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UNITED STATES OF AMERICA  
NUCLEAR REGULATORY COMMISSION

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ALL EMPLOYEES MEETING  
A.M. SESSION

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WEDNESDAY, JUNE 6

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ROCKVILLE, MARYLAND

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The All Employees Meeting was held on the NRC Green at 11455 Rockville Pike, Rockville, Maryland, at 10:30 a.m., Richard A. Meserve, Chairman, presiding.

PRESENT:  
RICHARD A MESERVE                   Chairman  
NILS J. DIAZ                         Commissioner  
GRETA JOY DICUS                    Commissioner  
EDWARD MCGAFFIGAN, JR.           Commissioner  
JEFFREY S. MERRIFIELD             Commissioner

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P-R-O-C-E-E-D-I-N-G-S  
(10:33 a.m.)

MS. NORRY: Good morning. Good. If anyone is in fact standing in the back for some reason other than that's what they want to do, there's plenty of seats down front.

I'd like to welcome you to this 10th annual meeting between commissioners and the staff of NRC. We will, as you know, have another session this afternoon. The raining is holding off for the moment, and we've tried to cover up all the holes where the rain could come through. But I'm sure you'll let us know if that doesn't work.

We have some questions that were turned in in advance, and those will get asked. We also encourage you to write down your questions, and there will be a number of people wandering through the aisles ready to take your questions and give them to the people who will be reading them.

Our two volunteer readers today are Cordelia Maupin, from the Office of State and Tribal Programs, and Richard Baum, from the Office of the Chief Financial Officer.

As usual, we would prefer that the questions not be related to specific personnel policies, specific working conditions, those kinds of things. We will be glad to answer any such questions, but we'd rather that they not be asked in the context of this meeting.

I'd like to acknowledge the presence of the officers and members of the National Treasury Employees Union over here to my left. And with that, I will turn the meeting over to Chairman Meserve.

CHAIRMAN MESERVE: Thank you, Pat. Good morning, and welcome to our annual All Employees Meeting. Although I have only been Chairman for about 18 months, I have started to notice certain rhythms of life here at the NRC. For example, every six months there are meetings with the ACRS and similar periodic meetings with staff on threat assessment. There comes a time of year when we can expect to hear about the budget and about the overall performance of our reactor licensees.

Perhaps it is a sign of age, but I am beginning to notice that these events, like the seasons, seem to occur with alarming rapidity. And just as the blooming of forsythia is an early sign that spring is on the way, there are similar signals that this meeting is pending. I can see the outward signs whenever Ms. Norry wants to talk to me about tents.

(Laughter.)

So we meet again under the canvass. Joining me on the platform today are my colleagues Greta Dicus, Nils Diaz, Edward McGaffigan, and Jeffrey Merrifield. We are pleased to meet with you and to have this chance to interact with you. Following my opening remarks, they will join me in responding to your questions. As always, we are very grateful for your support, and I am particularly grateful for the support of my colleagues.

Let me also welcome the NRC staff and the regions at various remote locations and in Chattanooga, all of whom are participating by telephone. Despite your physical distance from us, you are an integral part of this meeting, as you are indeed an integral part of the NRC. And we look forward to your active participation. The only difference between you and the headquarters staff, in the Commission's eyes, is that you can sit back and put your feet up during this session in full confidence that we will never know. Your headquarters colleagues, by contrast, are here in most uncomfortable looking seats. Occasionally, distance has its merits.

This All Employees Meeting is a continuing experiment in internal communications. As I will discuss in a moment, I am firmly of the view that we will not be successful in assuring public confidence unless we maintain open decisionmaking and encourage full participation in our processes. An essential ingredient in achieving public confidence is good communications.

I think it follows that the NRC cannot expect to be successful in communicating outside the Agency if we are unable to communicate well within the NRC. In that connection, I should note that the class that just graduated from our SES Candidate Development Program produced a study on internal communication that I would encourage all of you to read. Its recommendations on improving communications within the NRC have broad application throughout the Agency, and I have encouraged senior Management to give the report serious attention.

The message of the report applies to our meeting today as well. The purpose of this All Employees Meeting is to facilitate a candid exchange on issues of importance to our Agency. We welcome your questions and comments, and we are prepared to answer any questions you have except for those limited subject areas that Ms. Norry described in her opening comments.

In order to enable us to move quickly to your questions, I'll keep my remarks brief. It is customary in these sessions to speak of our changing internal and external environment and the impact that these changes will have on the NRC and its regulatory programs. I will not disappoint you this year. Indeed, I think we are in a period of change that is perhaps more profound than any in the NRC's history.

The most striking feature of the new external environment is a complete reversal of the claims of just a few years ago concerning the early demise of nuclear power. In striking contrast to these predictions, we are seeing interest in nuclear energy as an important and enduring contributor to energy supply. Nuclear power is now viewed as an economical, reliable, and environmentally benign source of energy by a growing percentage of the general public. A recent poll in California, for example, indicated nuclear power has become far more acceptable today than it was just a few years ago.

At the same time, the nuclear industry, for the first time in 25 years, is seriously considering the possibility of applications for new construction. And as all of you know, the industry is pursuing in earnest applications for license renewal and for power upgrades.

Why this sudden change in the perception of nuclear power? The most obvious underlying causes are escalating energy prices and the growing national concern about the shortfall in generation capabilities. In this context, the steadily improving performance of the nuclear industry over more than a decade is good and timely news. The average capacity factors for nuclear plants in the U.S. have increased from 65 percent in the early '90s to nearly 90 percent today. The production costs for nuclear power are now less than coal, natural gas or renewables -- important news at a time when the price of energy is increasing and is highly volatile.

Our licensees have achieved this remarkable gain by improved maintenance and training, a consequence that advances in economic performance have been accompanied by parallel gains in safety performance. Fortunately, good economic performance and good safety performance appear to go hand in hand.

Although the NRC does not have a promotional role in nuclear power, I believe that the NRC has played its part in this nuclear renaissance. Our attention to detail and our vigilance in assuring that our licensees provide priority attention to safety issues have established a climate of safety that has enabled public confidence in nuclear power to grow. Our success in providing timely decisions, particularly in the license renewal context, has encouraged the business world. And our efforts to provide clear and objective guidance for the oversight process and in our license renewal has created a climate of predictability that has been valuable to both our licensees and our other stakeholders.

The success of the NRC in being a tough but fair and efficient regulator is, in my view, an important factor in creating the conditions in which nuclear power could be evaluated as a valued component of our energy mix. This success would not be possible without the efforts of a highly qualified and committed staff. You should feel proud of this success.

The same remarkable changes that are sweeping our reactor activities are engulfing other areas of NRC activity. We're getting ever closer to the time when a decision will need to be made on a high level waste repository, which opens the possibility of a very high visibility role for the NRC in connection with the potential repository at Yucca Mountain. Our research programs are receiving increased scrutiny as the result of thoughtful reports submitted by a panel led by former Commissioner Rogers and by the Advisory Committee on Reactor Safeguards. We are in the process of improving our safeguards programs as part of a broader interest in enhancing counter terrorism programs throughout the government. And we will need to address major management challenges posed by Congress and the NRC's Inspector General. I am confident that we will be able to meet these other challenges as they arise.

In short, these are exciting times throughout the Agency. Paradoxically, our success in establishing a climate for change has presented us with the risks that arise from uncertainty. Although a new national energy

policy has been announced, it is far from reaching final form. Congress has yet to address the proposals, and the outcome of congressional review is less certain today than it was just a few weeks ago. Moreover, although we must plan our budget based on certain assumptions, we are far from certain of the nature and timing of any dramatic new initiatives, such as new construction, that our licensees may seek to launch. And at a time of scarce federal dollars, we cannot be certain of the response in the Congress to our budget requests.

In short, although we can anticipate continuing change, the implications for the Agency remain undefined in important respects. Nonetheless, although change will affect us all, there are some things that must remain constant. First and most important, our abiding highest priority must remain the protection of the public health and safety. The public support for nuclear power is fragile. If we and our licensees fail in discharging our safety obligation, the renaissance in nuclear power will be very short lived. Because even in the face of uncertainty and change, our commitment to public health and safety cannot and shall not waiver.

Second, we must continue to strengthen public confidence in the NRC. We must both be and be seen as an objective and independent regulator. We need to ensure that this perception of the NRC is recognized not only by Congress, the national media, and public interest groups but also by local jurisdictions and the people living in the vicinity of NRC licensed facilities. To do this, we must attain clarity in our message and maintain openness in our decisionmaking processes. We must be prepared to address concerns regardless of their source.

In this connection, it is important to remember that NRC decisions extend beyond technical assessments to include social judgments and the acceptability of risk and the balance of costs and benefits. Because these are matters in which the public has a stake, we must listen to and consider stakeholder concerns about risk. I firmly believe that if we fail in this area, we will be unlikely to accomplish our mission.

Finally, we must all strive to improve NRC capabilities. When I came to the NRC, I arrived with an awareness of the skill and dedication of the NRC staff. My views on this point have been strengthened by my continued and extended exposure to the staff over the past 18 months. Our staff remains our most precious resource. And when I refer to the NRC staff, I'm referring to all of you -- technical, legal, and administrative personnel. All of you play a crucial to play -- have a crucial role to play in protecting the public health and safety.

I am concerned, however, about the future. The Commission recognizes that we must take steps to ensure that the Agency retains its core skills and abilities in the years to come. We have directed the staff to undertake a systematic study to identify existing skills, to assess those that we must bring to bear tomorrow, and to develop strategy to fill any gaps. As part of this effort, the NRC has begun to expand its recruitment and training programs, obtained OMB approval to waive dual compensation limits so that retired employees can be hired to fill critical skills in certain circumstances, planned the restoration of the NRC Graduate and Senior Fellowship Programs, and started other steps to retain and enhance our critical skill needs. We recognize the need to invest so as to ensure that the capabilities on which the Agency depends are available in the future.

Whatever the future may hold, the Commission is confident in the NRC staff's professionalism and dedication as we adjust to changing circumstances. On behalf of the Commission, I would like to thank you for your efforts and to state that we look forward to our continuing partnership in meeting the challenges ahead. Thank you.

(Applause.)

Let me now turn to my colleagues and see if they would like to make any opening remarks.

COMMISSIONER DICUS: No, thank you.

COMMISSIONER DIAZ: No, thank you.

COMMISSIONER MERRIFIELD: Mr. Chairman, I would like to make just a brief personal underscore to some of the comments that you've made and support those. The first one is that we have obviously been reading a lot of reviews in the papers and seen a lot of the talk on Capitol Hill about many of the views of our Agency -- rising expectations about the possibility for new plant orders and many other activities underway, calls by some in Congress that we be provided additional monies for some of the activities that may come before us.

As a former staff member in the Senate, I just want put some urge of caution on the part of our staff. There are a lot of things that get introduced in Congress that do not bear fruition. So I think we need to all be very careful about looking at those newspaper articles and reviews and maintain our focus on the safety of our existing plants and our existing material licensees. We're doing the right thing. The staff is doing an exceedingly good job in that respect, and I wanted to underscore that.

The second thing I would say is that the Commission as a whole, and by that I mean the Commission and its staff, has gotten very good reviews from Congress. The hearings that we've had recently were very supportive of a lot of the work that we have done here over the last few years. That work frequently gets focused on the Commission, itself, on the Chairman and other individual members of the Commission. From my standpoint, the fact of the matter is that the success that we have achieved is as a result of the hard work by each and every member of the staff, whether at headquarters, in the regions or in the field. And so from my perspective, I appreciate and thank all the staff for their hard work and for making the five of us look good. Thank you, Mr. Chairman.

CHAIRMAN MESERVE: Thank you. Now, I'd like to turn this meeting over to you. Anyone seeking to ask a question should feel free to use one of the microphones so that everyone can hear the question. I know that there were some cards that were being given out as well that will be read to us, if that's the preferred way to ask the question. I also should say that I want to ensure that employees at our remote sites have an ample opportunity to participate. So we'll try to take about one out of every three or four questions from the remote sites.

May I have the first question? Please step to the microphone. There are some written questions -- oh, here's a brave soul.

PARTICIPANT: Good morning. Someone has to be first, right. I would just like to ask a quick question regarding some activities which keep coming and going on external regulation of DOE and other government agencies by the NRC, if you could, please. What are your thoughts on it and so forth?

CHAIRMAN MESERVE: Yes. We have -- let me say that there was enormous interest in this several years ago. DOE was in the depths of a period in which there was a lack of confidence over the years in DOE decisionmaking. In a period when Hazel O'Leary was the Secretary of Energy, there was -- it was DOE policy to advance the notion that the NRC might assume a regulatory role. Secretary Pena had a more lukewarm reaction to that idea, and Secretary Richardson, who succeeded Secretary Pena, was definitely against the proposal. It remains to be seen what the views of Secretary Abraham will be on this issue, so we don't have -- there's been no occasion, I believe, as yet for him to have to express his views on this matter.

There has been some congressional interest, nonetheless, in pursuing the matter. There was testimony last year before a House committee, before Congressman Barton's subcommittee, the House Commerce Committee, in which we were asked whether the Commission could undertake the job, and we indicated that we did have the skills to undertake the job. And we were asked how we would go about doing it, and the Commission testimony was along the lines that we would suggest if we were to go forward, it should be in incremental fashion because of the problems that would be associated of assuming control of the entirety of DOE facilities at one time. And it was suggested it might proceed, if it were to go forward, with some of the science facilities first and ending many years later with the weapons facilities.

There appears to be some continuing interest in that committee on pursuing this issue, but it seems to be a low level interest at the moment. But this is something that's still in the air, and it's possible that there will be some activity that relates to our regulation of DOE in the future.

COMMISSIONER MCGAFFIGAN: I might just add, I agree with everything the Chairman said, but I'll try to make it shorter. I don't think it's going to happen any time soon. It shouldn't be part of our planning horizon. And I think it's good public policy, but I think the chances of it getting through the Armed Services Committees in the Congress, who have traditionally been opposed, and others in the Congress who have been opposed are pretty remote.

So the reason you don't hear much about it is that the if Secretary of Energy isn't firmly behind it, as Hazel O'Leary briefly was, and the if President isn't firmly behind it and all that, it just isn't going to happen. And even then I'm not sure it would happen, given the historical views of the committees in the Congress.

CHAIRMAN MESERVE: Other questions? Ah, the rain has arrived. We'll test whether Ms. Norry was successful in doing all the patching that she was claiming credit for.

I believe we did have some written questions that were submitted. And, Richard or Cordelia, do you have a question?

MR. BAUM: Yes, I have a question from headquarters. Question reads as follows: The crosswalk between One White Flint North and Metro Station has been causing traffic backup into Rockville Pike, and I understand that someone has been recently killed there. Can anything be done to reduce the congestion or improve safety?

CHAIRMAN MESERVE: You are correct that there was a death. Recently, somebody in the evening was crossing that crosswalk and was not seen by a Metro bus. This was not an NRC employee; this was someone using the Metro station. We have been -- staff has been in contact with Montgomery County that has responsibility for that crosswalk to ask that the issue be addressed. One of the possibilities, for example, would be to improve probably the signaling on that crosswalk. But this is an issue that is one that has been raised with the County.

Cordelia, do you have a question from the regions?

MS. MAUPIN: Yes, sir. Mr. Chairman, the Nuclear Energy Institute recently provided congressional testimony that indicated that the role and staffing of regional offices should be reexamined, and that resources could be saved that might be used for reactor license renewals or new reactor licensing. Do you have a comment on this?

CHAIRMAN MESERVE: You are correct that there was testimony that was submitted by the Nuclear Energy Institute that did, among other things in the testimony, suggest that efficiencies could arise from eliminating regional offices. That was not something that was emphasized in the oral part of the testimony, and there have been no congressional comments or questions about that as of yet. There is no evaluation of that issue that is underway by the Commission at this time. It is a suggestion that the NEI has made; it is not something that we are evaluating.

Rick, do you have a question? Just a minute, there's a gentleman at the microphone.

PARTICIPANT: Mr. Chairman and visitors, do you think that the licensing of new nuclear power plants is upon us? If so, what steps or considerations should the Agency take to ensure the public health and safety of civilian use of nuclear power that were not on the front burner one year ago?

CHAIRMAN MESERVE: Well, as I indicated in my comments, and I think as all of you have been reading, there has -- within the last few months, there have been people talking publicly about the possibility that there will be applications for new nuclear power plants that will be filed with us. To my knowledge, there is no decision that has yet been made by an applicant that they will in fact file such an application. It's a matter, I think, however, that is under serious consideration.

There is a question of the timing of such a filing. Exelon, which has been perhaps the most public in expressing its views has discussed the Pebble Bed Modular Reactor and has talked about the possibility that they might file an application for a combined license at the end of 2002 or perhaps as early 2003. There were a lot of steps that would have to occur before that would happen.

We, obviously, when and if we were to get such an application, would not grant it unless we were satisfied that the public health and safety is being adequately protected. And in preparation for the possibility that there might be such an application filed, there is work that is underway on the staff to build up an awareness of the staff resources that we would have to be

able to marshall to be able to deal with such an application, that there are organizations that have been created within both NRR and Research to be able to identify the staffing needs that we would have to assemble, the skill sets that would have to be available to do the work.

As an early priority, we're looking at any regulatory issues that might arise. That would be a particular challenge for us if an early application were to be with a novel technology, like the Pebble Bed technology. Because our recent experience has obviously been focused on light water reactors. So if this were to happen, we have many challenges that we'd have to confront, and we're in the period now where we're trying to get our arms around exactly what those challenges are and how we might address them.

COMMISSIONER MERRIFIELD: Mr. Chairman, I'd underscore a couple of things. One is, and I agree with the Chairman's comments, I think one of the more likely things that we may have more activity on later this year is Part 52 relative to the early site permitting process. There are a number of licensees out there right now who are actively discussing this within the NEI context, and it's plausible that we may have one or more of those either before the end of this calendar year or perhaps in early '02.

I think there's some belief in NEI that they need to work with us, in terms of fully understanding that portion of Part 52. I know the staff is actively engaged in those kind of discussions with NEI on an ongoing manner. It's more likely I think we'll see those early site permitting issues evolve well before we would see a plant order coming through.

CHAIRMAN MESERVE: Rick?

MR. BAUM: This is a headquarters question. Now that restack has finished in One White Flint North, are there plans to restack Two White Flint North?

CHAIRMAN MESERVE: Let me say that the challenges that are presented to the Commission with regard to One White Flint North had to do with the fact that the quality of the environment, the finishes of the environment had deteriorated, and there were problems with the way the space was configured in order to optimize work. And so there was a need for a very aggressive effort in One White Flint to, as you all of you know better than I -- it's disruptive to all of your lives more than mine -- that there was a need to move people about in order to enable, basically, a reconstruction of One White Flint.

There is a program that will be undertaken in Two White Flint to deal with the general deterioration of the environment, but the perception is that we don't have the space allocation problems there, so it will be, basically, a restoration of finishes that will take place in Two White Flint rather than the more aggressive restructuring that was done in One White Flint.

Cordelia, do you have a question?

MS. MAUPIN: Yes. This is a question from the regions. Mr. Chairman, I've heard recently about a serious medical event involving radioactive materials in Panama that resulted in a number of deaths. Can you comment on this and what role the NRC is playing in the response to the event?

CHAIRMAN MESERVE: You are correct. There was what appears to be -- and let me say that my knowledge of this is fragmentary -- there appears to have been a facility in Panama that used the Cobalt 60 Source for medical therapeutic purposes. And that there was a computer program that was used to calculate the usage of that machine. And because of a software problem associated with that system, there were apparently a fairly substantial number of people who had large overdoses. There are a number of people who have died after that radiation therapy, and my understanding is that the attribution of several of them, but perhaps not all, was as a result of the overdose event that occurred.

The IEA responded to the situation by sending a multinational team to deal with the situation. There was an American who was on the team. He's Dr. Fred Metler, who may be known to many of you in the health physics area, who's at the University of Mexico radiologist and is a member of the ICRP and is the head of the U.S. delegation to UNSKR. He participated in this team and has gone down and evaluated the situation in Panama, and my understanding is that there will be a report that will be forthcoming as a result of that visit, although I'm not sure that it is yet publicly available.

It turns out that the instrument that was used, and particularly this software program, did arise from a U.S. company. It is one that is regulated not by the NRC but the FDA. And our staff have been working with the FDA and have been in communications with the company to try to assess the circumstances. The obvious concern is that this is maybe software that is in wider use, including in the U.S. So that this is an issue that there is intensive regulatory scrutiny. At the moment, our role is that of support to the FDA, since this would be a FDA-regulated instrument.

COMMISSIONER DICUS: This morning, I was handed some information about that situation in Panama. I want to stress that this information is not confirmed. I understand it did come from perhaps the IEA team that is there, but it's very preliminary, so I need to stress that point. There could be some errors in the information.

But it may be -- and I want to stress may be -- that the software, the system, was controlling the exposures. They might have intentionally increased the exposures perhaps more than they thought they were doing in order to try to perhaps, as it was said in the information I was handed, to get better results. But I want to stress again that that information is extremely preliminary, and it hasn't been -- I haven't gotten a second source of information on that to confirm it.

CHAIRMAN MESERVE: Rick?

MR. BAUM: This is a headquarters question. When will NRC employees be able to participate in automatic payroll deduction of One Series Savings Bonds?

CHAIRMAN MESERVE: It's my understanding on this issue that we do not have a system that allows an automatic deduction for the purchase of savings bonds as a current part of our payroll system, and this is a limitation of the current computerized system that is currently cutting our checks or doing the deposits and so forth for the payroll.

There is a new system, as you know, that will be -- which has been undergoing extensive testing. It's the Starfire System. And, unfortunately, in its initial implementation, it similarly will not allow a deduction for purchase of savings bonds. But it's my understanding that an

upgrade that is planned, that is something that's in the process, will allow this. So this is an option that, for technical reasons, we apparently don't have the opportunity to provide today, but we would hope to have the opportunity to provide with the new payroll system.

Rick, do you have another question?

MR. BAUM: I have another question from headquarters. Recently, throughout the NRC a lot of attention has been given to the topic of empowerment. In general, there appears to be a wide range of definitions of empowerment. How do the Commissioners define empowerment, and what is their vision with regard to implementation at NRC?

CHAIRMAN MESERVE: Well, this is an issue I'm sure all of my colleagues will want to comment on. And let me give just a personal perspective on that issue. We see, and I think that all of my colleagues in the Commission see, that every member of the NRC should understand and should in fact have a stake in the fulfillment of our Agency mission, that your jobs are important.

And we would like to make -- we would like to have a system that encourages people to have that motivation, have that recognition as part of the process. And this means that not only in the fulfillment of the narrow bounds of your tasks but in looking how we could improve our processes or fulfill our obligations in an improved way that all of our staff would have that commitment and be prepared to make recommendations and make suggestions as to how we can improve the way we do our work. And it has to have a counterpart awareness by Management to encourage that environment, encourage a situation where everyone has that commitment, where that commitment is encouraged, is recognized, and where opportunities that arise to do our work better are ones that we seize and take advantage of.

COMMISSIONER DICUS: In addition, and to agreeing with what the Chairman has just discussed, I would go on to say, from my perspective, I know that the Commission, I think each one of us, has a great interest in being able to proceed with empowerment. From my view, what it means is that perhaps where we can possibly do it, we can perhaps reduce the number of levels that an issue has to go through to come to decision.

Sometimes when I look at the concurrent sheet, it's two lines and little boxes filling up all those lines. Perhaps if there's a point that some of those can be eliminated, to me that's part of empowerment. It increases our efficiency and the time that it takes us to get to decision. And, clearly, there always has to be lines of authority. It doesn't necessarily mean that we have a flatline; that's not going to happen. But we can get to the point where we can reduce, where possible, the number of levels of concurrence that are necessary to go through. Then we increase our efficiency and therefore our effectiveness in what we do.

I know that the senior Management of the Agency, both here and headquarters, together with our regional offices, believes in the concept, and there are activities going on with regards to training to understanding what empowerment is to move forward with the concept. We're not there yet. It may take a while to be there. We're learning on this, but we do have a commitment to it.

COMMISSIONER DIAZ: I really believe that the enabler of empowerment is engagement, and you probably will notice today that I am saying few words. It's just -- and I have this covering my true nature. I'm very shy and very quiet. And will remain so for the next six weeks, at least.

(Laughter.)

CHAIRMAN MESERVE: Why is that, Nils?

(Laughter.)

COMMISSIONER MCGAFFIGAN: I agree with Commissioner Diaz that empowerment and communications are linked, internal communications. I've worked in government for 25 and a half years, and I, luckily, during that entire period, was always close to the top of the organization. I never had to -- I had to get concurrences, but I didn't have to get that many. And I think we have to -- it wasn't that I necessarily was in a flat organization. The State Department is a hierarchical organization like our own. It's just that I happened to work for an Under Secretary, which is a good place to work.

The Senate is a very flat organization. I think we have to figure out how to empower people to make the decisions that they can make within the current policy, empower them to figure out what changes in policy are needed. And there has to be a -- individuals have to take responsibility. When they see something that needs to be changed to try to bring that to us and to, as I think Commissioner Dicus said, without 45 concurrences and all that. I think everybody needs to know what's going on.

And one of the problems we have recently, it was called to my attention, one of the offices -- the stovepiping that goes on -- one part of the office not knowing what another part of the office is saying. We tend to -- all the stovepipes end up at us if it's an important enough issue, and we'll sometimes see connections that should have been obvious down at the office level that only occur because we're the only people reading both pieces of paper.

But empowerment, to me, means to be able to feel connected to us and to the EDO and the Deputy EDOs. And if we're not achieving that, then there's more work to be done, and I know there is more work to be done.

COMMISSIONER MERRIFIELD: Yes, I would agree with the comments made. I think the issue of empowerment is one that we've all, the five of us, have discussed and I think have discussed recently. There's a careful balance here, and the careful balance I think, in part, results from the people who look at us collectively.

I use as an example the new oversight process that we have in reactor regulation. There was a balance there, and in previous times I think there was a lot more flexibility on the part of individual inspectors to go out and review the plants. We had a lot of concerns from Congress and others about there's a degree of predictability that came along with that and were we being consistent in the way we do things.

So there's a balance between the enhancing the amount of empowerment of individual members of the staff and maintaining regulatory predictability and responsibly regulating. And I think that that's balance that we all are trying to achieve.

I would very much underscore the issue of the checkoff list and concurrences. There is a lot of frustration among different members of the

Commission about how long it takes to get an issue up to us and have the Commission make a decision on that. And so I think we are clearly taking a look at that. Empowerment is an issue that has and will continue to be an issue for discussion between Pat Norry and her team and NTEU and its team. I think we're focused on that, I think we recognize it, and it's one that we will, I think, need to continue to strive on.

CHAIRMAN MESERVE: Cordelia?

MS. MAUPIN: Yes, this is a question from the regions. Mr. Chairman, what impact, if any, do you see on the NRC as a result of the recent changes in the party makeup in the Senate? For example, on the budget or on programs such as Yucca Mountain or advanced reactors.

CHAIRMAN MESERVE: I'm not in a position to make any more an informed judgment on that I think than any of you are. My impression -- my general impression is that there is bipartisan support for the NRC's activities in the Congress. There may be some issues that become partisan or that become difficult but that, basically, we're not a partisan agency. We have not been behaving as a partisan agency. I think that is recognized on the Hill. The issues that we confront on nuclear power are not ones that, in general, have a partisan nature. So I am optimistic that many of the things that we have sought in the way of action from the Congress will be ones that will continue despite the change of circumstances in the Senate.

The wild card, of course, is what will happen on Yucca Mountain, that Senator Reid from Nevada is somebody who now has an important role with regard to the Senate, and he obviously has a personal interest in that issue. Exactly how that plays itself out remains to be seen.

COMMISSIONER MERRIFIELD: I agree with the Chairman. You know, obviously, the membership of the two bodies hasn't changed. Obviously, there's been a change in the turnover in the Senate. Clearly, in hearings that we have had that the Commissioners that have testified this year, there has been broad bipartisan support for the work that we're doing, a recognition that we have made significant progress in our programs, both on the reactor and the material areas over the course of the last few years, and I think Congress is pleased by that.

The message I think we take away from all of this is that we need to continue to dedicate ourselves to our mission of ensuring public health and safety. And as we do so, we will receive the support from Congress that we deserve, irrespective of whoever's in charge.

CHAIRMAN MESERVE: Rick?

MR. BAUM: This is a headquarters question. If the nuclear industry again becomes robust, how does the NRC expect to maintain a staff with real commercial nuclear experience?

CHAIRMAN MESERVE: Well, that's a very important question. It is one that the Commission is grappling with. In fact, we had a Commission meeting yesterday in which we were discussing this precise problem. There are a variety of things that we are going, and there are many more things that we're going to have to do. But where we've started is on a process where we're attempting to get a survey of the skill sets of the NRC staff, to develop an understanding of the skill sets we will need to have in this changing environment that we confront, and to have specific strategies that aim to fill any gaps that arise.

This will mean that we have to do a stronger job in our recruiting efforts than we've done in the past, and it's something that we're putting attention on. We're trying to find ways to make the NRC an attractive place for which people will want to come to work. It is also very important that we retain our good people here, and we're trying to address that issue. We want to have the NRC be a place in which people see that they have rewards from their job and they're recognized in appropriate ways for their work. We want to make this a hospitable environment.

Let me say that this is a major challenge, because the reality that we and the National Labs and the nuclear industry confront is that the pipeline of people that are coming through the educational system is constrained. And that there have been declining numbers, for example, of nuclear engineering departments that many have closed over the past several years. So we have a situation, and it will take a while for that problem to correct itself.

I think that the availability of jobs is something that students are sensitive to, but there's a period, of course, of training, and there's an awareness of the issue that needs to grow. So that we are going to have a challenge, along with many others, in making sure that we have the capacity to draw the right people. This is a serious problem, and it is one that we're looking at very closely to make sure that we have a strategy that gets us through a difficult period.

COMMISSIONER MCGAFFIGAN: Mr. Chairman, I just might add it isn't clear to me, personally, and I think this is a view of others, that the current statutes on the civil service system really will work for us. There's going to be a vote in the House today or tomorrow on the Security and Exchange Commission's bill that the Senate has passed that would allow them, essentially, to step outside the civil service system, still be in a merit system, but essentially get rid of the caps that get tied to congressional salaries and allow them to be competitive with other federal financial institutions. Some of the intelligence agencies, I believe, are already in a similar situation. And we and other technical agencies may well have to, at some point, be in that situation as well, if Congress will approve it.

Now, the Congress -- I don't know what the prospects are in the House for this vote. There's a strong tendency to want to treat the civil service as all two million, whatever, in a uniform way, and that may not be the reality, especially, as I say, for the executive agencies. NIH, down the road, has a lot of folks that they have gotten special deals over the years from the Congress, and people get paid significant sums of money compared to civil service salaries.

But at some point, we're going to have to bite the bullet, I think, or Congress could solve it if they would just raise their pay. This compression that happens at the top of all of the executive agencies where everybody from, what is it, from ES-3 to ES-6 makes the same salary, that could get fixed. But they have to face the voters, and too many people demagogue congressional salaries, and they haven't been able to do that.

COMMISSIONER MERRIFIELD: Mr. Chairman, I guess I'd say one

additional thing. I think this Commission has shown its willingness and continuing willingness to seek the tools from Congress to make this a financially attractive place to stay. And I think that's a recognition of the Commission of the value of our staff and the value of this Agency.

I would underscore, having worked both in and outside of government, that over the course of the next few years there may be a lot of siren calls to those in the staff out there to go work someplace else, whether it's another federal agency or whether it's in the private sector.

And I underscore a couple of things. One is I believe, truly believe that this is a special agency. This is not your typical government bureaucracy. I think people here are the best of the best in that respect. Secondly, I would use the old quote, "The grass is always greener on the other side." And I think there will be siren calls. I think there's some of you who have or will be approached by other people seeking to have you come join them. Look at those offers real hard. This is a great place to work. I think you ought to consider that very carefully if you ever get that plea, because this will be a tough place to leave.

CHAIRMAN MESERVE: Rick?

MR. BAUM: This is a question from headquarters. Has the Agency ever explored dependent care and medical savings accounts using employee's pre-taxed earnings?

CHAIRMAN MESERVE: My understanding is that -- on this issue, is that there is availability now for health insurance to be paid for from pre-taxed earnings, and I think that many, if not all of you, have the benefit of that. But that there is a legal problem with expanding that to establish accounts of the type that you've described that you can use for dependent care or for the parts of medical expenses that are not covered by your health insurance. There is apparently -- there may be a need for some statutory changes in that area for that to occur.

This is an issue that may be one that OPM, Office of Personnel Management, has to be involved in. This is not a unilateral action that the NRC could take, because it affects, of course, all of federal employees. But I think that this is something that is available in the private sector. It's my personal view that it's something that ought to be available to government employees, but apparently under the current statutory scheme it's not.

Rick, do you have another question?

MR. BAUM: This is another question from headquarters. I would appreciate the Chairman and Commissioners thoughts regarding ADAMS? Specifically, given the recent emphasis on communications, very little information or updates have been provided for the ten challenge areas identified in ADAMS' assessment action plan. Can this communication be improved?

CHAIRMAN MESERVE: Well, let me say, generally, about ADAMS, obviously, we've got -- our aspirations were greater than our capacity to achieve in this area, that we got ourselves out in front of the rest of the world in what we were trying to do in document management systems. And we got sort of in the leading edge of trying to lead the world in a technical way on this particular problem and obviously we've fallen short.

The action plan was intended to provide, and I think did provide, a realistic evaluation of what we really could expect from the system and when. And that plan is being implemented. I think all of us are disappointed that we have not been able to achieve the system that we thought we were going to have when we started on this process, but slowly and with great struggle we are -- some of the problems are being eliminated over time, and we have the plan that's intended to put us on a path where more and more the difficulties that all of you encounter in dealing with ADAMS are going to be addressed and resolved over time. It has not come easily, in part, just because of the underlying problems of a very complicated software system and our reliance on what's available in the market for us to be able to do what we'd like to do.

I know that there are periodic reports that the CIO provides on ADAMS and our progress. If we need to do more in that area to provide continuing information on that, that is something that we should be doing, and if we are not doing that, I apologize for that.

COMMISSIONER DICUS: I am agreeing, of course, with what the Chairman said. We did try to be very proactive and leap out to do something to manage our documents, and it was, in large measure, to, again, working on our effectiveness and efficiency. Unfortunately, it didn't turn out to be that way. We did launch a program to identify all the problems that people were having with ADAMS. Stu has come up with a plan to address these problems in a systematic way. Sometimes as we go forward to address the problems, we discover another problem.

It certainly has not turned out to be what we want. We, as the Chairman said, are all very disappointed that this sort of thing has happened, as I'm sure the people in Information and Technology were disappointed with some of the issues that they have encountered. But we do have a program in place to address it, we are addressing the issues, and I guess I have to say at this point ADAMS continue to be a work in progress.

CHAIRMAN MESERVE: Rick, do you have another question?

MR. BAUM: This is another question from headquarters. The concurrence list on a paper to the Commission is often 20 names long. Changes are negotiated and reconcurred. The process is slow and cumbersome. It results in compromise, papers which are boring, difficult to read, and more important, may not portray the full extent of considerations. In an effort to be perfect, the staff is not timely. Do you see this as a problem, and if so, what are your problems to address the issues?

CHAIRMAN MESERVE: Was that a leading question?

(Laughter.)

Let me say I think that several people have talked about the concurrence list issue already. It's a complicated problem. On the one hand, you would like to make sure that everyone who has a stake on the issue has an opportunity to have his or her views known to the Commission, so the idea of a concurrence list is to make sure there are no surprises to staff on what's available to the Commission as it's making its decisions. So that idea of having everyone have a stake, who has a possible stake, even, in a decision have an opportunity to see the decision documents and participate is something that, itself, is supposed to encourage communication. And so that there is -- it's not irrational that there are long concurrence chains.



On the other hand, there is the problem that the question raises, is that sometimes means that things get squeezed out of Commission papers perhaps, it takes a long time to develop them, and there's a question of timeliness. There's got to be some balance between the two activities. And this is something perhaps we haven't struck the right balance in some of the activities in which we're engaged.

The Commission does have other ways in which it gets information and does get views, is that my colleagues and I benefit at Commission meetings where we formally get together with the staff. Each of us has interactions with the staff, either personal briefings on issues, that there are other vehicles in which we get information that are intended to make sure that issues that might not be fully covered in a paper that is presented to us are ones that become of interest or something that can be explored.

So I wouldn't want to have anyone think that this is the only vehicle by which papers that come through the concurrence chain are the only vehicle by which the Commission is informed as it's presented issues for decision. I think this is a tough issue, and I can agree with the thrust of the question, but there is this problem of making sure that everyone who has a stake in a decision has the opportunity to have its views known in a formal way to the Commission.

Let me turn to my colleagues.

COMMISSIONER DIAZ: It appears that we should risk inform the concurrence process.

(Laughter.)

COMMISSIONER MCGAFFIGAN: Mr. Chairman, I share the frustration, to some degree, of the questioner. I do think we have to improve the concurrence process. We can't do it from where we are. I think individual managers in the chain have to decide whether they have to all chop on these things. There's got to be a way -- it goes back to the empowerment issue. People don't feel empowered if pushing something up to us is going to take three years and take 3,000 concurrences to get it to us. And they actually need an answer reasonably soon.

I think parallel processing some of these things, getting some things to us in some sort of fashion through RTAs to get a quick read as to where we're likely to be, to find out whether you're wasting your time on something. We've got to find ways to make it more easy to approach us, and perhaps that's true at the level below us, at the EDO/Deputy EDO level; I just don't know.

Despite the concurrence process, despite it, and I think it was in the question, we get some papers that are problematic. I was talking to one staffer recently about an issue -- well, I'll leave out his name so he doesn't get in trouble -- but we have some pretty peculiar history in the issue area we were talking about. And in that case, one part of NMSS was not talking to SFPO was not talking to NRR. But these papers that go back to the '80s and '90s were well staffed, I'm sure, highly concurred in papers, but synopses were not connecting, and we had three entities, two within one office, doing things that didn't add up. So I don't know quite how to fix the thing, but I know it's a tremendous frustration at the moment, and I honestly question the value added of much of the concurrence process other than adding delay and deleting options.

One last anecdote I'll tell you, Joe Callan, when he was still here, told me once that you all had this roaring debate at the beginning of what you now called the Revised Reactor Oversight Process. Then it was called the Integrated Review of the Assessment Program, IRAP. And there was roaring debate about IRAP that happened down at the staff levels. And then you gave us this consensus paper. And then we ended replicating the debate at the Commission level. But people were accusing each other down there in the staff, according to Joe, that Ashok or Sam or somebody was putting us up to various positions. And they weren't. We were just able to have the same debate, because our questions were the same questions that had to have been debated earlier.

At times, I think -- and I've said this, I think, at previous meetings -- we're adults; we can take the debate that you all have. We don't need to have homogenized, single-option papers. I'd prefer to know as much of what went into where you ended up as I could and that there were different views on the staff and that those were rejected for reason X, rather than that they just aren't in the paper at all. It happens -- as the Office Directors know, they're the ones who have contact with -- this is not an uncommon occurrence that we will end up replicating a debate, looking at options at the Commission that were perhaps discussed but not gotten in the paper, and we just end up creating them at the Commission level on our own, perhaps not as well staffed if we could have been if they all were there. So it's probably one of the more frustrating things for me having been here five years.

COMMISSIONER MERRIFIELD: Mr. Chairman, I would say, in light of Commissioner McGaffigan's comments, that the staff prides itself on its questioning attitude. And I think the Commission prides itself on its questioning attitude as well. We do not, as the Chairman said, get our information solely from the papers. Our staffs are directly -- we ask a lot of questions of the staff, much to the chagrin sometimes of the EDO and his staff. But I think we vigorously test these papers and come up with what five of us believe is the right decision.

But on the concurrence chain, I mean there is sense of balance, and you see the tension spoken of, both by the Chairman as well as Commissioner McGaffigan. What's the right number of people to have in the concurrence chain to get a balanced opinion that represents a consensus of our Management structure yet at the same time doesn't needlessly include people who don't have a value added to that consensus chain? We're grappling with that. Clearly, I think we're going to ask the EDO and his staff to grapple with that. And I'd say stay tuned.

CHAIRMAN MESERVE: Cordelia?

MS. MAUPIN: This is a question from the regions. Mr. Chairman, what strategic decisions need to be made regarding reorganizing the NRC to respond to our changing environment?

CHAIRMAN MESERVE: Well, I think I answered that question, in part, earlier. We, at the moment, don't envision any massive organizational changes. Nothing is pending before the Commission. The earlier question was about the regions, for example.

The one thing that I think that is a new -- possible new area in which we would be engaged as one that will have enormous importance would be when and if we get some new applications for new construction or, as Mr. Merrifield has indicated, early site permits. And we do have to have -- make sure that we are prepared to be able to deal with that. There are some organizational changes, and I'd have to solve the problems of incipient organizational changes at both NRR and Research to be able to accommodate that prospect.

But I think that is an area where, when and if we really get into this in a serious way, there might well be some further alterations, particularly in NRR and Research to be able to accommodate that. It's premature. It's not an issue before the Commission now, and it's premature for us to do it. But that would be the one area in which I would suspect there might be some Management adjustments beyond those that have already taken place that might occur over time. Rick?

MR. BAUM: Mr. Chairman, this is question from headquarters. The NRC is more hierarchal than the military. There is little direct up and down communication. Branch Chiefs talk to branch Chiefs, Division Directors to each other. The staff seldom has direct contact with Commissioners. Do you see this as a problem, and if so, what are your plans to address the issue?

CHAIRMAN MESERVE: Yes, I do see this as a problem, and it was brought home to me most recently with the document that I had mentioned in my opening remarks. The SES Candidate Development Program had taken on as their project for the group was to evaluate the internal communications within the NRC. And I would urge all of you to read that report. It is quite an interesting report.

And it similarly draws the conclusions that one of the grievances that people have at the NRC, and I must admit that I was not fully aware of this before reading that report, is that staff often feel that they do not have the opportunity to interact with their boss' boss, in that there is -- the communication chain is too constrained. And they do make a series of recommendations as to how this problem would be addressed, primarily making this a major focus about how we improve the communication capacities within the NRC and open up the channels of communication in a way that apparently are not now.

This is something that the Commission and I know the EDO are taking very seriously. We have had the benefit of this input which does reflect a fair amount of polling of staff on the specific issue. And I think that we have some things to learn as a result of that effort.

COMMISSIONER MERRIFIELD: Mr. Chairman, I would add, too, I think the Commissioners all take a strong effort to try to get out and meet the staff and have briefings in the offices. I know for my part I've walked the hallways of both of these buildings and met well over half of the staff. And during the course of the last couple years, I've had at least -- it has least over 200 members of the staff in my office giving me briefings on one issue or another. And I'm not alone in that respect. So I think we're trying and communicating more perhaps, but I think the notion that there's this degree of hierarchy and isolation is not entirely fair. I mean I think there is an effort on our part to try to reduce that.

COMMISSIONER MCGAFFIGAN: Mr. Chairman, I think the question wasn't so much aimed at us, although I think we, as the -- it goes back to the previous question about how difficult it is to push things through. I do think that we need to figure out how to make the Commission more available to the lower reaches of the staff in some way. It might not -- some folks, Rich Barrett, Jack Rosenthal and company, approach me at lunch and we'll have lunch over in the room, and we'll oftentimes have very interesting conversations, and sometimes they even pertain to NRC. And so that's one way you can approach us.

Our doors are open, as Commissioner Merrifield said. There is an open door policy, and I know that's reluctantly used. I don't think anybody has invoked the open door policy in the five years I've been here to come see me, but I have seen staff. The TAs of our offices are available. They're really you. I mean they're folks who work for us, help us do our work, and they're available to staff to sort of be a sounding board for ideas they might have. And I encourage staff to approach our TAs.

Eventually, if you're going to get something done, though, a limited number of concurrences, including EDO, have to buy into the idea or we have to decide that Dr. Travers is wrong as a group here and we're going to side with Employee X over Dr. Travers -- something I'm sure he doesn't look forward to. But we've got to figure out how to talk to you folks more, I think, and I'm open to creative ways to do it.

And I point to the TAs again, as I did in one of my earlier remarks. And it's something that the EDO staff, we do do it. On important issues, we will have preliminary discussions with clearly -- in NRR and NMSS through our TAs as issues are arising. And the question is what's the threshold to bring an issue to the TAs for preliminary discussion. They don't make decisions. They just hear what's going on and suggest that, yes, there's a policy paper there that needs to be written, and, yes, the Commission needs to receive that sooner rather than later, something like that. And they don't do that without each of them coming and talking to us.

CHAIRMAN MESERVE: Rick?

MR. BAUM: Mr. Chairman, this is a question from headquarters. Assuming that NRC's 2002 budget total remains unchanged, what activities is the Commission considering to drop in order to accommodate the increased reactor licensing effort? Will resources be taken from NMSS? Will efforts to risk informed regulations and oversight programs be deferred?

CHAIRMAN MESERVE: Well, let me say that we haven't had to cross that bridge yet, and I am optimistic, and I may be foolish on this, but I am optimistic that we will not have to. We had submitted our budget request for fiscal year 2002. We did not anticipate at the time that it was submitted that we would have this great interest that since emerged in the possibility of new construction. And we have to make preparations for that.

Our interactions that we have had on the Hill have been very favorable in acknowledging that this is a situation that is fast moving, and there's been great interest in making adjustments in our budget in order to accommodate the changed circumstances in which we find ourselves. I take that as a hopeful sign that at a time when there is growing interest in the public and the political arena for nuclear energy and a recognition that this is a

technology that is going to be employed, we need to have the NRC to continue as a tough and fair regulator, that we need to be provided with the resources in order to fulfill that commitment. And that is something that all of us in the Commission are going to be working on and dealing with the Congress to make sure we don't have to confront the kind of hard choice that the question presents to us.

We have not undertaken a fallback effort of trying to analyze if we had some significant shortfall beyond what we've asked for, exactly how we would accommodate it. If we did confront that situation, we would go through the PBPM process, try to sort out what activities to develop our priorities, and to determine what activities have to be reduced or shed. That's something we have not done yet, and hopefully we will not have to do it.

COMMISSIONER MCGAFFIGAN: Mr. Chairman, I'd only add that -- I agree with everything you said. We will confront this in the PBPM process, and it isn't clear to me that the \$15 million to \$18 million worth of advanced reactor activities, if we were not to get an add-on, could anywhere near be funded; in fact, I suspect we'd do a small fraction of that in order that we wouldn't lose faith with our current licensees.

The staff, last year, in presenting the budget to us, told us that they were really at the bone in many areas. And I know we have squeezed out a few million dollars this year, maybe a million. I don't know what it was in the FY 2001 budget to start the activities in NRR and Research. But most of Research's activities are being funded by DOE, and if we had to squeeze \$15 million out of our budget, I don't think we could do it. So we'll see.

The other thing is we will not know till September what our 2002 budget is. The appropriations process is starting late. There's a lot of other things on the Congress' agenda, and I don't expect we'll have our budget until September at the earliest. So we are going to have to plan 2002 with great uncertainty over our heads.

CHAIRMAN MESERVE: Cordelia?

MS. MAUPIN: Mr. Chairman, this is a question from headquarters. It is a two-part question. Now that the EPA's high-level waste rule has been signed, what are your views on the next step? Two, what does the new Senate majority leader's recent comments about the Yucca Mountain project being dead really mean?

CHAIRMAN MESERVE: Well, as I think many of you may have read in this morning's paper, EPA has promulgated their file rule for Yucca Mountain. I understand it was supposed to be available on their web site this morning. It is my understanding that EPA has not accommodated some of our suggestions to them, that, as many of you, we had suggested a different dose limit for the all pathway standard that was consistent with our license termination rule. And perhaps, more importantly, we had suggested that the rule not include a separate groundwater pathway, in particular a separate groundwater pathway that calls on MCLs.

That being said, that we had had interactions with EPA on the rule and there were other changes that were made in the way of implementation details and which reflected an effort by EPA to understand the issues that were arising in implementation and to acknowledge that fact and to make modifications. So interaction with EPA did not result in a change in some of the very important issues. But more peripheral issues we were listened to and accommodations were made.

We will now have to go forward and the highest priority for the Commission in the Yucca Mountain area will be to move forward on our Part 63. We have an obligation under the statute to make sure that our regulations are ones that implement the EPA standards. And, of course, that is what we are going to do.

I have read in the paper the comments, and the comments are actually from Mr. Daschle, that in a meeting in Nevada he had said something about the view in the Senate as a result of Mr. Jeffords becoming an independent and what that would mean with Yucca Mountain. I am not in a position to be knowledgeable about the affairs in the Senate, but the actual composition of the Senate has not changed as a result of this move. I would be surprised if things were quite as dramatic as Mr. Daschle has indicated, but, again, I don't claim to be an expert on the affairs of the Senate.

COMMISSIONER MCGAFFIGAN: I don't claim to be an expert about the affairs of the Senate either, although I was there 14 years. I think Senator Daschle may not have been fully briefed about the statutory situation that Yucca Mountain is in, namely that if the President makes a recommendation, there is a fast track procedure that's outside his power to deal with. And I'm afraid he also may not have been reading the votes -- although I hate to say that about a new majority leader -- in his own party with regards to Yucca Mountain. So he may have been less than ideally briefed when he made that statement.

CHAIRMAN MESERVE: Rick?

MR. BAUM: Mr. Chairman, this is a question from headquarters. Would the Commissioners also meet periodically with smaller groups?

CHAIRMAN MESERVE: Well, I'm sure we -- let me say that there's been an internal communications theme of many of these questions, and we have not had, as a Commission, had the opportunity to discuss this. My impression of this is this is -- and I'm confident from my past interactions with my colleagues here that this is an issue that all of us take seriously, and that we do want to find ways to improve the communications among the staff and on the staff with the Commission itself.

And there may be a variety of ways we can do it -- the discussion about using the TAs, there's no doubt some things that the Commission, itself, might do in a more formal way. And I think that I, for one, would be open to a wide variety of suggestions in this area, and I think that if there's one message that, to me, has arisen from this meeting is that this is an issue that is important for the Commission to address.

COMMISSIONER DICUS: Yes, I would agree, because it's clearly, as some of the notes I look back over, and so many of the themes and questions do go to the issue of communication throughout many of the comments that have been made. I think we would agree what is an effective way for us to do that, whether it is the Commission as a whole or as individual Commissioners, we'd be able to meet with smaller groups.

But I think we would be very open to whatever suggestions might come forward, and I think it's a topic that the Commissioners we will discuss

among ourselves and see what we think would be some way to do it. But I think it's a good idea, and I think I'd like to see something along this line happen.

COMMISSIONER MERRIFIELD: I'd agree with those sentiments.

COMMISSIONER MCGAFFIGAN: I just might add, Mr. Chairman, that many of us do meet with smaller groups at the invitation of, say, Office Directors or Branch Chiefs. I've met with OGC twice talking to their seminar on -- Sam has had me at one NRR All Hands Meeting, CIO All Hands Meeting. I was invited, too, by Stu Reiter. Mike Webber had me in a small group; Janice Dunn Lee had me down at some seminar they do in International Programs. And I think others have had similar experiences.

I'm not trying to -- so while some of you have helped your staff get access to us on an individual basis, others there's less of that. So you may want to talk among yourselves, some of the Office Directors and Division Directors, as to whether that's a useful thing.

CHAIRMAN MESERVE: Rick?

MR. BAUM: Mr. Chairman, this is a headquarters question. I've heard that the glass doors in Two White Flint North keep breaking, causing injuries to employees. Why aren't they being replaced?

CHAIRMAN MESERVE: It is my understanding the glass doors have broken on three occasions. The doors are made of tempered glass, so the door breaks it's like a car windshield, it breaks into small shreds that are intended to be ones that do not cause injury. And my understanding is, and I may be wrong about this, is that the occasions when the doors have broken it has not resulted in any injuries, that there was -- the occasions that arose from it was somebody pushing a mail cart or something through the door and a collision with the door caused the door to break.

I don't mean to diminish the issue, but I'm not sure that it is a major one, and I think that we do have -- the door is constructed of an appropriate material so as to prevent injury in the event of breakage.

Cordelia, do you have a question?

MS. MAUPIN: Mr. Chairman, this is a question from headquarters. When will NRC employees be allowed to participate in automatic deductions for child care expenses? The federal government has permitted federal employees to save money in child care expenses by making pre-tax payments, but the NRC does not participate in this program.

CHAIRMAN MESERVE: We discussed this a little bit earlier, and I think the factual premise of the question is incorrect. My understanding is that there is not this -- we're not in a statutory position or ordered to use pre-tax dollars to pay for child care expenses, and this is something that would be done -- there may be some statutory changes, I've indicated, that would have to be approved and promulgated but also some action by OPM.

Although, let me just say that this is something, as I said earlier, this is something that is widely available in the private sector, and it is unfortunate that it is not available in the public sector. And if there's an opportunity for the Commission to weigh in with this, we'd be happy to do that. Rick?

MR. BAUM: Mr. Chairman, this is headquarters question. In early May 2001, the Office of Research met with Commission to discuss research activities. The expert panel formed by Research made a presentation and addressed Chairman Meserve's three concerns.

Question one, what were the Commissioners views of the expert panel's presentation, especially panel view and recommendations on having the Office of Research do high-level waste research? And question two, would a SRM be issued on the expert panel's presentation?

CHAIRMAN MESERVE: We did have the benefit of a presentation and also a parallel report that had been prepared by the Advisory Committee on Reactor Safeguards. I think that the SRM did issue on that, and it was an SRM along the lines that we had to have the meeting. And I think there's a reason -- there is certainly a reason why the Commission did that, in that the specific -- many of the specific recommendations are ones with which the Commission will have to grapple in the budget process. And that many of the recommendations had to do with the adequacy of our support for research, what sorts of things we ought to be doing so the natural context in which to have those decisions made and to see the tradeoffs among various activities in the budget context. So that this is an issue where I think we have to stay tuned.

We're coming to the end of our time, but let me see if any of my colleagues want to add anything on the research question.

We'll take one final question, and then we'll terminate.

MS. MAUPIN: Mr. Chairman, this is a question from headquarters. In your opening remarks today, you emphasized public confidence and the need for open communication. Over the past two days, the ACRS has held a workshop on the regulatory challenges facing the NRC and the nuclear industry regarding the licensing of future plants.

Near the end of the workshop, some members from the interested public spoke. They emphasized the public's nervousness about the process of new nuclear plant construction and the need for open, understandable communication from the NRC in this area. What advice and direction would you give the staff as we prepare to engage the public on the topic of future licensing activities?

CHAIRMAN MESERVE: Well, let me say I think that this question goes to the core of something that's an important obligation for all of us at the NRC, in that we have to reach our decisions through open processes so that the public has an awareness of why we made our decisions. It also important, in order to achieve acceptance for our decisions, that we allow public participation, that we have an awareness of the concerns that people have with regard to our activities, all of our activities, not just new construction, so that we are informed in our decisionmaking that are addressing the issues which are ones that are of concern to affected communities.

So I would say that this is something that has been an activity that the Commission has been doing. It will be particularly important in the context of new construction that we engage the public and be prepared to engage the public on the issues that will assuredly arise if these sorts of activities in fact do go forward.

Let me turn to my colleagues and see if they have anything to add.

COMMISSIONER MERRIFIELD: Yes. I would just say that I agree with the Chairman on that. I think in the end when we get new plant orders or

not there will be a lot of issues that we're going to have to address, both the regulatory structure, new items that, for example, Exelon relative to the Pebble Bed project is putting on the table about emergency planning zone, about number of operators in the control room, containment, a lot of very difficult issues that we're going to have to grapple with.

And I think in the end that our mission has, and will always have to be, continuing to focus with laser-like quality on public health and safety. And for us to increase our public confidence while we have to put all the other things in the mix -- economics, Congress' views, a whole lot of things -- in the end, the end result of that has got to be the belief that we're doing the job to protect public health and safety. As long as we maintain our focus on that, I think public confidence will help to come along. Thank you, Mr. Chairman.

CHAIRMAN MESERVE: I'd like to thank you all. This has been a very helpful and interesting session for us up here, and I hope it has been of interest to you. We learned something from your questions, and I want to express appreciation to all of you for participating today. With that, we're adjourned.

(Whereupon, at 12:03 p.m., the All Employees Meeting was concluded.)