho  
25 is soon leaving my office to replace -- not replace but to fill in behind Fred Brown

1 as the director of the Division of Inspection and Regional Support. I credit Ho for  
2 making my job much easier than it would have been otherwise. Ho, I'm  
3 personally grateful for you for all the things you've done. I know you'll continue to  
4 serve this agency well in the Office of NRR.

5           My formal remarks: Last year at my first RIC, I provided my initial  
6 impressions as a new commissioner. This year, when I set out to find a topic that  
7 I thought was meaningful, I was looking at what this broad, diverse audience may  
8 have in common. So, I reflected upon the major events and challenges we face  
9 in nuclear safety since I last addressed this group two days before the great  
10 Tohoku earthquake and tsunami. Those extreme natural events obviously  
11 affected the Fukushima Daiichi Nuclear Power Plant, but let us not forget that  
12 those extreme natural events caused broader and significant devastation to the  
13 people and country of Japan. The tragedy in Japan was followed by natural  
14 disasters that challenged U.S. nuclear power plants last summer: A tornado  
15 strike at the Surrey plant in Virginia, the Missouri River flooding at the Fort  
16 Calhoun station in Nebraska, and the earthquake at the North Anna plant in  
17 Virginia. Other significant events in the nuclear arena over the past year  
18 included the release of the NRC's Near-Term Task Force Report, the final design  
19 certification rule of the Westinghouse AP1000, and the NRC's issuance of a  
20 combined license for two new reactors at the Vogtle site in Georgia.

21           These reflections on the past 12 months also brought to mind  
22 selected non-nuclear events in our country that our regulatory counterparts  
23 addressed over the last year: Listeria and E.coli outbreaks in the United States  
24 and in Europe, the Transportation Security Administration's use of full-body  
25 scanners and pat-downs at U.S. airports, the Federal Aviation Administration's

1 emergency inspection orders for cracks in older Boeing 737 jets. So, with that in  
2 mind, I thought to myself, is there a common thread among these nuclear and  
3 non-nuclear issues, and can that common thread be found from the perspective  
4 of both the regulator as well as the regulated industry. I think so.

5           The common thread is communications and, more to the point, how  
6 good communication builds public trust and confidence. Let us think about it for  
7 a moment. In each of these examples I just mentioned, the way in which those  
8 who are responsible, namely government and industry, communicate with those  
9 who may be affected, namely the public, directly shapes their understanding of  
10 the matter under review or discussion. This understanding, or lack thereof,  
11 directly impacts the public's trust and confidence in how we do our jobs. As is  
12 the case in the nuclear industry, regulators and industry officials outside the  
13 nuclear arena also face similar challenges in building and maintaining public trust  
14 and confidence. In meeting this challenge, we all need to proactively  
15 communicate and engage with the public. And in doing so, we cannot assume  
16 that the general public has a high level of scientific and technical literacy. Some  
17 may, while the vast majority may not; therefore, we must appropriately adapt to  
18 the public we serve by ensuring early, accurate, and understandable  
19 communications. At the end of the day, the public will reach their conclusions  
20 based on what information they take in, whether that information is scientifically  
21 supported or not.

22           Now, going back to our interest in nuclear safety: The chart you're  
23 looking at is one that I've used in other talks. It is very relevant to today's topic,  
24 so I'm showing it again. The chart comes from a 2010 report on the risk of  
25 nuclear accidents prepared by the Nuclear Energy Agency. We know that



1 nuclear power, because of its inherent risk, is unique and carries special  
2 concerns among the public. Let us look at the axes of this graph. The X axis  
3 shows the public's degree of trust in the nuclear regulator. And the Y axis shows  
4 the degree to which the public believes that nuclear power plants can be  
5 operated in a safe manner. As you can see by looking at the upper right-hand  
6 quadrant, there's a strong correlation between trust and regulators and the  
7 public's perception of nuclear safety. The greater the trust in the regulator, the  
8 greater the belief that nuclear power plants can be operated safely. So how do  
9 we, the regulator and industry, build public trust and confidence in what we do for  
10 nuclear safety?

11           This question brings me to the main focus of my remarks --  
12 effective public communication and meaningful engagement. You may  
13 reasonably ask why is Ostendorff talking about this, he doesn't know anything  
14 about communications. I'm certainly not an expert. But rather, as many of you in  
15 the audience, I am a practitioner and user of communications. And I, along with  
16 you, continue to witness day in and day out the vital importance of  
17 communications for the NRC and the industry. Now, I touched on the topic of  
18 communications in last year's RIC address in a very brief discussion of the  
19 NRC's principles of good regulation, specifically the principle of clarity. The  
20 events of the intervening 12 months have highlighted its importance. And every  
21 one of us in this ballroom today shares responsibility for effective communication  
22 and meaningful engagement with the public.

23           The topic of communications is, first, enduring; second, universal;  
24 and third, an area where we must all see continuous improvement. Let me start  
25 with the tragedy in Japan last March for context. Now, Fukushima was a

1 significant event not only from a nuclear safety perspective, but also from a  
2 communications perspective. The event involved complex, technical  
3 circumstances, resulted in significant onsite and offsite consequences, and led to  
4 the evacuation of over 100,000 people. Last month, in response to the Freedom  
5 of Information Act request, the NRC released transcripts of discussions in the  
6 NRC headquarters emergency operations center during the first days of the  
7 Fukushima accident. Some of you may have read these news stories and seen  
8 the transcripts and the audio recordings on NRC's YouTube channel. Now, I  
9 listened to some of the recordings. It was evident there was some confusion,  
10 and at time, an absence of reliable information. On a personal note, I have also  
11 experienced similar levels of confusion combating fires and other emergencies at  
12 sea during my career on six submarines. Confusion and lack of accurate  
13 information typically accompany most emergencies. It's a fact of life.

14           Now, the NRC headquarters is about 7,000 miles from Japan, but  
15 we did have direct lines of communication with U.S. assets in Japan to provide  
16 us with what information was available at the time. What about those public  
17 citizens who lived only a few miles from the site? Did they have direct lines of  
18 communication as to what was happening at the site? Who were their sources of  
19 information? Did they understand the risk significance of the unfolding events?  
20 Given the crisis situation at Fukushima, I'd say that regardless of whether you  
21 are an operator, an emergency responder, a company executive, a government  
22 official, or a member of the public, you all must be able to rely on clear  
23 understandable communication and information in order to do your job and to  
24 understand what's happening. Crisis communications are vitally important.

25           Well, what about our public communications and engagement when

1 there is not an emergency, when we're not in a crisis? What we say, how and  
2 when and to whom we say it are also very important, especially to our public  
3 audience on the risk of our nuclear facilities. As I mentioned earlier, all things  
4 nuclear carries special concerns to the public. In the public's perception of  
5 safety, it is directly correlated with their level of trust. Clear, understandable, and  
6 frequent communications can have a direct positive effect on trust. As with many  
7 thing, this is often much easier said than done. That said, I think there are a few  
8 basic considerations for effectively communicating with the public. These basics  
9 are knowing, first, who is your audience, second, what is their level of  
10 understanding of the issues at hand, and third, what is your communication  
11 objective. Now, I took these basic considerations from a 2004 NRC document  
12 shown here on effective risk communications. I found this to be a very well  
13 written document. I encourage you to get a copy and read it if you've not seen it  
14 in the past.

15           Let me share a few examples to illustrate each of these three basic  
16 considerations. The first example, knowing your audience. The slide on the left  
17 comes from the NRC Near-Term Task Force's initial presentation to the  
18 Commission following the release of their report last July. Here the audience  
19 was the Commission, which was already well aware that there is no imminent  
20 risk of continued plant operation and licensing. There is no need to reassure the  
21 Commission during that briefing that U.S. nuclear power plants are safe. Thus, a  
22 bullet point approach on the left here was an effective communications tool.

23           On the other hand, Pacific Gas and Electric had a stronger  
24 message to convey to a much different audience. They needed to communicate  
25 to the public that the site characteristics of Diablo Canyon are significantly

1 different from those of Fukushima. Any member of the public can see the  
2 drawing of the plant on the right, digest the Diablo Canyon plant is on an 85-foot  
3 bluff, and understand that this specific site is protected against the maximum  
4 projected tsunami of about 32 feet.

5           Second example, knowing the level of understanding your audience  
6 has about the issues at hand. Last August, a 5.8 magnitude earthquake near  
7 Mineral, Virginia directly affected the North Anna Nuclear Power Station. I  
8 showed a picture of this event at the beginning of my remarks today. Although  
9 the earthquake felt at the site was greater than what the designers had planned  
10 for, all safety systems functioned as intended, and the plant shut itself down  
11 automatically without incident. Now, I can recall the meetings and briefings my  
12 colleagues and I received on North Anna during that time period. Those  
13 discussions included talk about the operating basis earthquake, or OBE,  
14 cumulative absolute velocity, or CAV, and the ground motion response spectrum,  
15 GMRS.

16           Now, I consider myself to be a reasonably technically competent  
17 individual. However, I must admit to you that I am certainly not a seismic expert.  
18 And, quite frankly, I did find it challenging at times to really understand the  
19 information presented and what it meant to me from a safety perspective. I  
20 thought to myself how would a concerned member of the public living near North  
21 Anna receive this same information. And would such information build trust and  
22 confidence in the safe operation of this facility and what the NRC as a regulator  
23 was doing about the event. When we communicate with the public, we really  
24 need to understand their level of technical knowledge and adjust our  
25 communications accordingly. As I mentioned earlier, there are certainly

1 members of the public out there who are highly knowledgeable on technical  
2 matters, but, at the same time, there are likely to be others who are not.

3           So, while discussions about OBE, CAV, GMRS may be useful to  
4 regulator or the NRC staff in understanding the impacts at the North Anna site,  
5 those terms and the squiggly-line graphs are probably not the best way to  
6 communicate the earthquakes' onsite impacts to a member of the public. And I  
7 know this graph on the left is a bit hard to read. It's not my intent that those of  
8 you in the back of the room distinguish these plots of vertical ground motion  
9 acceleration as a function of frequency. A graph such as this may not be useful  
10 for someone with an engineering background, but it was quite useful to the NRC  
11 and the Commission.

12           In contrast, for a member of the public, photographs showing the  
13 actual damage sustained on site are often times far more effective, as might be  
14 offering a public tour of the facility. This hairline crack shown on the right slide  
15 with red arrows is somewhat difficult to see because it is fairly small. This  
16 cosmetic, non-structural defect was the most serious damage discovered after  
17 about 10,000 man hours of inspections and evaluation onsite at North Anna. I  
18 personally found that Dominion's presentation at the October 21, 2011 public  
19 Commission meeting on the earthquake was a good example of clear and  
20 understandable communication. The two slides on display right now are from  
21 that session. I think that briefing struck an optimal balance of technical  
22 information useful to the regulator, the slide on the left, and image that are  
23 meaningful for member of the public, the slide on the right. I invite you to the  
24 NRC's website to see these slides.

25           The third example, knowing your communication objective. I'm

1 going to use flood design to talk about this point just for a moment. Now, let's  
2 say my objective is to assure someone from the public that a nuclear plant is  
3 safety designed and protected against flood hazards. I believe as Chairman  
4 Jaczko mentioned yesterday in his remarks, in August of 2011, Hurricane Irene  
5 was making her way up the East Coast of the United States. The headlines on  
6 the left had the objective of communicating the potential for damaging impacts  
7 from Hurricane Irene. The news media is generally pretty good at meeting their  
8 communication objectives. The graphic on the right is from a briefing I received  
9 from a Salem and Hope Creek licensee, PSE&G. Salem and Hope Creek were  
10 in the projected path of Irene. If PSE&G's objective was to communicate that the  
11 Salem and Hope Creek Nuclear Power Plants were safely designed and  
12 protected against flood hazards, I think their graphic on the right is a nice job in  
13 meeting that objective. It shows the relative elevations of key safety systems and  
14 the relationships to various flood design levels. It is simple and effective.

15           Let's tie these basics back together. This is a more personal  
16 example. It's not a sea story, but it is a water story. I'm going back to the  
17 1974/1975 timeframe. That time, along with others, I was doing a lot of fairly  
18 complex cave diving in the freshwater caves northwest of Gainesville, Florida, in  
19 the panhandle area. A lot of these are decompression dives. One of those  
20 underwater caves, and perhaps some of you have heard of this or seen this  
21 cave, one of these caves called Jenny Springs had a very clear sign stating the  
22 number of divers who had died from drowning in that cave. In the 37-plus years  
23 since I first ventured into that cave, and there had been a -- excuse me, there  
24 had been a sign with a tombstone on it back in 1974 when I first went there that  
25 said "12 divers have died here." In the intervening years, that sign was updated

1 to reflect the higher number of deaths. And it was later replaced by the sign  
2 shown here with the grim reaper. I don't know if you can see the upper right-  
3 hand slide, in later years, there were grates that were installed to prevent divers  
4 from going back into this cave that goes back probably 1,200 to 1,500 feet  
5 towards another spring called Devil's Eye.

6           Why am I showing this? The warning signs, the risk  
7 communications could not have been more clear to divers. The danger could not  
8 have been more apparent nor the consequences more plainly stated. In  
9 December 1975, about four days before Christmas, I went down into that cave  
10 for a night dive with two very close friends, one of whom, Bruce Hinkley [spelled  
11 phonetically], is here today at the RIC. Now, I'm not going to recount a very  
12 sobering near-death experience that Bruce, Craig Scott, and I experienced that  
13 December evening other than to say two things. It was very near death, and two  
14 quit cave diving that night. In spite of clear warnings, we ventured into  
15 dangerous territory, and we were very lucky to live to tell the story.

16           Let me offer a few comments on the risk communications from the  
17 land owners of that cave site. The communications were indeed early, accurate,  
18 and understandable. The audience was certified cave divers with an advanced  
19 level of understanding of cave hazards and decompression tables. The  
20 communications objective was clear in articulating the very real risk of death for  
21 those who entered the cave. In sum, the land owners did effectively  
22 communicate the danger of that cave to myself and others. The fact was that  
23 three young and, seemingly to themselves, invincible Navy guys chose to ignore  
24 that warning. The moral of this story is that sometimes we just have to accept  
25 that providing the information to others is all that we can do, but we still must do

1 it. Others will then take that information and act on it to form their own judgments  
2 of the situation.

3 I've covered a few basics. How do those basic considerations get  
4 put to good use? This is not rocket science. It's pure and simple, common  
5 sense engagement with the public. I'll share one recent example. As a  
6 commissioner, along with other on the front row here, I am very interested in  
7 hearing different perspectives on any given matter, including listening to those  
8 members of the public who may disagree with me. As previously mentioned by  
9 Commissioner Magwood, he and I visited the Diablo Canyon Nuclear Power  
10 Plant in California last October, and we also met for two hours with the San Luis  
11 Obispo Mothers for Peace. We sat down for two hours and had a very open,  
12 frank dialogue. From my perspective and I think Commissioner Magwood's, that  
13 engagement was very meaningful to both of us. And I walked away from that  
14 meeting with a much greater appreciation for their concerns. One specific  
15 subject dealt with how the NRC conducts public meetings. Another dealt with  
16 how the NRC explains its post-event decisions to the public. Elmo Collins, my  
17 good friend, Region IV administrator, also participated in this meeting. I know  
18 that Elmo, Bill Magwood, and myself took away some very constructive feedback  
19 that Elmo has already used to incorporate into how they, in Region IV, conduct  
20 public meetings.

21 So, here's a key message. The time to build trust with the public is  
22 before a major event or emergency occurs. Regulators and the industry must  
23 build credibility and trust continuously, yet we also have our independent  
24 responsibilities to do so. In the past, there may have been a natural reluctance  
25 to communicate in certain areas or certain groups because of a belief there may



1 be little to gain. I reject that position. I'd assert that it is our obligation to openly,  
2 continually communicate with those in the community we serve. Building and  
3 sustaining community trust requires significant education, outreach, and senior  
4 leadership commitment.

5           There have been some recent developments that provide us with  
6 an opportunity to communicate and engage with the public in a meaningful way.  
7 And with those same three basic considerations mentioned earlier in mind, I'll  
8 mention three. These developments include the recent steam generator tube  
9 leak at SONGS, the release of NRC's State-of-the-Art Reactor Consequence  
10 Analysis, or SOARCA draft report, and the study results to update the seismic  
11 activity in the Central and Eastern United States.

12           Now, I could probably spend another hour talking about better  
13 communications and provide other examples. Don't worry; I'm not going to do  
14 that. But I will leave you industry members, regulators, both here and abroad,  
15 with a few take-away considerations as food for thought.

16           I offer the following three closing take-aways, things that we ought  
17 to all think about as we go back to our jobs after this conference. First, we  
18 should assess our communication tools, especially our websites and social  
19 media. Are your communications tailored to the scientific literacy of your  
20 audience? Second, I encourage you to look at how your organization critiques  
21 and assesses your own public communications. Are your efforts achieving your  
22 communication objectives? And third, I encourage all of us to be proactive in our  
23 communication efforts to the public. We should not be afraid to see out those  
24 who might disagree with us.

25           With that, I will close. Thank you for your attention.

1 [applause]

2 BRIAN SHERON: Okay, thank you. We have a number of  
3 questions here. I doubt we'll get through all of them, but we'll take a good try at it  
4 here. It is difficult for a company to develop an application for a reprocessing  
5 facility without a regulatory framework. Will the Commission develop a regulatory  
6 framework for a reprocessing application?

7 COMMISSIONER OSTENDORFF: I know Commissioner  
8 Magwood provided some comments earlier today, and I agree with his  
9 comments. I'll add a couple other thoughts here. I know that the current NRC  
10 budget does have some resources developed, or in there, to look at what are the  
11 regulatory gaps that might be associated with a reprocessing framework. When I  
12 meet with Mike Weber and Cathy Haney and others in the organization, I think  
13 they have articulated the importance of continuing to have NRC staff  
14 engagement in these areas in advance of receiving a potential application. So I  
15 think we are looking at this area, but it's a matter of balancing resources. There's  
16 only so much that can be done before we receive an actual application.

17 BRIAN SHERON: Fukushima does often some lessons learned.  
18 However, some of the key contributors to the accident were Japan's challenging  
19 geography, cultural aspects, including regulatory culture, safety culture, et cetera.  
20 Does NRC factor in such soft issues in policy making?

21 COMMISSIONER OSTENDORFF: That's a very thoughtful  
22 question, and let me comment here and there's different ways of answering this  
23 question. Let me pose it this way. Bill Magwood and I were in Japan together  
24 January 18th and 19th. On the 18th, we met with NISA, METI, and other  
25 government officials in Japan who have responsibilities for nuclear regulation.

1 And we had some discussions with the Japanese officials about their efforts to  
2 reform their regulatory approach. And I think the Japanese are taking this very,  
3 very seriously. The next day, we went to the Fukushima site and saw firsthand,  
4 albeit 10 months after the event, the devastation of the tsunami. I would say in  
5 response to the question that all of the commissioners integrate, synthesize  
6 these kinds of issues, soft or hard, technical, policy, politics, in our decision-  
7 making process. And so, I think, yes, we are taking those into account as we  
8 look at Fukushima actions. And I think we've done so in a responsible manner.

9 BRIAN SHERON: Okay, thanks. What's the greatest risk to  
10 nuclear operation that keeps you awake at night?

11 COMMISSIONER OSTENDORFF: I sleep pretty well at night.

12 [laughter]

13 I've got a bad back, and eight years ago, I bought a Tempur-Pedic  
14 mattress.

15 [laughter]

16 My wife will also testify to that. You know, I'd say there's not  
17 anything that keeps me awake at night. I'll tell you, though, having spent 16  
18 years in sea duty operating nuclear propulsion plants, albeit I never have  
19 operated a commercial nuclear power plant, there is one concern I have, and  
20 that's one that's, I think, common to both the naval reactors program, the  
21 submarine nuclear powered program as well as commercial nuclear industry, and  
22 that is avoiding complacency. Twenty-four/seven, there are folks out there  
23 operating our commercial nuclear power plants and our fuel facilities, our waste  
24 facilities, and that complacency is something that is so important to always be  
25 aware of the risk of. And so, I'd say that I am alert to and worry about

1 complacency in any area. We can never rely upon on how well we did last week  
2 or yesterday. We need to make sure that today and tomorrow we're operating  
3 safely and have our focus on safety.

4           BRIAN SHERON: Much of what you've discussed as  
5 communication falls into the category of outbound communication. What is the  
6 role of the other direction? How can the Commission listen better as well?

7           COMMISSIONER OSTENDORFF: Let me go back and highlight  
8 an example and looking at Elmo again. I know that when Elmo and I and Bill  
9 Magwood talked back in October out in California, we had a really good post-  
10 meeting discussion, the three of us, about how as Region IV, how should the  
11 NRC headquarters, the Commission, act upon some feedback we're getting from  
12 Mother for Peace. And so, while it may not be evident to the broader public or to  
13 perhaps this audience, I would say that we are very mindful of the need to listen  
14 and process feedback we get from our constituents. I will tell you that when we  
15 have our periodic meetings as commissioners with each other, with the other  
16 senior staff at NRC, oftentimes we engage the issues of what kind of feedback  
17 are you getting from the public stakeholder meetings. And I'll tell you, having  
18 worked in the Department of Defense and the Department of Energy, I will -- I  
19 take great pride in how this agency stands up and engages the public. Could we  
20 do better in processing that public feedback to us? Of course, we always can do  
21 better. But I think right now our processes and the sensitivity of this agency to  
22 listening to the public is pretty high.

23           BRIAN SHERON: What are your views on how regulatory bases  
24 for rulemaking are presented to the Commission and stakeholders? How about  
25 threat bases for security rulemakings?

1                   COMMISSIONER OSTENDORFF: Two questions there. I think  
2 certainly, in my execution of responsibilities as an individual commissioner, I  
3 think we need to be very mindful of the need to have a strongly defined,  
4 articulated basis for us to take an action, whether it be to issue an order, to  
5 approve a rulemaking, et cetera. And I know that I think the regulatory analysis  
6 part of that is really important. I know that the chairman and other commissioner  
7 colleagues here in the front row, I think all five of us have taken the position that  
8 we believe that regulatory guidance ought to be done sooner rather than later to  
9 facilitate proper decision making.

10                   In the security area, I'm going to kind of take a side step here, I  
11 would say that I have had some votes that I've cast since I have been a  
12 commissioner where I have not necessarily approved of the staff's  
13 recommendation because I thought that a threat basis was lacking. And I've not  
14 approved going forward in certain areas. So I think across our whole spectrum of  
15 activities, whether it be safety or security, we need to have that regulatory  
16 analysis, we need to have an understanding of the threat for security issues, and  
17 we need to take all that into account when we make our decisions.

18                   BRIAN SHERON: This one says, "I believe NRC has made efforts  
19 on crisis communication so far, including lessons learned from historical nuclear  
20 events. Having said that, what are the top three lessons learned of the  
21 Fukushima event for NRC in terms of crisis communications?"

22                   COMMISSIONER OSTENDORFF: Well, I don't have in my hip  
23 pocket a top three. I will make a couple of comments. I know that Jim Wiggins in  
24 NSIR and others in the organization provided a post-Fukushima report to the  
25 agency that I thought was very well done. And I think they captured a lot of

1 elements. I think as has been mentioned in various Congressional hearings but  
2 also in other form, it's reality that in the crisis, you don't have all the best  
3 information. And I know that there were questions about spent fuel pool level  
4 about a year ago, pool number four. And it was very challenging for those  
5 involved in the decision making here at the NRC to understand what the best  
6 information was and then to take prudent actions associated with what they  
7 thought was the best information. And I quite frankly think they did that. I'd say  
8 that recognizing, I think, probably the top lesson is recognizing that you may  
9 have inaccurate or unreliable information and then having some error bars  
10 around your actions in order to frame responses appropriately.

11           BRIAN SHERON: The recent Commission action to require spent  
12 nuclear fuel pool instrumentation was implemented by waiver of the cost-benefit  
13 backfit analysis. Is this a decision limited to the specific facts of spent nuclear  
14 fuel pools, or can we expect this type of waiver to become the norm?

15           COMMISSIONER OSTENDORFF: I'll speak about my vote on  
16 that. I'm not going to categorize any other commissioners' votes. That's for  
17 them to do. I voted to support the issuance of all three order, the first two orders  
18 for mitigating strategies and reliable hardened vents under adequate protection  
19 need. I voted to support the issuance of orders for spent fuel pool  
20 instrumentation under the administrative exemption. Why? I did not see any  
21 core damage or any direct impact on core safety or core protection directly  
22 associated with the spent fuel pool instrumentation. At the same time, having  
23 operated nuclear propulsion plants for many years and having been back  
24 maneuvering as [unintelligible] watch engineer commanding officer, I'm certainly  
25 aware of the importance of operators not being confused or distracted. It's for

1 that confusion and distraction reason, not core protection, that I thought it was  
2 important to approve those orders as an exemption. I can't predict how we'll go  
3 forward with others. We'll wait and see.

4 BRIAN SHERON: Okay, and I think we have time for one last  
5 question. Regardless of the connection, or lack thereof, between the events at  
6 Fukushima and the U.S. nuclear industry, the events may have impact on future  
7 U.S. licensing. What can the industry do to reassure the public that U.S. plants  
8 are safe?

9 COMMISSIONER OSTENDORFF: I hope they'll listen to my talk  
10 today.

11 [laughter]

12 COMMISSIONER OSTENDORFF: I'm not being so facetious to  
13 think that's an appropriate answer, but I think that's part of it. I think continuing to  
14 communicate effectively with the public is extraordinarily important. I think the  
15 clarity of communications explaining to the public and the NRC staff what actions  
16 are being taken goes a long way towards ensuring confidence in the public. I  
17 know that I've been very pleased, and I go back to my comment earlier when I  
18 was commending Marty Virgilio, I believe the entire process that Marty and the  
19 steering committee and the Japan lessons learned directorate that Dave Skeen  
20 and company have followed has been a very proactive one to engage the public  
21 and engage industry. And those communications over the last X number of  
22 months could not have been more fulsome. So I think we're doing a lot of the  
23 right things. We just need to stay focused on it.

24 BRIAN SHERON: Okay. Well, with that, I think we're just about  
25 out of time, ready for the break. So, thank you very much.

1                   COMMISSIONER OSTENDORFF: Thank you.

2                   [applause]

3                   BRIAN SHERON: Okay and I think we're now scheduled for about  
4 a 30-minute break, and then if we could reconvene here at 10:30 for a special  
5 plenary session.

6                   [Whereupon, the session concluded]