

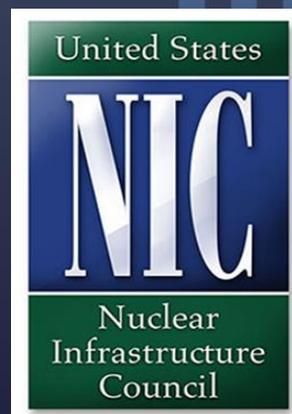


NRC Stakeholders Meeting

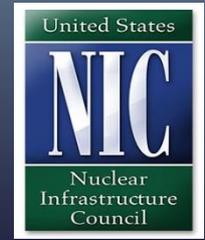
July 26, 2016

Jeffrey S. Merrifield

Partner, Pillsbury Winthrop Shaw Pittman
USNRC Commissioner (1998-2007)
Chairman, Advanced Reactors Task Force
U.S. Nuclear Infrastructure Council



Overview

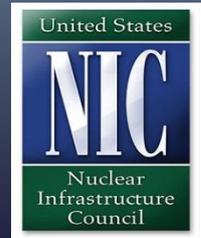


- Appreciate Engagement of the Commission in this Meeting
- Participated in Similar Meeting in 1998/99 – Chairman Shirley Jackson
- Comments on Advanced Reactors Reflect Role as Chairman of the Nuclear Infrastructure Council Advanced Reactor’s Task Force
- Four Topics to Be Addressed
 - Project AIM/Resource Effectiveness
 - Differing Professional Opinion Process
 - Security Concerns -Licensing Efficiency/Effectiveness/Inspection
 - Advanced Reactors Deployment

NRC Licensing Status

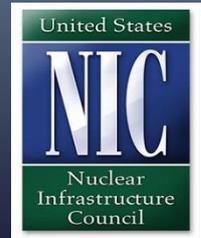


Project AIM (con't)

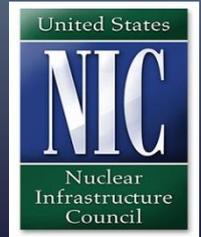


- Commission Faced with Same Challenges as Late 1990s
 - Potential Reduction in Number of Licensees
 - Congressional Concern About Size of Agency and Fees
 - Concern Regarding Timeliness of Licensing
- Commission Reduced the Size of the Agency, Stabilized the Budget and Increased the Effectiveness and Efficiency of the Organization
- Agency Had to Freeze New Hires For a Period – Currently Not the Case
- Need to Balance “Nice to Do’s” from “Must Do’s”
- Agency Must Become More Ambidextrous and Cost Effective
- Commission Must Track Every Line Item of the Budget and Set/Enforce Timeliness Goals for Commission Staff
- Bottom Line – This has Been Accomplished Before and Can Again

Differing Professional Opinions

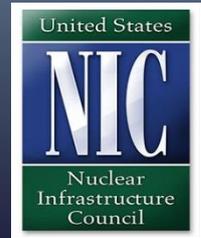


- Commission Encouragement of DPOs Based on Space Shuttle Columbia Accident, Davis Besse and Other Events
- Purpose is to Allow All Views to be Fully Heard and Dispositioned
- DPO Process NOT Intended to Drive “One View” or Make People Happy
- Significant Number of NRC Managers Believe Current Process Drives Paralysis
- Process Must be Improved to Ensure Views are Heard and Dispositioned in a Timely and Efficient Manner
- NRC Managers Must Be Empowered to Make Decisions



- After September 11, 2001 – Significant Concern About Threat
- Nuclear Security and Incident Response Stood Up to Assess Threat and Recommend Security Response
- Large Number of Highly Specialized Individuals Hired in NSIR to Review Threat and Prepare New DBT
- Today, Threat at Nuclear Power Plants is Far Different
- Current Threat Environment Does NOT Justify Same Threat Posture
- Commission Needs to Reevaluate Requirements and Staffing
- Size and Focus of NSIR Needs to Be Reviewed/Reassessed Consistent with Project AIM

Advanced Reactors



- Appreciate Recent Attention NRC has Given to Advanced Reactors
- NIC Has Testified Before House/Senate Supporting \$5 Million Request
- Development of Advanced Reactor Generic Design Criteria Positive
- Current Timeline to Prepare and Review Designs is Too Long – Developers are Looking for Deployment in 2020's Not 2030's
- Current Light Water Reactor Approach Will Result in Requirements Well in Excess of Adequate Protection Standard – Hinders Innovation
- Phased Licensing Approach – Similar to CNSC - is Welcome But Should not Over-Rely on Topical Report Approach
- Development of Risk-Informed/Performance Based Approach for Advanced Reactors Will be Needed