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STATEMENT BY THE CHAIRMAN OF THE NUCLEAR REGULATORY COMMISSION

Chairman Shirley Ann Jackson of the Nuclear Regulatory Commission (NRC) today issued the following statement concerning a budget recommendation that will be considered by the Senate Appropriations Committee tomorrow, June 4, 1998:

The Commission has received word that the Senate Appropriations Committee soon will be considering a proposal for major reductions in the resources available for the NRC to carry out its vital health and safety mission--a reduction that, among other effects, would result in a substantial adverse impact on the ability of the NRC to ensure the safe operation of commercial nuclear power plants in this country. The proposal, if carried out in full, would eliminate over 700 of the current 2934 NRC staff, with over 500 staff being cut directly from the oversight of nuclear power plants. We are deeply concerned that, with this reduction of nearly 40 percent of the people who are entrusted with ensuring nuclear reactor safety, the NRC would not be able to adequately perform its statutory mission to protect the public health and safety.

We learned of this proposed Congressional action on the eve of a very important Commission meeting on the subject of the Millstone nuclear power plants, which have posed major challenges to the NRC during the past several years. A reduction of this magnitude would severely impair the NRC ability to independently identify and resolve safety challenges at the nation's 104 nuclear power plants. It would further restrict our ability to prepare for the challenge of renewing licenses for existing plants, and our ability to make our regulatory framework more risk-informed and performance-based, as the Committee desires.

In its draft report, the Subcommittee makes an ad hoc comparison between the NRC resources dedicated to reactor oversight and the combined resources of the French and Japanese programs. These international comparisons do not bear up under scrutiny. In reality, significant institutional, economic, and legal differences exist between the civilian nuclear industry in the United States and their counterparts in France and Japan. For instance, the French nuclear industry is a national public utility with three standard reactor designs, whereas the U.S. nuclear industry is comprised of more than 40 electric utilities with approximately 80 different reactor designs and multiple vendors. The French have no resident inspectors. The French and Japanese legal and administrative systems are very different from ours. The French and Japanese figures do not take into account the nuclear safety research function of the NRC. Other differences in basic regulatory missions also affect these comparisons. We feel strongly that such comparisons cannot be the basis for major reductions in the NRC reactor safety program.

Without question, there is room for improvement in the NRC regulatory program. The Commission will examine the criticisms in the Committee report in a constructive effort to see what more needs to be done. My initial impression is that a number of issues raised in the report and its recommendations are longstanding nuclear power industry issues regarding the NRC regulatory program, and as such, issues familiar to the Commission. However, I would note that during my tenure as Chairman of the NRC, the entire Commission has sought vigorously to improve our reactor regulatory program and would like to continue to do so. Every member of the Commission believes that a full reduction of the proposed magnitude would limit the NRC's ability to adequately protect public health and safety. Rather than achieving regulatory efficiency in a manner that responds to the concerns expressed by the nuclear power industry, a reduction of this size would, in fact, have just the opposite effect. In short, it would leave the agency without the resources to continue to make sensible reforms, and ultimately, would undermine public confidence in the safety of nuclear energy--a confidence that is supported and upheld by the presence of a strong, competent, and effective regulator.