

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

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29th ANNUAL REGULATORY INFORMATION CONFERENCE

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PERSPECTIVES OF COMMISSIONER BARAN

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WEDNESDAY,

MARCH 15, 2017

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ROCKVILLE, MARYLAND

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The Regulatory Information Conference met in the Grand Ballroom at the Bethesda North Marriott Hotel & Conference Center, 5701 Marinelli Road, Rockville, Maryland, at 8:00 a.m., Michael F. Weber, Director of the Office of Nuclear Regulatory Research, facilitating.

PRESENT:

JEFF BARAN, Commissioner, Nuclear Regulatory
Commission

MICHAEL F. WEBER, Director, Office of Nuclear
Regulatory Research

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1 P-R-O-C-E-E-D-I-N-G-S

2 DIRECTOR WEBER: Good morning. And allow
3 me to add my welcome to this RIC, R Quick RIC, as the
4 Chairman called it. I am Michael Weber and I'm NRC's
5 director of Nuclear Regulatory Research. I often joke
6 with Bill that I'm the other NRR.

7 For our next presentation, it's my honor to
8 introduce Commissioner Jeff Baran. Who began his
9 service on the Commission on October 14th, 2014. We
10 welcome him to his third regulatory information
11 conference.

12 Before serving on the Commission, he worked
13 as a staff member for the U.S. House of Representatives
14 for over 11 years. Most recently as the staff director
15 for the Energy and Environment Committee for Democratic
16 staff of the House Energy and Commerce Committee.

17 And during his tenor with that Committee,
18 he focused on a variety of different topics, including
19 oversight of the Nuclear Regulatory Commission as one
20 of his primary responsibilities.

21 Originally from the Chicago area,
22 Commissioner Baran earned his bachelor's degree and
23 master's degree in political science from Ohio
24 University. And he holds a law degree from the Harvard
25 Law School.

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1 Ladies and gentlemen, please join me in
2 welcoming Commissioner Jeff Baran.

3 (Applause)

4 COMMISSIONER BARAN: Thanks, Mike. Good
5 morning everyone. I'm going to try to lower this enough
6 so that it's not blocking my face.

7 Well, it's great to see everyone here.
8 This is, as Mike mentioned, my third RIC. And so I've
9 done a couple of these speeches before.

10 And I've been trying to come up with
11 something new, different for this morning. And
12 Kristine knows this, it just gets a little bit harder
13 every year, each time. And so I started thinking about
14 some of the advice I got for my first RIC speech.

15 And some people, at that time, recommended
16 going big picture, philosophical. And so I thought
17 about that for a while and then asked myself, why stop
18 at philosophical, maybe I should be thinking bigger,
19 more dramatic, more exciting.

20 I thought maybe I could include some poetry
21 or movie quotes or a dramatic reading of a risk informed
22 technical specification.

23 DIRECTOR WEBER: Whoa.

24 (Laughter)

25 COMMISSIONER BARAN: Perhaps a bit of

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1 interpretive dance. My daughter Mia does gymnastics
2 and she has a nice arabesque pose. I thought I could
3 try throwing one of those in. You know, is that
4 something you guys would want to see, a little kind of,
5 no? Okay, well that's fair.

6 And to be honest, it just isn't me. So I
7 decided to stick with the nerdy nuclear jokes. There's
8 a tradition of that.

9 And I think they've been reasonably
10 successful in the past. And they don't require me to
11 be particular limber.

12 Of course, with Project Aim our budget is
13 not what it used to be so we contract out our joke making.
14 Kristine uses comment cards from prior years.

15 My preferred joke supplier has been Darius
16 Dixon from Politico, who once again came through with
17 a joke for me this year. And this is, I think, for the
18 first time, this is actually a Darius Dixon original.
19 He wrote this joke. And so if you guys are ready for
20 this, we'll give it a shot. Here it goes.

21 This joke hearkens back to an early NRC
22 effort to get Werner Heisenberg to speak at an event.
23 And the conversation went something like this.

24 Hey boss, I'm sorry we couldn't book
25 Heisenberg. Oh, what happened? I don't know, we put

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1 a lot of time and energy into it but couldn't track him
2 down. Well you know, that may have been your problem.

3 (Laughter)

4 COMMISSIONER BARAN: Maybe you liked it,
5 maybe you didn't. Either way I'm pretty sure that went
6 better than the interpretive dance would have gone, so
7 our best available option I think.

8 You may have noticed that I have a new
9 speaking slot this year. I guess in some ways we all
10 have new slots because we pushed it back a day, but
11 during the last two years I opened up Day 2 of the RIC,
12 which I had to myself. In a kind of Siberian exile kind
13 of way.

14 This year is a little different. Now I'm
15 like the palate cleanser between our new Chairman and
16 our prior Chairman.

17 Seriously though, it's an honor to share
18 the morning with Kristine and Steve. I spent some time
19 pursuing the deep recesses of NRC's website, which has
20 a page listing all the former commissioners and their
21 terms of service.

22 And that page confirmed what I had already
23 suspected, which is that Kristine has more experience
24 as a Commissioner than any of her predecessors as
25 Chairman. So she brings a tremendous amount of

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1 knowledge to the position. Congratulations again,
2 Kristine, on your new role.

3 And with 30 plus years of service at the
4 Agency, I'm confident that Steve has more overall NRC
5 experience than anyone who has served on the Commission
6 during the last four decades. Thank you, Steve, for
7 your hard work as Chairman and for your continued
8 service on the Commission.

9 And I want you to know that I would say that
10 even if we did not depend on your continued service on
11 the Commission quorum.

12 I've been getting asked a lot lately about
13 what the change of administration means for NRC. It's
14 a question I think that matters for our staff, our
15 stakeholders and our international counterparts. So I
16 thought I would take some time this morning to share my
17 thoughts about what may change and what will stay the
18 same.

19 I've already discussed one obvious change,
20 which is that we have a new chairman. But there is also
21 continuity in the membership of the Commission.

22 Kristine, Steve and I have all served
23 together on the Commission for more than two years. The
24 three of us work very well together. We don't always
25 agree on policy, but we always have constructive

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1 collegial discussions, and debate.

2 And I think that's how a Commission is
3 supposed to work. Bring together people with different
4 backgrounds, perspectives and experiences and have them
5 grapple with the tough questions together.

6 We learned from each other, we question
7 each other, we help one another to see issues in a new
8 light. And ultimately, we make sure that important
9 regulatory decisions are carefully and thoughtfully
10 considered. I think it's a very effective decision
11 making structure.

12 And that is something that does not change
13 with administrations. For more than 40 years, through
14 eight administrations, both democratic and republican
15 collegial decision making and independence have been at
16 the core of NRC.

17 Our independence ensures that regulatory
18 decisions are made based on science and technical
19 expertise and that our focus is on the agency's public
20 health and safety mission. That's not going to change.

21 Independence is a cornerstone of NRCs
22 regulatory and oversight activities. And the
23 administration has made clear that the recent executive
24 orders, relating to regulatory decision making, do not
25 apply to independent agencies like NRC, our commitment

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1 to increasing the Agency's efficiency and agility,
2 while remaining focus on our health and safety mission
3 is also unchanged.

4 I have been very impressed by the
5 willingness of the NRC staff to take a hard questioning
6 look at what work the agency is doing and how we're doing
7 that work.

8 Last year, as part of Project Aim, the NRC
9 staff generated a list of 151 proposals to reduce cost.
10 The Commission approved nearly all of those proposals.

11 Some of the resulting savings have already
12 been realized. Other cost cutting measures are set to
13 kick in during Fiscal Years 2018 and 2019.

14 Declining workloads in particular areas,
15 such as new reactor licensing, are generating
16 additional savings. And the Agency has essentially
17 been under its own self-imposed hiring freeze for the
18 last two years.

19 The impacts of these Project Aim efforts
20 have been dramatic. Our budget has gone down, our fees
21 are going down and the number of full-time NRC employees
22 has dropped by more than 11 percent in just two years.

23 We now have fewer FTEs then we did back in
24 2007, when the Agency was in the midst of ramping up for
25 the expected wave of a new reactor applications.

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1 With these reductions, I believe we are
2 closer to achieving one of Project Aims central goals,
3 which is to align the Agency's resources with our
4 current and expected workload. There may be some
5 further FTE reductions in corporate support or as a
6 result of more efficient processes in other areas, but
7 I think there's a strong case to be made that the Agency
8 will soon be correctly sized for our workload.

9 Project Aim has been valuable, but these
10 stead productions have created some significant
11 challenges. To successfully meet our licensing and
12 oversight responsibilities, NRC needs an engaged
13 workforce with the right skills and strong moral. For
14 that to happen, and for the Agency's long-term health,
15 we need a stable pipeline of new talent.

16 In order to align our resources with our
17 workload, it makes sense to set tight limits on external
18 hiring. But that approach cannot be maintained
19 indefinitely.

20 In the medium term, we're going to need to
21 bring new resident inspectors and health physicists and
22 probabilistic risk experts into the Agency.

23 A significant number of our employees are
24 retirement eligible or will be soon. And that requires
25 NRC to attract talented individuals to maintain the

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1 strong technical competence that has been the hallmark
2 of NRC.

3 We also need to keep the talent we already
4 have, during this period of change.

5 Each week my fellow commissioners and I get
6 a list of new NRC employees who are arriving at the
7 Agency and current employees who are leaving the Agency
8 for one reason or another. And those lists are very
9 lopsided.

10 There are virtually no new arrivals. A
11 significant number of employees are retiring after many
12 years of federal service.

13 But some very talented individuals are
14 leaving to pursue opportunities elsewhere. Some are
15 heading to the Department of Energy or the National
16 Labs, others are going to the private sector.

17 I wish them all the best, but I want to make
18 sure that NRC can retain our next generation of leaders
19 who may be concerned that they won't have the
20 advancement prospects at NRC that they likely would have
21 had a few years ago. That's a challenge for us in
22 training, career development, mentoring, workforce
23 planning and succession planning.

24 With more people leaving the Agency, we
25 also need to make sure that we're capturing all of that

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1 knowledge. Every organization has to manage these
2 challenges, but it's harder during a period of
3 downsizing.

4 With a reduced budget in workforce, one of
5 our key priorities must be to ensure that core technical
6 capabilities are maintained in the staff. This isn't
7 an issue that just effects NRC. It also effects
8 licensees, applicants and other stakeholders.

9 For example, we're seeing growing
10 interests in advance technology fuel and risk informed
11 licensing submittals. In order to conduct effective
12 and efficient reviews, we need to make sure that our
13 staff retains the technical and regulatory expertise to
14 handle complex and involving areas of work, like these.

15 There's broad agreement that it's
16 important for NRC to align its resources with its
17 workload. I think that's a reasonable goal that we all
18 share.

19 But it does raise a question about how we
20 make sure that we can handle new unexpected work. Part
21 of the answer is improved agility. The ability to
22 redirect NRC staff with the needed skills to the new
23 work.

24 We talk about that piece a lot. We don't
25 talk as much about the need to maintain a surge capacity,

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1 for when significant unexpected work comes along, such
2 as the potential construction of the Bellefonte
3 reactors.

4 So what does all this mean for the future
5 of Project Aim? In terms of our budget and FTEs, the
6 reductions that have already been set in motion by the
7 Commission, will continue the sharp downward trend of
8 the past couple of years.

9 But ongoing reductions of that magnitude,
10 year after year, are not realistic. Deeper and deeper
11 cuts would prevent NRC from accomplishing its vital
12 mission.

13 In my view, our resource and FTE levels need
14 to flatten out pretty soon. On the other hand, the
15 Project Aim mind set of striving for improved efficiency
16 and agility is absolutely sustainable. We can and
17 should internalize this as an enduring focus of our
18 work.

19 I spent a fair bit of time, so far, talking
20 about the organization and management of NRC, let me
21 turn to some of the safety and security issues we're
22 working on.

23 This month marks six years since the
24 nuclear accident at the Fukushima Daiichi Plant in
25 Japan. NRC remains focused on post-Fukushima safety

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1 enhancements and lessons learned.

2 The Commission is currently considering
3 the draft final rule on mitigating beyond design basis
4 events. That rule addresses a number of the
5 recommendations of the near-term taskforce and is the
6 culmination of years of work.

7 Meanwhile, the staff's focus, as Vick
8 mentioned, is shifting more and more to oversight and
9 inspection of licensee implementation of several safety
10 enhancements and natural hazard evaluations.

11 Recently, the NRC staff also provided the
12 Commission with its proposed resolution of the three
13 remaining Tier II and Tier III issues. I want to take
14 a minute to highlight one of the staff's initiatives,
15 the establishment of a more routine proactive and
16 systematic program, for identifying and evaluating new
17 information related to natural hazards.

18 Under this approach, the staff would
19 collect, aggregate, review and assess new scientific
20 information about a range of natural hazards on an
21 ongoing basis. The staff would begin by complying and
22 organizing a knowledge base for each type of natural
23 hazard, consisting of all the information gathered
24 through the Agency's previous work.

25 This would ensure that the data, models,

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1 documentation, and staff insights relied on in the past,
2 are readily retrievable in the future.

3 Overtime, the staff will expand this
4 knowledge base through active and ongoing technical
5 engagement with other federal agents, academia,
6 industry, international counterparts, professional
7 societies and consensus standards organizations.

8 When the staff obtains new information
9 about a natural hazard, the staff will assess its
10 potential significance and the context of the
11 accumulated hazardous information, rather than in
12 isolation. The overall objective is to determine if
13 the new information could have a potentially
14 significant effect on plant safety.

15 I think the staffs plan to actively and
16 routinely seek out the latest scientific information
17 about the natural hazards facing nuclear power plants
18 will significantly enhance safety. And it is
19 necessary, in light of the impacts on climate change on
20 some hazards, such as flooding and drought, which are
21 expected to exceed historical levels in the future.

22 Our regulatory processes need to account
23 for the changing frequency, intensity and duration of
24 these events. Successful implementation of the
25 proposed process will require a sustained long-term

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1 effort by the NRC staff.

2 But deepening and refining our
3 understanding of natural hazards will provide
4 substantial benefits in the year to come.

5 The power plant decommissioning is another
6 major area of focus for the Agency. In the last few
7 years, six U.S. reactors have permanently shut down and
8 seven more have announced plans to close in the coming
9 years.

10 Despite the growing number of effected
11 units, NRC does not currently have regulations
12 specifically tailored for the transition from
13 operations to decommissioning. As a result, licensees
14 with reactors transitioning to decommissioning
15 routinely seek exemptions for many of the regulations
16 applicable to operating reactors.

17 I see two main purposes for the
18 decommissioning rulemaking effort that is now underway,
19 and both are vital.

20 First, the rulemaking will allow us to move
21 away from regulating by exemption in this area. The
22 exemption approach is not very efficient and does not
23 provide for public participation.

24 And second, the rulemaking provides a
25 chance for NRC, and all of our stakeholders, to take a

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1 fresh look at our decommissioning process and
2 requirements.

3 There is a lot of interest in this aspect
4 of the rulemaking. States, local governments,
5 nonprofit groups and the communities around these
6 plants are very engaged and want to share their views.

7 In response to NRCs advance notice of
8 proposed rulemaking, the Agency received 162 comments,
9 including comments on every regulatory area covered in
10 the notice. And there were a lot of regulatory areas
11 covered in the notice.

12 Many of the comments were focused on the
13 level of public involvement in the decommissioning
14 process. Other hot topics in the comments were the
15 60-year time limit for decommissioning, whether NRC
16 should approve post-shutdown decommissioning
17 activities reports, emergency preparedness and the use
18 of decommissioning trust funds.

19 The staff considered these comments and
20 released a draft regulatory basis last Friday. A
21 90-day public comment period officially opens today.

22 I look forward to reviewing the staffs work
23 and the comments we receive on it. I feel strongly that
24 we need to thoughtfully consider the ideas presented by
25 stakeholders with an open mind.

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1 I'm keeping a close eye on the schedule for
2 this rulemaking. The timing of this rule is crucial
3 because of the plants that will be shutting down in the
4 coming years.

5 We need to complete this rulemaking in
6 2019, because all parties will benefit from having the
7 rule in place for those plants who have announced
8 shutdowns.

9 This poses a management challenge for the
10 Agency because many of the technical experts working on
11 the rulemaking will also need to review the anticipated
12 exemption requests for the plants that are closing. We
13 need to make sure that we handle this licensing workload
14 while keeping the rulemaking on track.

15 Additional plants transitioning to
16 decommissioning only increases the value of completing
17 the comprehensive rulemaking in a timely way.

18 Another constant for NRC and our licensees
19 is the need for robust physical and cybersecurity. The
20 potential threats facing power plants, fuel cycle
21 facilities and radioactive materials licensees are
22 constantly evolving. They require NRC to maintain
23 effective physical security requirements, including
24 the force-on-force inspections conducted by NRC.

25 Performance based cybersecurity standards

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1 are also essential and are being implemented.

2 Although distinct from physical security,
3 source accountability and tracking play an important
4 role in insuring that radioactive sources do not fall
5 into the wrong hands.

6 For Category 1 and 2 sources, NRC, in the
7 agreement states, have web-based systems to inventory
8 sources, validate materials licensees, verify that
9 possession limits are not exceeded and prevent
10 unauthorized parties from obtaining radioactive
11 materials.

12 However, Category 3 sources are not
13 included in the National Source Tracking System, and
14 there is currently no regulatory requirement for a
15 vendor to verify the authenticity of a license for
16 Category 3 sources before selling them.

17 The Government Accountability Office
18 highlighted this regulatory gap last year when it found
19 that a factitious company, established by GAO, could
20 produce counterfeit Category 3 possession licensees and
21 obtain commitments from vendors to sell it, a sufficient
22 amount of material, to reach Category 2 levels.

23 In response to GAO's audit, the Commission
24 supported my proposal to direct the NRC staff to examine
25 the options for closing this gap. One option is to

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1 include Category 3 sources in the National Source
2 Tracking System.

3 But there may be other approaches that
4 would resolve the issue. I have an open mind about what
5 the right answer is. We should look at the pros and cons
6 of the potential solutions and then decide what makes
7 sense.

8 Let me turn to a few areas of our work that
9 could be impacted by the priorities of the new
10 administration. NRC is already preparing for advance
11 reactor licensing and advance technology fuel
12 qualification. But the level of Department of Energy
13 support for the development of these technologies may
14 affect the column and timing of our future workload.

15 Currently, we're seeing a lot of interests
16 in advance reactors for vendors, utilities and policy
17 makers. One vendor has begun pre-application
18 discussions with the staff, and we anticipate three more
19 vendors may reach that point next year.

20 In response to this interests, NRC is
21 ramping up its activities on advance reactors. We want
22 to make sure that we have an efficient and effective
23 licensing process for non-light water reactors.

24 At the end of last year, the staff released
25 its vision and strategy for achieving this goal. Vic

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1 discussed this a little bit.

2 The staff is also seeking public comment on
3 draft implementation plans for the near-term, mid-term
4 and long-term. Draft guidance for developing
5 principle design criteria for advance reactors just
6 went out for public comment last month.

7 For Fiscal Year 2017, NRC requested funding
8 for advance reactors off the fee base. In my view,
9 that's the fairest way to fund our expanding activities
10 in this area.

11 We're also seeing an acceleration of
12 efforts to develop reactor fuels that can better
13 withstand higher accident temperatures and provide
14 longer cooping periods during station blackout
15 conditions. Fuel vendors and utilities are now aiming
16 to deploy lead test assemblies for more evolutionary
17 technologies in the next couple years.

18 And some stakeholders are contemplating
19 potential changes to NRCs regulatory process for
20 qualifying and licensing new fuels.

21 Given all this activity, I think holding a
22 public commission meeting on this topic, with a broad
23 range of stakeholders later this year, would be
24 valuable. It would be a good opportunity to discuss the
25 technologies, where they are in development,

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1 anticipated timelines for licensing submissions, and
2 resource implications for the Agency and any proposals
3 for adjusting the existing regulatory process.

4 I often get asked, what's going to happen
5 on high-level waste. In fact, that question may
6 already be floating around on a comment card or two.

7 Well, NRCs role is to review license
8 applications. And our process is premised on having
9 engaged applicants.

10 The administration in Congress set the
11 overall policy direction on high-level waste and make
12 decisions about funding.

13 The NRC staff recently docketed the waste
14 control specialists' license application for
15 consolidated interim storage facility in Texas. The
16 staff has begun its safety and environmental reviews,
17 which will proceed concurrently.

18 NRC anticipates that another license
19 application, for a consolidated interim storage
20 facility in New Mexico, may also be filed.

21 Although there is still a lot of
22 uncertainty about Fiscal 2017, Fiscal Year 2017
23 appropriations, NRC would likely have sufficient
24 resources to review both applications.

25 I discussed several regulatory issues this

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1 morning. Each and every one of them requires NRC to
2 remain focused on enhancing our openness and
3 transparency.

4 When we communicate clearly, hear from a
5 diverse mix of stakeholders and thoughtfully consider
6 their ideas and comments, we make better decisions.

7 I'll close with one more thing that won't
8 change, and that's my interest in visiting plants and
9 other licensed facilities. I had the chance to visit
10 a number of sites during the past year and those visits
11 are always valuable, because I get to see facilities and
12 equipment firsthand, check in with NRCs resident and
13 inspectors, and talk with licensees about their
14 concerns and areas of focus.

15 So I want to thank those of you who have
16 hosted me at your sites, I look forward to reconnecting
17 with folks this week and getting out to additional sites
18 during the coming year. With that I'm happy to answer
19 a few questions. I think we probably have about ten
20 minutes or so.

21 DIRECTOR WEBER: Yes, sir.

22 COMMISSIONER BARAN: Great.

23 DIRECTOR WEBER: Well, thank you very
24 much, Commissioner. I appreciate your speech.

25 (Applause)

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1 DIRECTOR WEBER: We have a bumper-crop of
2 questions here and I don't know that we'll have time to
3 answer them all, but we'll give it a shot and see how
4 far we go.

5 Commissioner, there's been a tremendous
6 investment on security measures, especially after the
7 9/11 attacks on the United States, yet security
8 inspections and force-on-force exercises continue, or
9 are at least are perceived to continue, to expand the
10 design basis without an explicit change in the design
11 basis threat. Why is there no credit given for operator
12 action and local law enforcement availability and FLEX
13 strategies in NRC regulation of security?

14 COMMISSIONER BARAN: Okay. Well, thanks
15 for that question.

16 I haven't seen cases, or I'm not convinced
17 that we have a large-scale issue with force-on-force,
18 going beyond a design basis threat. But I do think that
19 we've seen, overtime, with force-on-force inspections
20 and exercises going on across the country, sites keep
21 a very close eye on that and make adjustments when they
22 see tactics, strategies approaches at different sites
23 that may raise issues for them.

24 So I think that's, I think that piece of
25 it's natural. That's not something that NRC is

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1 imposing on anyone.

2 It is, our requirements are there. And if
3 licensees choose to take additional steps to increase
4 their own confidence that they will succeed on the
5 force-on-force, I think that's for them to think through
6 and make decisions on.

7 I know that our security office is taking
8 a look at some of the specific elements of that question
9 in terms of credit for local law enforcement response
10 and potential crediting of FLEX equipment. So we're
11 going to wait and see what the staff comes up with on
12 that and then consider it once they've had a chance to
13 take a look at it.

14 I would just reflect that, at the RIC, one
15 of the things that the Commission spends so much of its
16 time on individual commissioners is our bilaterals with
17 other countries. And my observation is that many of our
18 international counterparts have been moving in our
19 direction on physical security.

20 So I think, you know, given the dangers of
21 the world in which we live, I think that that's probably
22 a trend that will likely continue.

23 DIRECTOR WEBER: Okay, thank you. Here's
24 another question.

25 A commenter noted a recent NRC acceptance

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1 letter for a license application, for an amendment.
2 And it said, in this acceptance letter, that the
3 estimate of the staff hours to review that application
4 is about 715 hours. The commenter notes that at about
5 \$265 per hour, that translates to roughly \$200,000.

6 And the commenter observes that that seems
7 extremely expensive for the amendment request. So the
8 essence of the comment is, does the value of NRCs
9 licensing review, of an amendment request, justify that
10 size of expense?

11 COMMISSIONER BARAN: That's kind of a
12 tough question given that I have no idea what the license
13 amendment request is.

14 DIRECTOR WEBER: I can give that to you.

15 COMMISSIONER BARAN: I'm going to go with
16 yes. I'm going to go with yes.

17 (Laughter)

18 COMMISSIONER BARAN: I think we're a
19 bargain at twice the price. No, I don't mean that. I
20 don't mean that.

21 (Laughter)

22 COMMISSIONER BARAN: No, I'm just kidding.
23 There's been a lot of focus, in recent years and at
24 recent times, particularly with Project Aim, in
25 thinking through, as I mentioned, what is the work we're

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1 doing, how are we doing that work, how can be more
2 efficient in doing that work.

3 We're seeing a lot of efficiencies, as I
4 mentioned and Vick mentioned and the Chairman talked
5 about, in terms of, it's really reflected in the size
6 of our budget, the decline in the budget, the decline
7 in our workforce. And I think we're going to be seeing
8 that carrying through in a decline in fees. And so
9 we're very thoughtful about that.

10 There have also been a lot of efforts, and
11 it gets difficult without knowing specifics, and I don't
12 think I want to get into specifics of individual
13 submittals anyway, but there have been a lot of efforts
14 in terms of streamlining our processes, being more
15 thoughtful up front about what kind of time is going to
16 go into the review of a specific submittal and thinking,
17 and having good discussions with the applicant and the
18 licensee about that and keeping them apprised of where
19 things stand.

20 So it's a continued focus for the Agency.
21 But, you know, it being, in all seriousness, these
22 reviews are important. And we want to make sure that
23 we're efficient, but we also want to make sure that the
24 staff is doing an adequate review and really fully
25 considering the issues raised in any particular

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1 submittal.

2 DIRECTOR WEBER: Thank you, Commissioner.

3 (Off microphone comment)

4 DIRECTOR WEBER: Okay.

5 COMMISSIONER BARAN: Okay. Well, we got a
6 little bit more information about that particular one.

7 DIRECTOR WEBER: Based on your
8 observations, Commissioner, do you believe there is a
9 safety culture concern at the NRC?

10 COMMISSIONER BARAN: Safety culture
11 concern. Well, I think, I've been here now about two
12 and a half years and I am very impressed, continued to
13 be very impressed, with the focus of our staff and our
14 managers on the safety and health mission of the Agency.

15 I will say this, in last year's review of,
16 you know, the Inspector General has a review
17 periodically of safety culture issues. In one area
18 there, that I think we talked about a little bit last
19 year that did concern me, that I know there's a lot of
20 management focus on, is a willingness to use the
21 processes we have at this agency for expressing
22 differing views.

23 Whether it be at the nonconcurrence process
24 or differing professional opinion process, those are
25 really important processes. And I know I personally

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1 have benefitted from reading, reviewing, thinking
2 through a number of the nonconcurrences and DPOs that
3 have been submitted, over the years, as the Commission
4 has considered some of the tough policy issues before
5 us.

6 So those are incredibly valuable. Those
7 processes and the products that result from them.

8 So I'll take this opportunity to say, once
9 again, please, if you have, if you're an employee at NRC
10 and you have a concern about something that's going on,
11 speak up, and utilize those processes. We want to hear
12 from you. We benefit from hearing from you.

13 And that is just so important for us, at the
14 Agency, to have that safety culture and that culture of
15 openness and willingness to express views that may be
16 in the minority, and that's fine. We want to hear those
17 views. If there are safety concerns, please mention
18 them.

19 DIRECTOR WEBER: Okay. And your last
20 question.

21 COMMISSIONER BARAN: Okay.

22 DIRECTOR WEBER: You and Chairman Svinicki
23 and EDO McCree all talked about staffing in your
24 prepared remarks. The question is, how does the new
25 scale application affect staffing plans?

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1 And goes on to note that, if the new scale
2 application is not accepted for a licensing review,
3 likely other passive and advance designs may not also
4 move forward, which could mean a death now for new
5 reactors and future applications.

6 COMMISSIONER BARAN: Wow, that is a gloomy
7 question. Well, let me just say, I think it's probably,
8 pretty likely this week, that a determination will be
9 announced, one way or the other, on whether the staff
10 is docketing the new scale application. So folks can
11 wait and see what happens there.

12 And as has been mentioned, we are very much
13 focused, both on that application, but also on the other
14 new reactor and new reactor design applications that we
15 have. And ones that are anticipated for the coming
16 years. And that will be a continued area of focus for
17 the Commission.

18 DIRECTOR WEBER: Thank you very much,
19 Commissioner.

20 COMMISSIONER BARAN: Thank you.

21 (Applause)

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