UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

***

ROUNDTABLE PUBLIC MEETING ON THE REVISED REACTOR OVERSIGHT PROCESS

St. James Hotel
406 Main Street
Redwing, MN

Wednesday, January 5, 2000

The above-entitled meeting commenced, pursuant to notice, at 6:55 p.m.

P R O C E E D I N G S

[6:55 p.m.]

MR. SPECTOR: Thank you for coming.

My name is August Spector and I'm with the Nuclear Regulatory Commission.

I want to thank everybody for coming. The weather is not very good out there. From a Washington point of view, there is a blizzard outside. I understand here it's not that bad, really. Just a few flakes, is that right?

MS. MARSHMAN: It's easy If you drive slow.

MR. SPECTOR: Tonight's meeting is what we're calling a Roundtable. Since it's a small meeting, everybody will have a chance to participate if they want.

We will talk about the Revised Reactor Oversight Program or Process that the agency is in process of developing. One of the plants in the area is one of our pilot plants and therefore we are having a meeting with each of the pilot plants.

Before we get into the Roundtable part of the meeting. I want to introduce Cornie Holden, Cornelius Holden, from Washington who will give us an introduction to the program and start us off.

Cornie?

MR. HOLDEN: Good evening. My name's Cornelius Holden and I'm with the Inspection Program Branch of the NRC in headquarters.

And so tonight what we are trying to do is meet in the local area and discuss our Revised Reactor Oversight Process, trying to take back some feedback on how people in the area feel or have been able to interact with the new process that we have. Take those comments back and use those as we work to revise the oversight process.

First slide, Augie.

What we are covering briefly -- Like I said, I'll start off and just give an overview of the Revised Reactor Oversight Process. I won't try to go into a lot of detail, but I'll try and hit some of the high points, just as a basis for the discussion tonight and then Augie has questions, nine questions that we used in our solicitation of public comments. We use those to foster some discussion on the topics on the revised oversight process.

First of all, I would like to talk about who we are. The NRC is the Federal government agency that's in charge of regulating nuclear power. We are in charge of protecting the public health and safety in the use of nuclear power.

We are a Federal agency. We initially license the nuclear power plants, we develop regulations associated with them and we also do the inspection process. We have a headquarters office and we have four regional offices. We are associated in this area with Region 3. And Marc Dapas is from our Region 3 office. Steve Ray is the Senior Resident with the NRC at the Prairie Island facility.

So, our inspection process is conducted mainly out of the regional office and we have on-site resident inspectors that provide the day-to-day contact with the facility and the oversight that we have at the site.

I would like to first talk a little bit about our new process.

From this slide you can see that we've had -- There was quite a bit of criticism of our old process; that it was fragmented, it was developed in pieces and it was sometimes tough to navigate through.

So, with this process, we have come up with what we think is a more objective, a more scrutable process, one that will be more visible. And like this slide says, a logical framework, et cetera.

It will also provide us with a standard for judging significance of inspection findings.

[Next slide.]

None of this process really changes our emphasis on safety. Compliance is still a norm that is expected. This process tries to take findings from the inspection program and put them in focus.

It establishes clear thresholds for when the NRC will change an engagement it has with the licensee over issues and as you will see in a little bit, we have defined a Licensee Control Band where the licensee would take action on issues and as those bands change we would get more and more involved and be more and more involved with inspection, in oversight, et cetera.

We also -- I think this process will be a lot more visible in terms of understanding when we change from one band to the next.

[Next slide.]

The key attributes of the program.

We have a Baseline Inspection Program, which is the minimum that we perform at all sites and the program is more an indicative program. Rather than trying to get into the detail on every individual finding, it gives us an indication and allows the thresholds to tell us when we will get more deeply involved.

It also uses performance indicators which are reported to the NRC. They also have thresholds which would change the NRC's involvement on those and there's an action matrix that tells -- that clearly shows when we would be more and more engaged on different items.

In developing this process, we looked at four key outcome measures that we would like adopted.

The first and foremost of course is maintaining safety. That's key to this program.

The others that we have are insuring public confidence and that's one of the reasons we're here tonight is to foster a discussion so that you can understand our process and we can understand where you might have concerns. It also is to help us improve our efficiency and effectiveness and the realism in our processes and decision making, and finally reduce unnecessary burden.

And the key there is "unnecessary" because there is burden associated with regulation. The required burden has not changed.

The next slide, I think I have touched on.

Our old process used primarily inspection results as an input. It was compliance oriented and it was fragmented from the standpoint that we had a SALP, we had senior manager meetings and each of those was developed at a time when it was necessary, but over a period of time they accumulated and were sometimes difficult to navigate your way through.

[Next slide.]

This slide was used as really the principal of our new process and from the very top you can see that the overall mission of the agency is public health and safety.

From that, we have three strategic areas which are reactor safety, radiation safety and security safeguards area.

Then the seven blocks under that we call our Cornerstones and if you can -- if in the use of performance indicators and through inspections you can take each of those cornerstones and have assurance that you meet cornerstone

objectives, then they would build and give you confidence that the strategic performance areas are being met and we're meeting our health and safety goal.

So, this is a pictorial representation that we refer to as our Cornerstone chart, and I'll come back to that in just a minute or two.

Then underneath, there is three topics that we referred to as crosscutting areas. Human performance obviously can affect each of the cornerstone areas. Safety, conscious work environment and problem identification and resolution.

Then below that, the things that we'll use in determining how we're going the -- how we evaluate those cornerstones would be through performance indicators, inspection results, et cetera.

Next.

What will you see out of this?

I'm probably getting ahead of myself a little bit here.

Through the oversight process, there will be public meetings where we'll discuss the performance of the plant and the public would be able to observe that and have an opportunity to provide input.

The performance data that is collected on a site is available through our NRC web site as well as the periodic inspection reports.

So, the findings that go along with that, as you will see in a minute, will all be visible on our web site and I think it make the information that is available a lot clearer.

[Next slide.]

This from the web site and you can see the seven cornerstones up there and this is actually the performance indicators. It's a little difficult to read, but those are the areas that we're measuring performance indicators and those blocks are colored for a reason. They show the significance of where -- the threshold of those performance indicators and how they appear on the web site.

[Next slide.]

The inspections that we have, I already talked about the baseline inspection and the baseline is the minimum that we perform at every site. As we get -- As thresholds are crossed we become more involved through the supplemental inspection and that is where we go in and we do a more diagnostic effort.

We start off looking at the licensee's corrective action in that area and as the significance of the issues rises we get more and more involved through special inspections and diagnostic things, et cetera.

[Next slide.]

In the oversight process, we use inspection findings and performance indicators and we use those through an action matrix which tells us as issues become more and more significant, we get more and more involved or the -- as we get multiple issues, we would get more involved. That is what this viewgraph is meant to depict or is meant to show.

[Next slide.]

From this slide you can see that we have different response bands as we mentioned earlier. The Utility Response Band is indicated by green here. Within that is when we find issues that don't rise to a high enough significance those would be turned over to the licensee to enter into their Corrective Action Program and to be prioritized along with the other things that are in their Corrective Action Program.

But as issues become more and more significant or thresholds through the performance indicators, you would cross into the Regulatory Response Band, where we would get more involved; we would be more engaged with our inspection program; take a look at corrective action programs.

Then through the Regulatory Action Program where we would use team inspections or diagnostic inspections which are large team inspections that look very broadly at the area.

Finally into our Unacceptable Performance area, where our licensee would not be allowed to operate.

This slide really defines those different thresholds that we have. The

green has some risk associated with it, but cornerstone objectives are being met. The white has some minimal reduction in the margin and as you can see, yellow and red go on from there.

We've been involved in a pilot program, a six month pilot program of this new process that began back in May with the objective to exercise the process prior to full implementation. There have been nine sites and Prairie Island is one of those.

We also established a number of outreach programs like this and one of those was a pilot evaluation panel and that was really an expert panel that took a look at the data that we collected as a result of the pilot program and looked at it in terms of what we had for success criteria, and provided an independent judgment of how we were doing. And that will be provided to the commission along with our report on the pilot program.

But that was a rather extensive effort. It involved not only NRC and regional involvement, it had utility involvement, state involvement and public interest groups were also involved.

Their report, I believe, is available on our web site as well. That's recently been issued.

Through the process -- I think a number of you were probable here for the initial meeting in June where we introduced the process. This is the follow-up, the roundtable meeting where we would like to talk about your impressions of how that program has gone.

We have also held public workshops in the development and continued refinement of this on a bi-weekly basis. I mentioned the Pilot Plant Evaluation Panel. PPEP. We've also questioned public comments via the Federal Register notice for interested parties to give us their comments on the process.

[Next slide.]

Future events. Where do we go from here?

Internally, the NRC will take the results of this pilot program and will forward those to the commission for a decision on implementing the program, but we have recommended that -- We believe that we will be ready to implement this revised reactor oversight program and initial implementation the beginning of April for all plants.

We think that we are going to need an initial implementation phase nationally to gather more data on the program, but we think that with the pilot program we have been able to get enough information to make a decision on where we go from here.

We also have -- Next week is our Lessons Learned Workshop for four days in the Washington area to go through specifically each of the inspection assessment, performance indicator areas and gather feedback on those.

So, with that, those are the kind of overview that I wanted to provide. I'll turn it back over to Augie.

MR. SPECTOR: Thank you very much, Cornie.

I know some of you have some questions and we'll have a chance to allow you to ask questions and also give us an opportunity to hear from you.

Before we start the roundtable portion, I noticed some people came in late and I'm not sure who everybody is.

You are?

MS. WESTRA: Heather Westra.

MR. SPECTOR: I'm looking for Heather. I have a seat for you at the table. Have a seat. Why don't you fill out a card.

Was there anybody else that came in late that had received an invitation to sit at the table?

For those of you who are interested, the web site that Cornie was referring to is on the screen. This is the web site. So, if you want to copy that down, you can go right into it and after the meeting is over, we have a computer up in the front and we will show if anybody's interested or doesn't have a computer, the web site. Play with it a little bit and get an idea of what we have on there.

As was mentioned earlier, this evening, what we're going to try to do is

we have a group of questions which are being passed around right now. There were nine questions which we are passing around the room right now.

The way the roundtable was organized is we invited, the NRC invited people who are sitting city table to come to this particular meeting and to participate at the roundtable. We received those names from our public affairs, from our office of public relations, et cetera, to get an idea of who the community leaders were. We actually used the telephone book also to find out.

So, we have people from mayor's offices and I'll not ask you all to introduce yourselves. That's too much. Heather and I had a long talk on the phone and I know Heather.

But we did ask people to come to the meeting and before they came to the meeting we provided them with some information. Some of the same information that we gave to the audience. There's a booklet called the 1649 New Reg and in fact the author is in the back of the room from our Public Affairs Office. And we also gave them information on the web site, et cetera. So, the people who come to the meeting with a little bit of foreknowledge about what the process was about.

So, for those of you who are not that familiar with the process, I hope Cornie's explanation will at least give you a quick overview and we'll try and familiarize you with it while we are here this evening.

What we'd like to do in this roundtable is, as I indicated earlier, is basically for us to gain insight and feedback from you. This time we want to listen to what you all have to say.

We have a court reporter who is taking notes and the for that is so that we don't have to sit around taking notes. He can take the notes and give us a report and we can see what everybody says.

If anybody would like copy of the notes he takes, see me after meeting. I'll get your name and I'll mail it to you within about a week or two. It takes about week and a half for us to get the material. I'll mail it to you directly to whatever address you give me.

We're going to focus this evening on the revised oversight process. I know there are a lot of other issues. We had meetings at other sites in the last month of December and there were issues about environment and trees and all kinds of things. Everybody has different issues wherever you go, but what we're trying to do now is just concentrate on the oversight process.

If there are other issues, there are representatives from NRC, from the regional office, from the headquarters and from Prairie Island. We can stay after and talk about that if you have other issues, but we'll concentrate on this and the framework are the questions that you have.

I'm going to try and moderate the discussion. I'm not a technical expert as you'll find out, but I'll try and moderate the discussion as best as we can and try to get everybody to talk and those people in the audience, feel free. This is a small group.

We want everybody to contribute and try an be as informal as possible.

What we do ask is that if you all could speak up so that the court reporter can hear you. We have the overhead projector running and the fans going and it's difficult for him to hear. And if you'd mention your name that would be real helpful; especially for those people who are not sitting at the table. He at least has the tent card to see the people at the table.

The kind of rule that we have for speaking, at least in the beginning, is we'll start out this way. If anyone has something to say, put your tent card up like this. I'll see it and I'll call on you. You don't have to raise your hand.

After a while I'll get your body language and I'll know that you want to talk and I'll get you to talk. Okay? So, don't feel that you are not going to be picked on. Everybody will be picked, believe me.

The other thing is we want to really listen to what people have to say on both sides and that is what this is all about.

Does anybody have any questions at all?

Yes, Ma'am? Carol?

MS. OVERTON: Questions meaning?
MR. SPECTOR: About the process.
MS. OVERTON: Not about the process.
MR. SPECTOR: Okay. I meant that.
MS. OVERTON: I have questions.
MR. SPECTOR: I tell you what, the way these questions are phrased, we may not go through all of these because after a while we will find out that some of the issues and concerns people have been repeated. So, instead of going through every single question, towards the end we'll find out that we won't be hitting all of them.

But the first question that we have -- and, Carol, we'll get to you. We'll get to you.

The first question is a basic question. I'd just like to open it up.

Do you believe that the new oversight process will bring adequate assurance that plants are being operated safely?

Anyone have any comments on that?

Joseph?

MR. CAMPBELL: This particular meeting is pertaining to Prairie Island only, isn't it?

MR. SPECTOR: Because it's a local area, yes. I mean, this process, the oversight process will be --

MR. CAMPBELL: Do we have anything to do with Monticello? It's another nuclear power plant somewhere else, so what relationship do we have with Monticello?

MR. SPECTOR: The oversight process is being pilot tested at Prairie Island. It has not been tested at Monticello yet.

We are planning to have an initial implementation of this new process later on in the year in April and May of 2000. This year. At that time, our plan is to have similar public meetings for the other sites sometime within the first few months of the initiation of the pilot process.

So, we're going to concentrate on the oversight process, but in the context of the Prairie Island experience because that's where we have the pilot experience with. At least for the local people.

Tomorrow night, for example, I am going to Fitzpatrick up in New York State. I heard they have more snow than you, but that's another story. We'll do the same thing in the context of that.

I don't know if I answered your question.

MR. CAMPBELL: No, that answers part of that.

MR. SPECTOR: Sure.

MR. CAMPBELL: But another part of that question is, there are nine places that have been picked for the pilot projects.

By what criteria were they picked and what rating is NSP at in that line, or order of plants?

I'd like to get an idea of what's going on with that.

MR. HOLDEN: Let me try and answer that.

When we went to pilot this new process we tried to pick a spectrum of plants both on age and performance to take a look at this process because we didn't want to pick a group of plants that would not be representative of all plants in the nation. So, we tried to pick plants that represented both good performance and performance that wasn't that good and plus the plants, different types of plants, PWRs, BWRs, that type of thing. We looked at a spectrum of plants and we picked two plants within each region when we did that. That allowed us to exercise the process in the region and at those sites within the region.

MR. DAPAS: I work in the regional office. We worked with the industry in coming up with those plants. It was a cooperative effort. It wasn't just NRC people designating plants. We asked the industry to provide us with those plants that they desired to participate as part of this pilot program, recognizing we were looking for a spectrum of plants in terms of overall performance as well as reactor design and so that as Cornie said we encompassed a full range and got the most representative sample we could

before we made a decision on the full implementation we got the information we could, before we made a decision whether the program would work at all the sites.

MR. CAMPBELL: The other question is where is NSP in this spectrum from one end to other end? I mean, if you're talking about from not so good a plant to a good plant, where is NSP?

MR. DAPAS: I can comment on that.

I don't know if you recall the Systematic Assessment of Licensee Performance. That was a process that we had in place that we used to evaluate licensee performance and we used that to allocate inspection resources and Prairie Island under that process was considered a better performing plant.

When suspended that process we continued to implement an assessment process called a plant performance review which has some similarities to the SALP process, but it was basically our means of assessing overall performance and Prairie Island continued to be considered one of the better performing plants in the region.

Quad Cities, which was a Commonwealth-Edison plant was one of those plants. We looked at plants in terms of performance quartiles and that was in one of the lower quartiles at the time.

So, to answer your question directly, Prairie Island was considered a better performing plant. Upper quartile in performance.

MR. SPECTOR: Let me ask Carol. Carol had a question.

MS. OVERTON: I do find this format constraining.

I would like to know more about the pre-established criteria, success criteria, in evaluating this program.

MR. SPECTOR: Pre-established success criteria?

MS. OVERTON: And I wonder where the comma is and where the pause is there.

MR. SPECTOR: Right. I'm with you.

In other words, we have some established success criteria for the program. Otherwise, how do we measure the job that we've been asked to do.

Cornie, I think you can --

Excuse me, but that by the way is on the web site.

MS. OVERTON: Yeah, I tried to get in there and that's what --

MR. SPECTOR: Okay.

MR. HOLDEN: I'm not going to be able to give you all of them, but within like the performance --

We separated it up into a number of areas. I think performance indicators was one area, inspection process was another, the assessment process was a third. And within those --

To give you a feel for the success criteria, like with performance indicators, there was a concern could they be reported in the required amount of time. And the idea would be that those performance indicators would need to come in so that they could be factored in quarterly with the new assessment process, but if it takes a long amount of time to generate those that it wouldn't be timely. That was one.

There were others on inspection resources, I think, was another one.

MR. DAPAS: I think I can help with that.

MR. HOLDEN: There was one about the scope of the inspection and the estimated number of hours that would be required to ensure that a particular inspection modual objective was met and was reasonable. We received feedback from actual inspectors that's been out in the field and tried to conduct the inspection and tried to make an overall determination that inspection objective was met.

So, there was criteria that was within the 10 percent of the estimated number of hours. For example, the one that measured performance indicators. Specifically the NRC obtained the information that we needed from the performance indicators in order to be able to assess overall performance in conjunction with the findings we had from our inspection program. I think that was one.

Another criteria was could the licensees provide performance indicators

within a set period of time and then could we make those available on the web site within a set period of time.

Those types were some of the criteria that were used.

As Cornie mentioned, this pilot plant evaluation panel, that consisted of a number of representatives from stakeholder groups provided recommendations and overall conclusions on whether those criteria were met.

Some of them were a bit subjective. They were not all objective like the examples I gave.

For example, one of the criteria might be did the baseline inspection program address all the areas that are necessary to ensure the plants are performing safely.

MS. OVERTON: Is there an informal --

Is the jury in on this?

MR. SPECTOR: Not totally. We are still in this process.

MR. HOLDEN: The pilot finished the end of November. The pilot plant evaluation panel met through the pilot and had meetings, I think in December and issued our report. So, that piece of it is done, but now we need to take all that information and also put it together in a report to the commission and make our recommendation to the commission to go forward with full implementation; to report to them on what we need to do either in the short term or the long term, to continue to make improvements; to report to them on what we have learned through the process.

MR. SPECTOR: In fact, this week it ended. This afternoon we had representatives in each regional offices who was involved to discuss these issues. Next week we're having a workshop, a public workshop in Washington for about four days to discuss this and get input from the utilities and other interest groups.

MR. HOLDEN: The public and the states.

MR. SPECTOR: Public interest groups, Union of Concerned Scientists.

So, no, the jury is out and it will be least for a little while until we can get our report done. Hopefully by the end of this month or by next month.

MR. DAPAS: Just to add to that, as Cornie pointed out in one of his slides, the new process is intended to provide a collection of essential information in key areas and while the pilot plant evaluation panel weighed in and provided their views on whether that particular aspect of the program is satisfied, we're receiving feedback from our inspectors on a continuous basis which will be integrated with the recommendations from the pilot plant evaluation panel, as well as input that we received through these meetings and other forums.

As Augie indicated, we are assimilating all that feedback and then we have to go before the commission and make an overall recommendation as to are we ready to implement this program fully at all sites in the April timeframe.

MR. SPECTOR: I think Joan had her card up first.

MS. MARSHMAN: My question is: we know how the plants on the high end, high performance end are doing. How are the plants that did not have as good a performance rating before, how are they being judged on this? Are they -- Is everything going to be taken into consideration? Any events that could happen, will they be caught?

MR. HOLDEN: Let me try and answer that.

As part of the development of this we also did a feasibility study. We took some recent problem plants and we looked at if we got the information through this new oversight process where would we come out. Those feasibility studies told us we would come out in about the same position we were. That we would be able to identify them as poor performing plants through this process.

So, we have not had significant events at the pilot plants. We've taken events in other plants and run them through our process to see where we would come out via the events because this process, I probably didn't mention, it still has an event response piece to it so that we believe we would come out in a similar position that we would, today. We would be able to identify degradation in performance and our reaction would be similar.

We still have the same regional office organization, we still have the

same inspectors and some of our harshest critics are from the region with this process. They have been giving us quite a bit of feedback. So, that was part of the meeting this week is to go through that.

MS. MARSHMAN: Have they improved? Any of the performance of any of the plants either good or bad plants, has it improved?

MR. SPECTOR: Well, let me use an example. The question is has it improved performance.

With the performance indicators that are being reported in about 20 different areas, along with those we have thresholds that say, if performance goes --

And I'll use reactor TRIPS.

MR. HOLDEN: I have an example. A chart.

MR. SPECTOR: I'll just talk though an example. Reactor TRIPS.

The green/white threshold in that is three reactor TRIPS. We know that, you know that, the licensee knows that. They know we will be more engaged.

Now, it's in their best interests to manage the plant to reduce those. It costs them money, too, when they trip.

But the idea is it's a scrutable process. It's objective. It's known what the NRC response will be in those areas.

That doesn't mean we won't look at what the cause was for the first two TRIPS because we have on-site inspectors, we're still doing a baseline inspection process, but that our reaction doesn't get triggered until you cross the threshold.

Now, events is a little different process in that we do have triggers within that that will get to us respond to events.

MR. DAPAS: If I could add, I think you asked has the new process resulted in improved performance, right?

And just to talk about a fundamental concept under the new process, the new process is a vehicle to allow the NRC to obtain the information the NRC needs to evaluate performance in a given plant. Whether there is improved performance is largely a function of the programs that the licensee has in place; the Corrective Action Program, the programs they have for identifying problems and then of course correcting them.

We wanted to look at what is the appropriate threshold where we would engage a licensee and take more significant regulatory action and require like a response, let's say, for a violation or we would initiate special inspections to do more detailed look at that particular issue.

What is that threshold?

Above that threshold, licensees are responsible for identifying and correcting their problems. They are of course below the threshold, but the key is we don't involve ourselves and dictate in what timeframe the licensee most correct the given problem. It's called the Licensee Response Band and that's where Cornie talks about the green to white threshold; that's the difference between when does the licensee have the latitude to address an issue within the timeframe that they deem appropriate, given the issue significance and when do we the NRC want to weigh in and require maybe response. And it's a graded approach, depending on the significance of the issue.

So, the point I wanted to make is that the new process is not intended to drive improved performance, the new process is a vehicle for the NRC to obtain information to determine to what degree we may or may not need to engage a licensee. I wanted to make that distinction.

The onus has been under the old program and continues to be under the new program for the licensee to control activities at the plant and ensure they are operating safely. We're just monitoring that and ensuring that we engage at an appropriate level.

MR. SPECTOR: Is that okay, Joan?

MS. MARSHMAN: Yeah.

MR. SPECTOR: George?

MR. CROCKER: Thank you.

My name is George Crocker. I'm the Executive Director of the North

American Water Office which is the project sponsor of The Prairie Island Coalition which has been very engaged in a variety of nuclear issues for 10 years or more with it. I have some comments and concerns more than questions here. You said you're interested in some feedback and I believe I have some for you.

I would like to begin by saying that this is not a casual comment. It's not based on a whim or system of beliefs, it's based on a lot of experience that we have had dealing with the NRC with the licensee here at NSP. I have -- The North American Office and the coalition do have a couple open proceedings pending with the Nuclear Regulatory Commission, so we have been involved, we have been engaged with the process.

A lot of my knowledge comes from reviewing internal nuclear documents, documents in the course of Northern States Power Company/Westinghouse lawsuit. The Prairie Island Coalition reviewed over a million pages of internal documents that previously were not before the public at all because of proprietary and protective orders that the courts had issued in these lawsuits. We secured copies of over 60,000 of the more incriminating pages. So, I'm saying this for the record so that you do understand at the NRC that it's not a casual comment; that it's not just Crocker ranting at the mouth; it's not based on a belief system; it's based on knowledge and experience that is very, very troublesome to me.

To go through these questions one through eight, the answer to each of them, each of them, is a resounding no. A resounding no.

MR. SPECTOR: We're going to try to go through each one.

MR. CROCKER: I know, and I want you to understand, you know, why -- that I am saying this up front and so you know where I'm coming from and that it's not based on a religion, right, it's not based on a personal thing, it's based on an experience and knowledge that we have had over a long period of time.

I think we can bring it down to one of the sentences on Page 8 in the second column of your book, where it says, how this oversight program differs from the current system. The first sentence says, the current inspection program, prior to -- I'm assuming prior to this pilot process, but the current inspection program was designed to regulate an industry that was more likely to experience performance problems than is currently the case.

I believe that forms the fundamental assumption for all of this change that is going through. Okay?

What I am here to say in the strongest terms that I can possibly say is that is a bad assumption. It's a terrible assumption. It's an assumption that assumes that as my car gets older, it operates better.

It's an assumption that says that as equipment ages, equipment that is subject to a variety of degradation modes that we know nothing about, that the NRC itself acknowledges it knows nothing about in terms of the degradation of environment that are stressed in a reactor environment. Where we don't understand the brittlization problems, don't understand the fatigue problems, we don't understand the metal stressing problems that are going on. It assumes that the equipment over time will operate better rather than worse.

Now, I understand the argument that says we have more experience and we have more knowledge and we have a deeper history to draw on you. I understand that, but that doesn't cover the potential failure of the technology.

And so that leads to the question --

I'm going to go just a little further and then stop and come back at it again after other people do.

But in my mind that leads to the question of what is going on here. And I think it's your Number 4, which is driving it. It's the reduce --

And I would differ with the unnecessary regulatory. I would say reduce regulatory burden to allow reactors to compete in a more competitive energy market.

Then we look at the purchase of some 20 reactors by these Brits. Amergen, which is the British companies, along with the Pennsylvania utility. PECO. They now own about 20 percent of the US reactor fleet. They bought it

in some instances for less then the real estate was worth on those sites.

Now, why is that?

Well, it's because market forces are driving the people who own those licenses, who operated those plants, to get rid of the liability associated with them and so they got rid of them, they sold them very, very cheaply and in the process --

So, why would these companies buy them? Why would Amergen buy?

They reason they're going to buy it, the reason they did buy it is because they see this kind of regulation coming on and they see the window of opportunity that they have to grind kilowatt hours out of these plants while you guys go through your process and you figure out, oh, are they performing this quarter and this quarter and next quarter.

And at some point they'll figure, okay, it's time to cut the loss and then the real harvest kicks in and they are betting that you guys at the NRC will do the same thing to standards for decommission that you tried to do the for standards for Yucca Mountain. In other words, accommodate the site. Then they'll harvest the decommissioning crops. They're going to take hundreds and hundreds and in some cases thousands of millions of dollars per site which is now already accrued and they're going to come up with a cookie-cutter approach to decommissioning and boom, boom, boom, they're going to walk away from sites at a couple hundred million dollars a crack and that's the profit for them.

That's what I see is going on here.

Now, one of the pieces of support for that and I'm just going to say this and I'll shut up, has to do with the report that came out of Reuters News Agency on December 15th, which was reporting on NRC spokespeople talking about how the NRC in this brave new world of deregulation will withhold certain kinds of information and specifically information pertaining to maintenance shutdowns at reactors, because if they released that information about maintenance shutdowns it will affect the price of replacement power in a deregulated market.

So, rather than as you're suggesting, that this is a process that provides the public with more information, well maybe more pseudo information, but in tems of more real information that goes to the heart of how these reactors contribute to the safe delivery of electric utility services, it's a scam. It's an attempt to shield these reactors from market forces and allow them to continue while those who own -- have ownership stakes make money.

MR. SPECTOR: Marc?

MR. DAPAS: I think one of the tenets of this meeting was to provide feedback and I certainly appreciate the feedback you provided. And I don't want to get into a point/counterpoint discussion.

MR. CROCKER: I understand and that's not my point.

MR. DAPAS: Nor mine either, but there are just a couple items that I think would be of benefit to everyone to address.

The comment about overall industry performance not improving. We have looked at what we think are some objective measures that; performance indicators, number of events. There's a program called The Accident Sequence Precursor Program, which looks at -- You have a certain set of conditions and what is the overall safety risk with that given plant configuration.

I think that we've seen across the board improved industry performance due to a more mature industry.

I certainly appreciate your comment about as equipment ages, degradation mechanisms and that certainly is one of the main issues we are looking at as part of license renewals. I think that licensees have implemented some aggressive programs to try and understand those degradation mechanisms, but the bottom line here is we are not seeing increased incidents of significant events that result from degraded equipment performance.

So, that's one of the criteria that we're using to try and make an assessment of is industry performance improving.

That gets to this unnecessary regulatory burden. You can clearly debate what's unnecessary versus what's necessary at that threshold, but the bottom line here is the that with improved industry performance, you can argue

whether you agree with that, but is the current set of restrictive regulations imposing an undue burden on licensees.

MR. CROCKER: I understand and --

MR. SPECTOR: I'm going to have you go after some of -- after Kristen and Heather and some of the others.

MR. CROCKER: Before I forget, I do have a comment on the very last question you have.

MR. SPECTOR: Could you hold off on that?

MR. CROCKER: I will hold off on that.

MR. SPECTOR: Thanks.

MR. CROCKER: Right to this point. I would argue that your measure of performance is not looking at what you need to look at.

In other words, if you're looking at whether or not this plant shuts down as your measure of performance, by the time that tells you what you need to know, we're going to be blowing up steam generators. Okay? That is my concern with this.

If you were looking at a different measure of performance, I bet you'd find an entirely different set of circumstances. I would bet you'd find tremendous degradation. I bet if you were to go and look at the leakage rate per steam generator and each of the reactors in all of your pressurized water reactors. Go look at the leakage rates.

Because I know that how you measure the leakage rate is the radioactivity in the secondary water. I know that. You look for spikes in that and when you see a spike in that, you know you've got a bleeder in there and then you know you have to shut down if it's bad enough, you know, and you've got a rate that says okay, it's okay if it goes this far. We see a little spike here. Let's see if it settles down a little bit and it's okay to leak at a certain rate per minute of this radioactive primary water going in there.

Well, if you were to look -- use that as an indicator of performance as opposed to whether or not you reach the point where you arbitrarily determine its bad enough to shut down, you'd find something different, you see, and the problem is these tubes and all of them are experiencing cracking that you don't understand; the circumferential as well as the actual. That cracking at some point is going to cause simultaneous multiple tube ruptures. Because each of these tubes, they're all as old -- you know, the same age, they've all experienced the same type of stress for the same time.

And so you ask the question, well, you're driving down the road and your radiator goes. Why did it go at Mile A instead of Mile B? Well, it just did. Right?

That's what you've said when you're looking at the kind of indicators that you're looking at now. That's what you're setting up to happen. Then we all go, oh, how could it have happened?

Well, I'm telling you right now that it's going to happen unless you do the analysis differently. I've got some suggestions on how to do it and I think you ought to really get smarter about how you're doing it.

MR. SPECTOR: To get things moving with others and we will get to some of those suggestions.

MR. CROCKER: We are moving now. We finally got moving.

MR. SPECTOR: Good, good.

MR. CROCKER: Just ask anybody.

MR. SPECTOR: Heather and Kristen? You guys choose.

MS. EIDE-TOLLEFSON: I'll go first --

MR. SPECTOR: Okay.

MS. EIDE-TOLLEFSON: -- because my comment on the first question is related to George's, but takes kind of a different approach. I, too, noticed that the fundamental assumption of those was the increased performance, which I really don't have a lot of knowledge about, but what I -- I did make a distinction when I was looking at that question between the context of plants that fit the description of that assumption; that there is a better overall performance. And then plants that are going to be in transition as plants

begin to change hands and deregulation creates a whole different way of marketing and different ownership and management opportunities of plants.

I brought this up actually at the last meeting, so when I thought about this question, my concern had to do with NRC's function in Educating, monitoring plants that are not being owned and run by the same people who have had these performances.

I'll just leave it at that. It's not a question, it's a comment really, which I raised last time too.

MR. SPECTOR: Any comment from anyone from the NRC on that?

MR. DAPAS: I seem to recall that from the last meeting.

I understand your point and I provided an answer the last time. We looked at the performance indicators, the inspection program. It's independent of who owns and operates the plant or the experience level.

We go out and observe a maintenance activity and the problems with that maintenance activity and those are significant problems. We assess that --

MS. EIDE-TOLLEFSON: I understand that. I'm talking about the assumption of the level of experience and accumulated experience coming up against a whole new group of people coming in.

You answered me last time. I just --

MR. DAPAS: There's another important point to make, though, I think, so that we don't get too caught up in the debate about whether industry performance has truly improved or not.

The new program looks at risk significance. That is one of the determining criteria when we look at overall assessment of licensee performance. If there's a particular activity, we look at is that a risk significant activity and that's one of the criteria we use in evaluating whether that is a significant inspection finding or not.

So, independent of whether you think true industry performance has improved or not if we are looking at a maintenance activity at plant X, we look at what is the risk significance of that activity. That is the threshold. It's meant to be more objective because in the past it was thought that we weren't using objective criteria and that was imposing an unnecessary regulatory burden.

I don't know if that helps any.

MS. WESTRA: Now, I frankly am concerned with the panel of experts that are involved in this oversight process and who they are, how they were selected and if you could, discuss the report, the findings and the recommends that they made.

MR. HOLDEN: Is your question in the development of this process or in the review?

MS. WESTRA: Well, both.

Who comprises the panel and what are their recommendations? What does the report say and what recommdations have they made with respect to this process.

MR. HOLDEN: In terms of the Pilot Plant Evaluation Panel, the makeup of the panel, it was chaired by a division -- a deputy division director within headquarters. It involved typically division directors from each of the regions. So, each of the regions had a senior management representative on that panel. It involved -- several utilities had a representative on it that were in the pilot process. It had -- I think the State of Illinois had a representative on it, Union of Concerned Scientists.

MR. SPECTOR: David Lockbaum.

mR. CROCKER: Excuse me, David was on it?

MR. SPECTOR: Yes.

MR. HOLDEN: That's the composition of the panel.

MS. SPECTOR: Can I just throw something out?

MR. HOLDEN: Um-hum.

MR. SPECTOR: This particular panel from a bureaucratic standpoint was an independent panel, similar to our ACRS if you're familiar with how we do things, but it was kind of an independent panel. So, they were -- We were all at arm's length away, so to speak. So, they had special authority where they

could go in and ask questions, interview people, et cetera.

MS. GRAHAM: There were NRC representatives on the panel?

MR. SPECTOR: Oh, yes.

MS. GRAHAM: When I saw that on your web site, I wondered -- To me, independent doesn't mean the NRC is part of the panel.

MR. SPECTOR: Believe me, they're quite independent. Independent from a regulatory point of view. Similar to our ACRS and some of our other panels that we have within -- All government agencies have certain panels like that that look at specific issues.

MR. HOLDEN: Now, in terms of the findings of that panel, I have read the report and I think in most areas they make some recommendations that we would need to look at, particular areas prior to full implementation or prior to initial implementation in April.

I think it's safe to say there are some general conclusions, that they felt it was -- we had gained sufficient information and could go forward with initial implementation at this time with some caveats in there. And there were some dissenting opinions presented in that paper, but I couldn't really do them justice tonight off the top of my head.

MS. WESTRA: Will that report and the recommendations be presented to the commission as well?

MR. HOLDEN: Yes. The commission paper will include that report and a staff response to it.

MR. SPECTOR: That's one of the attachments.

We have some other people.

Jeff?

MR. HAUSBRICH: Jeff Hausbrich from the City of Red Wing.

It seems to me we've kind of gotten a little bit off the track of this first question a little bit and kind of talked about much of the details or the minutia of some of the things that people don't like, but I think for purposes at least of this first question, I think we need to address this.

Is this process one that we see as one that can work? Is the new process something that will work to provide a safe operating environment for our residents and neighbors of the plant and the workers, everything?

I think in my opinion the idea of focusing on the more critical issues and I do believe there are some unnecessary regulatory burdens that can be eliminated or certainly reduced. I think when you focus on the more important issues and regulate the issues that actually affect people, then, yes, we are developing a better program. I think that is certainly a laudable goal of the NRC or frankly any governmental regulatory agency.

I think in some respects when we attack the minutia of a program and refuse to talk about the general program, I think that is in a lot of ways just kind of the old misdirection type of play. We don't want to talk about the bug program, so we attack little pieces of it that we don't like and I think frankly that that's just kind of sidestepping the main issue.

I think the main issue is can this program and this new course of looking at the more critical analysis and looking plants that have problems more closely than plants that don't have problems, still looking at the good plants but when you get a problem plant, focusing more of your energy on that problem.

To me it's just common sense. You put more of your efforts into a place where you have your problem. I think all those parts of this plan are things that the NRC should be doing and I think are good parts of the plan.

MR. SPECTOR: Since you brought that up, let's go to Question 2.

MR. FREDERICKSON: Before we leave Question 1 --

MR. SPECTOR: Okay.

Could I ask you to stand and tell us who you are?

MR. FREDERICKSON: Sure. Mark Frederickson from Rochester, Minnesota.

MR. SPECTOR: Thank you.

MR. FREDERICKSON: The concern I have with Question 1, I think does speak to the big issue. It speaks to what I see is fundamental assumption that's somewhat written into and inferred in the question itself.

Do you believe that the new oversight process will provide adequate assurance that plants are being operated safely.

To me that assumes that there's a baseline data there that tells us what "being operated safely" is.

My concern and question is, that after 50 years into civil non-military nuclear power, we indeed don't have that baseline data. Until we do serious comprehensive health studies of communities surrounding plants and until we start to track some of the pathways that the routine releases of radioactive emissions -- until we track those pathways into the biosphere, into plants, animals and humans, we don't have that baseline data to know if we are operating these plants safely.

So, that would be my concern with Question Number 1. There's a gaping hole in that big question of whether we are opening them safely.

MR. SPECTOR: Okay. Thank you.

The second --

Okay, but I want to move on.

MS. OVERTON: I thought part of this was for feedback.

MR. SPECTOR: It is, but I'm trying to track to the purpose of it.

MS. OVERTON: That's again why I feel constrained because we're constrained to these things.

I'm having a problem, because I haven't been able to talk for six weeks now.

I believe we need to address part of what the driving force behind this is and what the unnecessary regulatory burden is that keeps coming through. It comes through in pamphlets that came out.

And it is the NRC's job to regulate. That's what the NRC is here to do. And electricity is a regulated industry.

So, the assumption that there is this unnecessary regulatory burden --

Well, you know, exactly what is that when you say, unnecessary regulatory burden? What does that mean?

MR. SPECTOR: That's a good question.

Marc?

MR. DAPAS: Maybe I can an attempt to address that by way of example.

Let's say there's a maintenance mechanic that worked on rebuilding a pump and one aspect of the procedures that individual didn't follow, but there was no consequence to that; the pump was returned to service, the pump worked when it was tested. There would have been no impact other than the event.

In the past, you could a violation for failure to follow a procedure because you could tie it into a requirement that the licensee will have procedures for certain activities and those procedures will be followed.

We would write a violation and it would require the licensee to responds to us within 30 days detailing corrective actions from A to Z.

Under the new process, when you bring risk into play, what is the safety significance or risk significance of failing to follow that particular aspect of a procedure. It is within the licensee's response band. Meaning they would put that issue into their own Corrective Action Program and address it.

That issue needs to be addressed, but we are not dictating the timeframe that the licensee addresses that issue. They would address it commensurate with the importance of the issue and they may elect to address that issue by revising training and ensuring that the individual understands the importance of following the procedure. But, we don't impose the timeframe.

So, the issue we expect to be addressed, but the unnecessary regulatory burden came in where we would dictate how the licensee managed their resources to address issues of their own safety or risk significance.

The issues that clearly impact and call into question operational safety, we get very involved in and are very engaged.

So, maybe that helps illustrate the concept by example.

We are not abrogating our regulatory responsibility. You're absolutely right. We are --

The congress has mandated that we ensure that nuclear power is used safely to produce electricity. So, we take that obligation and mandate very

seriously, but it gets into, you know, what is the level of burden that you're placing. That's the example I would use to illustrate that.

MS. OVERTON: Then with that example how do you know that it doesn't have an impact until it has an impact?

It seems to me to be decreasing the level of regulation and then hoping there won't be any consequence. You don't know if there will be or not.

MR. DAPAS: You're absolutely right. If the licensee didn't address that, failure to follow procedures, there could be more risk significant activity that that individual is involved with. So, there is a premium being placed on licensees addressing those type of issues and we'd come in on a sampling inspection and ensure that issues like that have been addressed, but we don't --

But that specific example under the new program, you know, we're not issuing a violation and a 30 day response time. The licensee may put that into their Corrective Action Program and address it within 45 days. If they don't address that, then under the new program we would expect --

Failure to follow the procedures, which would result in equipment not being available could evidence itself in performance indicators Or other inspection findings that would have greater risk significance, then we would get more involved.

MR. HOLDEN: Let me try to answer briefly and then we will move on.

I think our past process, it was difficult to tell how significant this fail failure to follow procedure was. Our response was always to overwhelm.

MS. OVERTON: Too much.

MR. HOLDEN: Yeah.

And that was the criticism and that's why we have in there, reduce unnecessary burden. It's being able to tell the significant from the not significant and allowing the corrective action process, which they are required to have, the licensee is required to have, take care of those lower level issues and we'll raise -- we'll continue to raise those issues and look at them through our problem identification and resolution to ensure sure they are there.

MS. OVERTON: Don't you believe they will be become more and more lax as to --

MR. HOLDEN: Within each inspection procedure within the new process there is a piece looking at this problem identification and resolution. So, we think that we will capture those type of issues when we go out and we're able to identify those problem. Like you said, if there's that fear that those won't be corrected or won't be reported.

I mean, we have not changed the regulations. They are required to do that. And we'll go in and we still look in those areas. It's just how do we handle those things that as they come up are less significant. Do we need the same response for each of those individual items or can we take this graded approach where we'll engage more on the significant issues and allow the Corrective Action Program which is required by regulation to handle those lower levels.

MR. SPECTOR: The next question is related to that and kind of goes off what Jeff was saying.

Do you believe the new oversight program will provide sufficient regulatory attention to utilities with performance problems.

That kind of relates.

I think you had something, Kristen.

MS. EIDE-TOLLEFSON: Yeah, my question is on that second question.

In reading in the matrix of comments up on the page, I noted that there was a piece of information that the commission recommended that the staff not continue with some kind of project called an RES that examined cumulative impacts of lower safety risks or problems of lower safety significance.

Can you tell me a little bit more about that and how staff, you know, feels about that? Isn't there the potential, like Marc was talking about in Carol's question of something that is low risk a time line not applied to becoming a bigger problem cumulatively?

MR. HOLDEN: Historically, I think the basis of that comment from the commission was a concern that though the SALP process we would take individual items or in the old enforcement process and we would accumulate a number of low level issues and then represent that as that creates for us a bigger concern and the commission, I think, in their direction to the staff was trying to say the enforcement process has changed and we won't do that and this process should not either.

Now, much of the feedback that we've gotten from the region on that deals with that type of issue. You know, where we have got low level issues and shouldn't they somehow raise up.

MS. EIDE-TOLLEFSON: The staff must have lots of experience with that sort of thing and the interaction of that sort of thing.

MR. HOLDEN: Right. And so there's a history within the staff of dealing with those problems. What we are proposing in this change in our revised oversight process is we believe that those issues if they are significant, will result in performance problem that will cross thresholds.

MS. EIDE-TOLLEFSON: Oh, I don't know. I find that a little disturbing.

MR. HOLDEN: Now, that doesn't mean that we're walking away from that, it just means that we are not engaging -- and that was the conversation we just had -- We are not engaging on an individual level on each of those to go out and do further inspections to understand all of the ramifications of that, because that's in a Corrective Action Program. That is in the review that the licensee does.

And we come in on an annual basis and we'll look at those and we'll pick the ones that are -- that we need to take a representative sample, which we think this program does, of both their items and the items that we've found and look to see if those actions have been effective in resolving those problems.

MS. EIDE-TOLLEFSON: I hope that the staff and the NRC consider the time-line problem and the time-line issue. That seems to me from the perspective of the public to be a fairly critical shift.

MR. HOLDEN: Okay.

MR. DAPAS: I can assure you, I've gotten a lot of feedback on the aggregation of lower level issues and when do you reach the threshold where you should engage the licensee and we've focused on not addressing individual issues. So, you have a friend and there's been a lot of discussion.

MS. EIDE-TOLLEFSON: So, that's an active question?

MR. DAPAS: Oh, absolutely.

MS. EIDE-TOLLEFSON: Good.

MR. SPECTOR: I believe it was on this question, but Joan, did you have a question?

MS. MARSHMAN: Somewhere the licensee responds. You have a licensee respond to a particular problem or situation.

How do you they respond? If you're leaving it up to the licensee, do they have to respond back to you or is there just --

MR. HOLDEN: The licensee has a Corrective Action Program and in order to get credit for that, they have to enter that in their Corrective Action Program.

MS. MARSHMAN: Okay. So, there is a reply to --

MR. HOLDEN: Right and that's documented and it's a number, it's tracked and we can go back and look at each of those.

MR. DAPAS: And on an annual basis, we conduct an inspection called a Problem Identification and Resolution and we look at the Corrective Action Program and we pick a sample of issues that were within the licensee response band or green band to determine how did the licensee address those issues

We didn't require a formal response when the issue surfaced it if was within the licensee's control to determine what timeframe they wanted to establish to address that issue; then we could come in and on a sampling basis look at that.

That gets to the health of the Corrective Action Program. This program is premised on the Corrective Action Programs being healthy at these

facilities, meaning licensees are identifying and correcting issues. Low level issues.

MR. CROCKER: I think nobody is trying to get in the way for doing the kind of common sense procedural direction. That's not what this is about. There clearly are opportunities in the big picture to get more efficient. We understand all that, but the reason --

You know, back to the big picture issue. It is what are you defining as your performance. I mean if your definition of a performance criteria is a SCRAM, an automatic shutdown due to some unforeseen event --

You know, if the performance indicator that you're looking at is something more sophisticated then no, I don't see that the indicators that you're look at will tell you what you need to know to be safe.

That is why the answer and in the big picture is this question is, no.

MR. SPECTOR: Okay. Thank you.

Another question, just to move on. This question I think covers the next three, four questions that are on the list. To kind of combine things.

Is the information provided by the NRC appropriate to keep the public informed of our activities?

Now, what we're doing is we are providing information on the web because now we have this new vehicle of communication. During the pilot program, we've been doing it on a monthly basis and when we have the full implementation we'll do it on a quarterly basis.

But we'll have information on performance indicators, et cetera, on each of the sites. All of our inspection reports will be on the web site. They are, now, if you look them up on the pilot plants. All of the summary of inspection findings will also be put up. Background information. All is staff papers, et cetera, background information is on the web site. All this information previously was available through the public document room that the agency, the government, provides, but it's been difficult to get to the public document room for a lot of people. So, now we are actually providing this information.

I know that many of you have already looked at some of that information and the nature of this question and the next couple questions is is this information the kind of information that's useful to the public. Are you getting anything out of it. Should there be more information, less information, any information.

Anybody have any comments on that? Heather?

MS. WESTRA: Just a question.

Besides the internet and the library, how can we get information because, I mean, even though a lot of people have the internet, I don't think everybody has it.

MR. SPECTOR: That's right.

MS. WESTRA: And sometimes it's not convenient for folks to go to the library. So, how can they get access to these materials and become informed?

MR. SPECTOR: Well, we have someone from our Public Affairs Office and they could help us out a little on that. We do have information through the public document room as I said and you can request that and it will come to you. It's not as quick and instantaneous as the internet, but that information can come to you.

MS. WESTRA: I was just kind of wondering, you know, maybe you -- I mean, the newspaper is something that a lot of people read, and perhaps publish some of the findings there. I don't think the internet is the be all, end all way of getting information.

MR. SPECTOR: So, you're suggesting that possibly we consider asking the newspapers to publish it, certain kinds of information such as inspection reports, findings and things of that sort?

MR. LICKUS: Augie?

MR. SPECTOR: Yes.

MR. LICKUS: Roland Lickus.

The other way's already been mentioned, but I just re-mention it is that we will still hold annual meetings in the vicinity of each of the sites to

discuss the performance of each of those plants over that last year's period, so that people will also be able to come to these public meetings and hear discussions between the NRC and the licensee about historic performance.

MS. EIDE-TOLLEFSON: Our Department of Health here has a mailing list for which they mail out the annual reports and I find that really useful because it's something I'm concerned about and I would not remember every week or month or every quarter to ask the Department of Health for this information. It's very helpful for me to have it simply come regularly because I've indicated an ongoing concern.

MR. SPECTOR: So, the local department of public --

MS. EIDE-TOLLEFSON: Minnesota.

MR. SPECTOR: Minnesota sends out information to a --

MS. EIDE-TOLLEFSON: It's the Prairie Island --

MR. SPECTOR: -- mailing list that they have of interested citizens or something.

On what kind of health issues?

MS. EIDE-TOLLEFSON: It's the monitoring for that monitoring down at Prairie Island.

MR. SPECTOR: Okay.

MS. EIDE-TOLLEFSON: From our perspective that is what we're trying to do is monitor what is going on.

MR. SPECTOR: Sure. I understand.

That is information.

George?

MR. CROCKER: I mean, monitoring is a really, really important thing and it's not only monitoring the physical plant and apparatus and there is some information on that; not enough, but some. But, it's almost --

A real bottom line is what is getting out of that plant. How much radiation is getting out. Now, I know you report that, the licensees report that and if you really know where to dig you can find it, but you've got to know where to dig and that's a barrier to that information really circulating amongst stakeholders with it.

But, even that, really isn't the problem because though you report what is released, there is no knowledge about where it goes. None. No knowledge about where the radiation that is released goes.

Where are the receptor points, where are the hot spots, where do the people live relative to the hot spots? Until we have that kind of information, essentially all of the rest of it is some sort of a scam with it.

So, that's the kind of information and until you get that kind of information, the question here is -- or the answer to this question is no.

MR. SPECTOR: Thank you.

You had your hand up?

MR. MORRISON: I'm Joe Morrison from Winona, Minnesota, 75 miles down river here.

The question I have related to this is: what are the actual changes in notification to the press and public that are occurring as a result of this new process?

The reason I ask is in the past when there was an outage at Prairie Island, when there's an unusual event, when something happened there was out of the ordinary there would be, obviously, a press release and this would appear in our paper. We have had a lot of interest in Winona County and the City of Winona over the past nine years on the whole issue of Prairie Island and its performance.

So, people track this in the newspaper and the local paper puts this stuff in every time they see it.

I want to know, is that going to change in terms of their access to it? Are they going to have to seek this out on the web, now or how is the press going to be informed? I just want to know what the changes are.

JAM STRASMA: I can respond to that. I'm Jan Strasma and I'm the public affairs officer in the regional office.

In terms of the information that we are giving out, calling to the

attention of the news media, there will be no change. Actually, I think the new program makes more information more readily available. In effect, instead of having to go to a public library that has the NRC documents, all you need is a computer to have access to that information. Either your computer or the library's computer, whatever.

I believe the utility's practice has been and continues to be, when they have a change in their operating status of their plants, whether their nuclear plants or their coal plants, they have been putting out a press release. That has been their practice for many, many years. I think that is probably the source of the information you have been talking about.

We routinely don't put out a press release when the plant starts up, shuts down, whatever, unless there's a problem we need to look into. If we do that, if we're sending a special inspection team to look into the problem, then we put it out, but we're acting as an agency.

MR. DAPAS: That threshold hasn't changed.

MR. STRASMA: No. That remains the same.

MR. DAPAS: The threshold for what we would include in a preliminary notification of a press release, that threshold hasn't changed just because we're under a new inspection program. We still communicate.

MR. SPECTOR: Some of the other communities are here. River Falls. I don't want to pick on anybody in particular. Goodhue County.

Do you have any comments on any of these?

MS. GRAHAM: I'm Cheri Graham from River Falls. Just a couple things.

The web site. I had difficulty getting to it. The address you gave doesn't work.

I don't know if anybody else had that problem. I got to it by just doing NRC.

It says threshold error

MR. SPECTOR: Here is our web site.

Let me just tell you. I don't know what your problem is, but there was a problem and this is a very interesting problem. If we put this web site in a typed letter and it ends s a sentence and you end up putting a dot here, a period, because this will be the end of the sentence, what happens is people put the dot in when they do the web site and you will get an error message. It pulled our hair out.

So, the point I'm trying to make is that on some of web site -- some of these letters went out and we realized that and we have to figure out how do that, but your point is well taken.

MS. GRAHAM: It just took a little while.

Then some things I thought should be obvious, I could not find on there, like the makeup of the panel. So, I am glad Heather asked because I was curious about that. Also, the report, I would like to see on there and it referred me to the government document library and I never -- I haven't explored long enough to find it. If that's available on the web.

Sometimes I think when you refer to things like that, you really need to have them there as attachments or other files to go to.

The other thing I had problems with is when you use acronyms. If you had some kind of a list of what they mean.

MR. SPECTOR: On the internal web -- On the web we have a glossary. On the bottom it says glossary and you hit that on and you'll get every acronym you could need.

Your point is well taken. It's a good point. We are in the process now, actually, of doing some revision because we've gotten comments from our own staff on this.

MS. GRAHAM: I'm glad it's there to give us the information.

MR. SPECTOR: It's new for us, too.

MS. GRAHAM: Then I can even look for updates after.

MR. SPECTOR: Right and we also have some new computer systems within the agency that are being implemented right now that will try -- everythings going to try and work together.

Your point's well taken. It's very good.

How about some others? Yes, sir.

MR. MALLAN: Richard Mallan, Chairman of the Division County Board.

I think I ironed it out quite well with one of your staff early on.

There is, I think the necessity to get the information out, bring up your mailing lists and I think we've helped you out on that tonight, to bring it up, because I have not heard a thing here tonight that I have not heard a little about before, but I think I could enter into the conversation an awful lot better if I had this before. And I think it's just a case of the old thing, get the information out. There is an interest here certainly in every point you've made on the safety and right on down the line. I don't need to repeat that. I think that's what we are all interested in.

And I've never been particularly enamored with George Crocker's comments, but I think he made some very good ones tonight; that look at these things and I think that's what you're asking for and I think that is what you're getting.

MR. SPECTOR: That's what we want to hear.

MR. MALLAN: I think it's great and I am here to say that we're up to speed now and we're going to hang in with you all the way here and we're going to have our comments and I think any one of us leaving here should not go away, well, I've got it all figured out or I've got some ideas. We ought to go back to our colleagues, we out to go talk to other people and we ought to listen to them and we ought to pass the word back. The information.

MR. SPECTOR: Yeah, that's why we're doing this.

MR. MALLAN: Thank you.

MR. SPECTOR: Let me ask you this question. Not you, necessarily, but just generally because it relates to one of the others and we can save some time.

What about other people in the local community? You people for most part represent your different constituents. What about people in the other communities? Some of the other meetings that we had in other states raised that question.

MS. EIDE-TOLLEFSON: You mean how to get broader --

MR. SPECTOR: Are we giving enough information to people out in the broader community? More of a dialogue?

I'm just trying to get a feel for that?

Yes, Jeff?

MR. HAUSBRICH: I think one of the problems, the difficulties with that in this type of setting is talking -- For the most part you have very technical language and technical standards and stuff that even if you work with a lot if you don't live this stuff you don't understand a lot of what comes out. So, I think one of the big factors you're going to have to address with your public notices and all that is put these things in real English that people can understand and that I know is difficult when you start talking about pico curies and all that. That's going to go over people's head and you'll just lose them right away.

That's not to day that is because of the people, that's just the way it is.

So, I believe that is something that you need to be cognizant of. If you can address that, obviously it's anything else the more you put out there the better, but at some point you get diminishing returns.

MR. SPECTOR: One of our early attempts in this program was to do that with this little publication. This is what we call plain language. Try to take out as many acronyms as possible. So, something along this line would be -- this kind of language would be useful.

MS. WESTRA: My question is with respect to emergency preparedness.

To what extent has the Federal Emergency Management Agency been involved in this process? Because they're the ones that are responsibile for assuring that there is reasonable assurance the plant is safe. So, I'm wondering if FEMA has been involved in this.

MR. HOLDEN: Marc, you can chime in here if necessary or if you want, but there's still a requirement to do that every two year drill where FEMA

comes out and makes that determination. What we're doing here is looking at the NRC inspection that happens in the interim and out assessment of the emergency area.

MR. LICKUS: I can address that because I'm the NRC's representative to FEMA in terms of the emergency preparedness function for Region 3.

The new inspection oversight program only deals with our inspection programming at the nuclear power plants. It has not impacted on any of the requirements for off-site emergency preparedness and that is the function that FEMA has.

They review the county and the state basically emergency plans and procedures and as well as their exercises and none of those have been affected by this new inspection oversight plan man.

MS. WESTRA: Is there any nexus between the two?

MR. LICKUS: There really isn't because the program we are talking about tonight is an NRC program. FEMA's program is a separate program and looks at -- Although the two eventually get tied together in an overall view of emergency preparedness for a site, FEMA's program will be still be integrated with our analysis of the on-sight preparedness program to determine the adequacy of the emergency planning.

All I'm saying is that their program has not changed. Our's has changed in terms of our emergency preparedness program and how we are looking at emergency planning.

We are including performance indicators for emergency preparedness not only at nuclear power plants. We never did that before. So, the utility is submitting data to us on a quarterly basis on emergency planning. The off-site component of that has not changed.

MR. SPECTOR: How about in the general audience?

Thank you very much.

In the general audience are there any other comments related to this issue.

Yeah.

MR. CAMPBELL: George was talking about this nine year process that we went through and what this ends up doing is turning this over to the industry to do what they want to do with it and give that information to NRC.

How does NRC check on that information that they have? Do they know about all the other leaks and stuff that weren't reported that we had access to or we had access to and made copies of and stuff?

And if was the case there should have been some reason for people to be suspicious of what was going on at Prairie Island. I mean, there's people being fired out there for not monitoring the water the way they were supposed to, the discharge water and other stuff. That kind of thing that's just not -- it doesn't make people feel well that live there.

How does this now give them more authority to do the things they want to do and everybody around is being jeopardized? Like he was talking about; where are these hot spots he was taking about? Where are the hot spots and who will be affected by them?

Marc mentioned something about the health studies. That was the whole premise of the Prairie Island Tribal Counsel at the time when this came up over nine years ago, was to get a health study.

MR. SPECTOR: I don't know the answer myself.

MR. DAPAS: I guess the only thing I can say in response is that as you're aware and I know Mr. Crocker's aware, there's a radiological environmental monitoring program that the licensee has to implement and ensure that they track effluents and discharge of radioactive liquids and gases and insure that they don't exceed regulatory limits and we monitor the licensee's programs, but the leakage that you're referring to in terms of the steam generators, I'd have to better understand the specifics on that to respond to you.

MR. CAMPBELL: But you see what happens is if I pull out an ink pen from my pocket and I put a drop of ink in a glass of water, you won't notice that, will you. But if three weeks from now, I come and put another drop of ink in

that water. By the time I get 10, 12 drops in there, you're going to say, something's wrong with this stuff. Look at that.

That needs to be what needs to be in this program. If there's going to be something in this program for monitoring then it has to say, here where the plant started and here's what's happening now and this is what's accumulated over all this.

It's just like eating too much fat. The cholesterol eventually goes up into your veins and it kills you.

So, you have to understand that we know about these things that are happening and why isn't that then being tracked from day one, not just until the day you had a problem. It's too late once you have the heart attack. You come out of that sometimes with all kinds of things not working any more. There's got to be a way of tracking it, so you can recognize the problem when it comes, and that's what's not in place here. How are you going to get that from the industry when their biggest concern is only about money. I'll tell you that.

MR. CROCKER: The monitoring that goes on and I know because we have been dealing with the health department about this, consists --

Well, when we first brought monitoring problems to the health department, they did not have a map of where the monitors were. They could not tell us where the monitors surrounding Prairie Island were. And none of the other reactors in the country had maps of that either.

Well, because of our concern the health department put a map together of the monitoring and when you just looked at it, it looked really impressive because there were over a hundred points on this map, but then you start to look at what it really is and they are all thermo-luminecent docimiters, TLDs.

You know what TLDs are? They're gamma ray detectors.

So, what the monitoring program will tell you at Prairie Island is whether or not you're having an accident. That's what it'll tell you.

And it's the alpha and the beta that are routinely emitted which are the real biological active things that come out routinely from that plant, which you release on a reported regular basis. So, your monitoring program will not detect these alpha and beta emitters unless --

I mean, a TLD is this square. (Indicating.) It's a little square. Right?

If an alpha or a beta particle falls on it or right next to it, then maybe you'll detect something. Otherwise, you won't.

So, the problem is that the monitoring you do creates the illusion of knowledge. Just like so much else of what you do, it creates the illusion of knowledge. The reporting you do creates, oh, we know what's going on when, in fact, it's designed to keep people in the dark. MR. SPECTOR: The other question we have is related to resources. This one is, do you believe that the new oversight process improves the efficiency and effectiveness of NRC's regulatory process focusing agency resources on those issues which are most safety significant.

We'd like to get some feedback on that question.

MS. EIDE-TOLLEFSON: Are we truly done with that last question about the information provided by NRC?

MR. SPECTOR: Well, we can go back. There's another one that is related. We will get to it, where we'll get into great detail on one.

If you can make it short.

MR. DAPAS: We're interested in your feedback.

MR. SPECTOR: We're interested, but I have a time limit. That's why I'm saying that.

MS. EIDE-TOLLEFSON: I know, but you were kind of bringing those four questions about information into one, so I at least wanted to say something about the one.

MR. SPECTOR: I understand.

MS. EIDE-TOLLEFSON: I have really been impressed by what was on the web and what is potentially on the web and even though it's hard to get around there, but one of the things I noticed, being a process person, it was really

easy for me to get tied up in the impressiveness of the NRC process and -- the seemingly increased accountability of the NRC process, which I found, you know, much clearer, much more consistent, conclusive, of all the things you've asked, but it seemed to me that the danger was -- It's a little related to what George just said.

Is that what's important to me is that the accountability of the NRC process not be substituted for the accountability of the utility process because that is really what we're concerned about and it seems to me that could easily happen.

And the other thing I am interested in, as the agency tries to keep the public more informed, which I think is excellent and involve the public more, is that it's important not for us not to just have the accountability in the access to the information, but to know what the channels are for the public for carrying through questions or concerns that are generated by the information, other than a 2.206 petition which we have found inadequate to timely follow-through of issues which seem to us to be of very great time-bound importance.

So, what I'm wondering is as you involve the public more, what are going to be the channels through which we can bring either watchdog items that we come up with, which we feel really fit into the concerns of the NRC or issues that are raised. And, again, I don't need an answer to that. It's just it's a comment.

MR. SPECTOR: Okay.

MS. EIDE-TOLLEFSON: Thank you

MR. SPECTOR: I think one of the things on the web, for example, inspection reports and things of that sort, you'll see it's available. We do have the e-mail system comments that come in.

So, if you do have comments like that, you can send them and they will get to the right person.

MR. DAPAS: I think we're looking at our 2.206 process in response to comments like that and similar comments about how user friendly is that process in providing feedback to concerned individuals in a timely manner and wee recognize there is room for improvement there.

MS. EIDE-TOLLEFSON: Well, you've got some fairly radically informed public out there and the 2.206 petition seems to be inadequate to that group. I appreciate that.

MR. HOLDEN: In a different forum that was a major topic of a recent feedback session with the commission.

MR. SPECTOR: That gets to this and I think that this is what you were driving at on the predictability, consistency, clarity of the oversight process.

Any comments?

MR. CROCKER: Let's keep building on what Kristen was talking about because essentially the vehicle that the public has is the petition. Either rule making or specific to license, 2.206.

How does this proposed new way of doing it relate to that petition capability or does it affect it at all?

MR. LICKUS: Let me make one clarification and I think it's important here before we get off on answering that.

There are other avenues other than 2.206. You can call our office at any point in time and give us a concern and we will act on that as part of what we call our Allegation Process. That is separate from the 2.206 process.

MR. CROCKER: I understand.

MR. LICKUS: Okay.

MR. CROCKER: That has not met a lot of success.

MR. LICKUS: Region 3 office.

MS. EIDE-TOLLEFSON: Why don't I know about that? I know I should, but maybe that piece of information --

MR. LICKUS: I'm sure we don't broadcast that widely or make that known, but it's a fact that we do have people who are dedicated to that function in our regional office and who handle concerns from anybody.

MS. EIDE-TOLLEFSON: Isn't there an office of public counsel.
MR. LICKUS: Like a lawyer's office?
MS. EIDE-TOLLEFSON: In Washington?
MR. LICKUS: Yes.
MR. DAPAS: General counsel.
MS. EIDE-TOLLEFSON: General counsel.
MR. DAPAS: Right.
MS. EIDE-TOLLEFSON: My comment would just extend to it would be useful to know more about that.
MR. LICKUS: That office is not responsible for the Allegation Process.
MS. EIDE-TOLLEFSON: No, no. I'm talking about --
MR. SPECTOR: We have a little brochure on that.
MR. DAPAS: The Allegation Process is a vehicle that if you're a licensee employee or a member of the public or anyone that has a safety concern, we would receive that and then appropriately evaluate and follow-up on that. That process has been in existence for some time.
MS. EIDE-TOLLEFSON: I'm sorry, I didn't know about it.
MR. SPECTOR: And relating to the new oversight process, the Office of Allegations has contributed to this.
MS. EIDE-TOLLEFSON: And they will become somehow visible?
MR. SPECTOR: Somehow, but I don't know how. They're still working on it.
I have a little booklet that the Office of Allegations has given to me.
MR. STRASMA: And there is a NRC brochure on reporting safety concerns.
MR. SPECTOR: That is the one.
MR. STRASMA: The information is also on the web site, but if you give me your address afterwards, I'll send you a copy of the brochure that tells you how to go about doing -- reporting those.
MR. SPECTOR: That's the booklet.
MR. DAPAS: To clarify the point, George, when we are talking about information on the new process and to what extent have we been effective in communicating that to the public, that's separate and apart from the issues with the 2.206 and we are looking at is that an effective process to respond to concerns that are raised by individuals.
I know you asked if the two were connected.
The new process here, inspection and assessment, is separate and apart from 2.206. So, when we are asking questions about how effective have we been in communicating the new inspection process to the public, that is totally apart from 2.206 issues.
MR. SPECTOR: The last question, kind of a general question we have, is are there other appropriate means. We had this meeting, we have had other meetings, et cetera, which we should use to take home feedback, et cetera.
Any suggestions that you should like to offer?
MS. GRAHAM: The only thing that concerns to me and I went to the first meeting on the pilot program and the program was already in place when you solicited public comment. I can't help feeling that you're going to go ahead with the program anyway, without really listening to us because you set a date when you're going to do it. I think that you obtained some feedback and I'm thankful for that, but it almost seems like the program is there and we're incidental -- public comment is incidental to it getting put in place.
MR. SPECTOR: Really, no.
My understanding is that --
MR. HOLDEN: In terms of feedback, I can appreciate at that.
We struggled with how to incorporate public comments, especially since the development activity happened in Washington and that's difficult for the people here. So, as part of this outreach to get commentary, we went around to all the sites to inform them and to try to get this feedback in this roundtable format a second time.
But your comments are good ones.
In one respect we had to have enough of a program together to be able to get comment on it because I think there's -- If we came out and said, well,

we're considering these things and we don't been how it will work but -- We would get a different type of reaction to it and so we had to put together something.

I appreciate the comments. I think we're struggling with that, too. I mean, that's the point of some of these questions; what are the vehicles that we can get that feedback.

MR. DAPAS: My understanding is that the feedback that we receive from the public and other stakeholders, that we put a particular document out to describe the program, we make it available for public comment within X number of days or the feedback that we get through this mechanism if I understand correctly Cornie, we consolidated that and that is one of the attachments that is provided to the commission's paper.

The commission has to approve full implementation. We're talking about dates like April and that is the staff moving towards that, but the commission has the ultimate say on whether we good forward with this program and they will be provided an opportunity to see, consolidated at least, the feedback we have received from the public to date.

That is my understanding of the process.

MR. SPECTOR: Yes. They make the decision, not the staff.

MR. DAPAS: But I think the point is that the feedback we received to date will be provided to the deciding authority on whether we go forward with full implementation.

MR. SPECTOR: We're spending time and money to have these meetings and we are listening to what you have to say.

We extended the comment period that was in the Federal Register notice another 30 days, just to give people some extra time. We realize that most people don't write in, that kind of thing, so this is another vehicle.

So, we want the comments. That's why we have the court reporter here, so we can have -- we don't have to go by our memories, we actually have a dictation so to speak.

Jerry?

MR. DEWOLF: Jerry DeWolf, President, Village of Ellsworth.

This is my first meeting and I was wondering why or who pressured the NRC into this new process? Was it something they devised, was it the utilities, was it the public? Where did this pressure come from to change into this new process?

MR. SPECTOR: Good question.

MR. HOLDEN: I think about a year and a half ago our Senate oversight came up and there was one report looking at a very large cut in NRC resources and as the NRC looked at that and looked at the criticisms that we had on our processes, internally we looked at it and said, you know, some of those are right. There was some dissatisfaction amongst the NRC in the way we were doing business.

So, we started formulating that idea and we went to a public meeting to develop the idea and start this change process.

But it's -- The NRC has taken that criticism and looked hard at it because I think there are things that we could improve and as an agency we need to be more effective and efficient.

We don't have an unlimited amount of resources to go to, so we have to use the resources that we have in the best possible manner and we think that by focusing on the significant items that that is the right way to go.

MR. DEWOLF: I guess it sounds like it's a money issue. Not enough funds.

MR. SPECTOR: Well, no.

MR. HOLDEN: No, no.

MR. DEWOLF: Well,then was it from the utilities, from their perspective to do what you had been doing, to change to this new process where you're, I want to say, not checking on them as often and making them do less, call it, paperwork or being less responsible? Was it from those people that said let's get this going this way, so we can do our thing and not be bothered by NRC?

MR. SPECTOR: Let me just call on Carol, because I think she has a

response to this.

MS. OVERTON: If I were cross-examining you guys, I'd say, objection, non-responsive.

Right here from the NRC's own documentation it explains how it was an industry proposal after a meeting about a year and a half ago and it was revised somewhat. We don't how much, I'm sorry to say, but it says here the impetus was from the industry.

MS. EIDE-TOLLEFSON: Along with what I pulled off the web page there was an integrated review assessment process which was then interfaced with an industry proposal.

Could you say something about what percent, how that worked?

MR. DAPAS: I was involved in the integrated review and assessment process.

MS. EIDE-TOLLEFSON: Then you'll explain what the NEI proposal was?

MR. DAPAS: I'll attempt to.

There were initiative phases as Cornie mentioned to improve our regulatory processes. That was something that we recognized in our own initiative.

MS. EIDE-TOLLEFSON: Right.

MR. DAPAS: That we could be more effective and this goes along the lines of wanting to be a more risk informed agency. That we would be basing decisions on safety significance, risk significance and we were looking ourselves at regulations. Are they overly restrictive.

And so that was part of the integrated review and assessment process. Collectively we looked at our inspection process and can we improve the efficiency. That was being driven by the commission that it asked the staff a number of questions about can we improve the senior management meeting process, how can we improve the SALP, Systematic Assessment of Licensee Performance process.

So, we embarked on this IRAP, Integrated Review and Assessment Process, to try and define how me might devise an inspection program. In parallel with that or shortly after we embarked on that initiative, NEI was involved in an initiative.

MS. EIDE-TOLLEFSON: NEI, Which is?

MR. DAPAS: Nuclear Energy Institute, which is composed of representatives of licensees. They're kind of an industry spokesgroup and we've worked with NEI in developing different regulations. So, they're kind of the spokesperson in the industry.

They were involved in generating some guidance as to how we could improve our regulatory effectiveness with our inspection programs.

Subsequent to that, Congress weighed in and as Cornie mentioned, was considering reducing the NRC budget significantly. Now, Congress listened to various lobbyist groups and one of those lobbyist groups was the industry saying, you're imposing an unnecessary regulatory burden and there was a lot of testimony offered and the oversight committee considering a number of factors and was looking at reducing the size of NRC.

I think that served as an additional impetus for us to look at our inspection programs and perhaps maybe accelerate some of the time lines that we have established under this IRAP. So, that was how this was generated. That's the genesis of that.

MS. EIDE-TOLLEFSON: Well, I'd like to read the description of the industry NEI proposal. That's why I thought it was a significant factor.

It says that the NEI proposal took a risk informed and performance based approach to the inspection assessment and enforcement of licensee activities on the basis of the results of a set of performance indicators; which seems quite a good description of the process as it's evolved.

MR. DAPAS: I think it's fair to say there were aspects of the NEI process that we adopted. The original process that the IRAP proposed relied to a large degree on enforcement.

If you recall from some of the introductory slides, enforcement should not be an input for an assessment process. It's an output. You assess

performance and then you have an enforcement as appropriate. Enforcement being the input to the assessment process.

The IRAP, in a nutshell, the commission felt was too strongly based or tied to enforcement and the NEI's proposal was trying to bring a more risk informed approach to the table. So, I think we borrowed some aspects --

There was a meeting with NEI to get this input as well as the staff continuing to work on a revised program. That was really how this thing came to fruition.

MS. EIDE-TOLLEFSON: I think that my one impression of concern is that type of approach seems like it has the potential to be sort of a PR based reporting mechanism. I mean, that was just a fairly instinctive reader's response, you know, and so I would like to raise that.

How do we watch for that?

That doesn't need an answer. then I will stop.

MR. RAY: I had one comment. We have been talking a lot tonight about reducing unnecessary regulatory burden and Marc had an example of where in the past we might written a violation that required a response, where now we look at from a risk perspective and say, well, that particular procedure violation was not risk significant, we don't need to take as much reaction.

I think there's another aspect of this that I think has been kind of overlooked and ignored.

We are using this risk based, risk informed inspection as another aspect that a lot of the NRC regulations and utility safety analysis and you safety technical specifications are based on analysis that might have been done 30 years ago.

We know a lot more today with more sophisticated computer programs. We know a lot more about what systems, what components, what affect there is on risk because there's a lot of components in the plants that are not required by regulations to be operable, but we know they have risk associated with them.

With this new process there's a lot of little -- a mechanism that we didn't have before, where if you find a problem with this particular piece of equipment, even though there's no regulation that says it has to be operable, even though it's not in their technical specifications, we can still make that a finding, still basically put that in front of the public, put that in front of the utility and you have to take some corrective action.

It's another edge to the sword, I suppose, that we didn't have before that's kind of been overlooked.

MR. DAPAS: I guess the risk informed approach causes an additional burden that wasn't otherwise captured.

MR. LICKUS: One other comment on reduced regulatory burden.

I think the staff early view on this was that we were going to reduce our resources and then necessarily reduce our inspection program and to do it more efficiently. I think the commission has made it clear to the staff that they want us to implement the new program and do it on a risk based approach and however that falls out, it falls out and if it means we will be doing more inspections because we found out that there are more risk significant issues that we've not been looking at that we need to look at, then that's the outcome and that's what we will pursue.

MR. CROCKER: That's the most refreshing thing I have heard tonight. Thank you for that.

How that relates, you know, to your last slide to your feedback, you know, the proof is in the pudding. You have some feedback here tonight and I have two specific things just to make sure that we are on the same page as to how the performance indicators that you're looking at for this new regulatory scheme need be included and if they're not included, you're not risk based as far as I am concerned.

And one of them is the leakage rates per steam generator. And that means the radioactive content of it, it means the volume, it means a detailed understanding of what is breaching the pressure boundaries. If you don't know what's breaching the pressure boundaries, you're not risk based.

Can we agree on that, that that makes sense?

MR. HOLDEN: I think so.

MR. CROCKER: Now, the second thing is the radiation gets out. There is radiation that you routinely release, right? You report it.

Wore does it go? You can't just say, okay, it's out; we let this much out. That doesn't inform the risk.

If you're going to inform the risk, you've got to know where the receptors are and you've got to know where it goes. You've got to know the hot spots. Otherwise it doesn't mean anything.

So, if you have that, then you can get to risk based. If you don't have it, it's nonsense.

Those two points.

MR. HOLDEN: I understand.

MR. CROCKER: Thank you.

MR. SPECTOR: Does anybody have any other comments, because we're a little over our planned time, but that was just for convenience.

MR. MORRISON: Joe again from Winona.

I think the issue that Mr. Crocker just raised is significant. In our community, the reason people have been so concerned about the plant here is we are down river and down wind and people really are concerned about what is the affect of the routine radioactive releases. I mean, we all know if there was a big event and there was a meltdown and a massive release that there would be big problems, but everyone knows there's these routine small radioactive releases, but anybody, and people really want to know, what is the affect of those and who is being affected and if so how much and how far away from the plant. Is it five miles, ten miles or 75 miles to our community. People really don't know.

And so the question you had up here that I wanted to answer a minute ago is is the new process building confidence and I would say no until you address what's the affect of the radioactive releases on the communities around the plant.

MR. SPECTOR: Joe?

MR. CAMPBELL: When I was on the Tribal Council, I first passed a copy of the environmental impact statement for the Prairie Island Power Plant and that's why the very first question I asked you about is is this about Prairie Island. I have no concern about what's going on at Quad Cities in Iowa or whatever, although they may have some information that I could share with them at sometime, but the important thing is that in the environmental impact statement for Prairie Island, it says right in there about any leaks and stuff that they're going to have.

They were just going to dilute that and dump it into the river. That means those people down there in the Quad Cities, whether they have nuclear releases or not, are certainly getting something from us. It ties into the whole river system and goes into the Gulf of Mexico.

That is why I mentioned when I was talking about you -- Just because they had a release and you don't know where it went like George said.

It went someplace. It just doesn't go and disappear. It went someplace. It went into the water, into the fish or it got into the ground or it got into the plants and animals ate it and this type of thing.

It's an issue with me being a Native American, I've attended enough of these meetings around where they talk about, oh, well, we're going to close this plant down and it's going to have 50 milligrams of background radiation around the plant and stuff and it's measured at three feet off the ground.

Well, I've never had a baby born who was taller than three feet and so that causes me concern that this level here is where this is it at. From there down. (Indicating.)

so, who is this affecting?

The health study is an important part that needs to -- If you want the rest of the community to feel comfortable with whatever it is, that's one of the things that needs to come out of this somehow. Then that should be addressed by that owner of that plant and the people who are running that

plant and benefiting from it and leaving something for the people that are there. I mean, it's affecting the people that are here, so without that health study, everything else is nothing.

MR. HAUSBRICK: The nuclear industry is such a unique industry in some respects with all this talk about risk assessment it makes me think about insurance and I just wonder if the nuclear industry had to go into the insurance market to get their liability coverage and whatnot, would the insurance industry use this same kind of risk assessment model in trying to figure out what the premiums ought to be on each plant.

I mean, there's different kinds of risk assessment, I guess.

MR. LICKUS: They do buy insurance by the way for -- They have to for the Price-Anderson Act and I know there's a couple utility representatives in the office and unfortunately I don't think the NRC is the best person to answer your question, but maybe after the meeting the utility representatives can talk to you about insurance.

MR. CROCKER: Well, that goes to the 1 heart of the real problem and it illustrates why this industry doesn't pay their full freight, because it needs the Price-Anderson Act in order to be indemnified.

When I go buy insurance, if I'm going to drive my car, I have to go buy insurance and I have to pay for it. But you can go and look on any of your insurance policies if you're a homeowner and there's a little clause there that says if it's a nuclear incident, it don't count. You have to line up behind Price-Anderson.

They don't pay their freight. That's why I have a problem with nuclear power. It's not like I'm ideologically opposed to it, it's that they're cheaters. They don't pay their freight. They rely on other people to pay their way for them and that's not right. That's bottom line not right and until You get that kind of performance indicator squared away, you're going to continue to have problems.

Thank you.

UNIDENTIFIED VOICE: There's more corporate welfare born every day.

MR. SPECTOR: Thank you, George.

We have two signup sheets going around. All you have to do is sign one of them. Some of you have signed two. Don't worry, we'll cross one of your names off.

Just one piece of business. If anybody would like to have a transcript of this thing, see me after; give me your name and address so I can mail it to you. As I say, I will mail it to you within a couple days. If you don't get it, call me and I'll make sure.

Also, I'd like to thank everybody again. Thank you very much for coming tonight. We appreciate all your comments and input that you have given to us. We're going to take it to heart and look at it and consider it.

And I hope everyone gets home very safely and thank you very much. We will say you again.

[Whereupon at 9:25 p.m., the meeting was concluded.]