



# NRC NEWS

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**Prepared Remarks of NRC Chairman Dale E. Klein  
21<sup>st</sup> Annual Regulatory Information Conference  
March 10, 2009**

Welcome, to this 21<sup>st</sup> Regulatory Information Conference. There are a few thousand people here, so as you can imagine, this is the biggest event we sponsor every year. I want to begin, therefore, by thanking all the staff for their enormous hard work in putting this together. The NRC has been hosting the RIC for 21 years, and each year it seems to get bigger, which means of course, that it is a bit more challenging to plan and organize. But the staff always seems to rise to the occasion and make sure everything goes smoothly.

Speaking of the NRC staff, many of you know that the agency has undergone significant changes in our senior leadership in the past year. Luis Reyes, our former EDO, is now Regional Administrator in Atlanta. He wanted to retire, but we twisted his arm to stay. And Bill Borchardt moved up from the Office of New Reactors to become the new EDO. Several other senior positions also changed. But despite those changes, there has been very good continuity, because the agency has benefitted from an excellent depth of talent.

There will be more management changes in 2009. Despite being selected as the Best Place to Work in the federal government, people still want to retire. Yesterday, Karen Cyr, our General Counsel, who many of you have worked with, indicated she plans to retire this year after 31 years at the NRC. She is the longest-serving General Counsel in NRC history, and we will all miss her.

These kinds of changes are always hard, but we have a very good talent pool to draw from and which we worked hard to develop. I hope all of you in industry are doing the same thing. Because whatever happens with applications for new plants, there will continue to be a need for sound leadership that is committed to our shared objective of ensuring the safe and secure operation of the existing fleet.

On the subject of new builds, you may remember that in 2007 and 2008 many of my speeches were about toning down expectations. Our concern was about how many license applications we would be receiving, and having adequate staff to review them. The concerns I repeatedly mentioned then were that the enthusiasm for new builds could eclipse the need to ensure high quality parts and components, and make adequate plans for workforce development. Today, of course, the picture looks a little different. Quality assurance and workforce development are still long-term concerns, but it seems like the global economy has resolved the issue of what I referred to as an “excessive exuberance” to be in line for the first new reactor builds.

I would say, however, that being forced to take a breath is not necessarily a bad thing. It gives everyone a chance to refocus on first priorities, re-evaluate their long-term expectations, and to ensure that we have a firm foundation for the future. A major part of that foundation is a focus on safety and sharing knowledge—which are the themes of this year’s conference. Let me touch on a few areas where I think we need to be proactive, rather than passive.

## **Safety Culture**

The first is safety culture. Let me be clear in saying that the safety record of the nuclear power industry in the U.S. is on the whole very impressive. And despite some problems, there have been measurable, industry-wide improvements in safety.

In part, this is because industry has been very proactive in creating and supporting the Institute of Nuclear Power Operations (INPO), which emphasizes the importance of safety culture to its members through their plant evaluations and other programs. You may remember that Admiral Ellis was here last year and spoke from this podium. He also accompanied me to present the U.S. Report at the Convention on Nuclear Safety. I think the complementary roles that INPO and the NRC play is one of the great strengths of nuclear safety in the U.S. And I have often encouraged other nations to implement similar institutions and practices.

But let’s not kid ourselves into thinking that everything is fine. We have continued to see incidents over the last few years that indicate that safety culture was not a priority throughout all the staff, at all the plants. In fact, even an excellent plant can have problems because—paradoxically—excellence can have its own risks. An excellent record can sometimes invite complacency, and make it hard to manage expectations. At the NRC we are proud that in 2008 we did even better on the survey that is used to determine the Best Place to Work in the federal government. This is an honor, but also a challenge. It took a lot of hard work to get to where we are, and a lot of our newer employees, especially, may not appreciate how hard it was, and have the expectation that every issue can be easily resolved, and every problem can easily be fixed.

One way to combat complacency is to have a clear plan for promoting safety culture. The NRC recognizes that implementing the day-to-day details of safety culture is the responsibility of the licensees. Nevertheless, the agency is taking a more active role. The staff is working at the Commission’s direction to develop a safety culture policy statement that better articulates our safety culture expectations for all licensees and certificate holders, and addresses the unique aspects of security.

Let me emphasize, as I did at our first public workshop on this subject, that we are not doing this to point fingers. The NRC is devoted to improving its own internal safety culture as well, and we are expecting a Task Force Report to be given to the Commission on April 28. In addition, the Office of the Inspector General is currently undertaking its fourth safety culture survey of the NRC. Overall, I think while both the NRC and industry have a strong foundation, there is room for improvement. And there are still things I see here and there that resemble complacency. One way to help avoid complacency is through communication and sharing knowledge.

The U.S. pioneered the splitting of the atom for energy, and for a long time neither the industry nor regulators had to look abroad for technology, expertise, or components. There was a sense of “We know what we are doing, we don’t need to look abroad.” The nuclear resurgence was a wake-up call that nuclear energy could no longer be seen as a strictly home-grown industry. In some respects, the world had been moving on without the U.S. In fact, as many of you know, the first concrete for an AP1000 plant will be poured in China in a few weeks. So it became clear to us at the NRC that if we wanted to improve our regulatory practices in this environment, we had turn to others in the international arena and we also felt that there were some useful things we could offer them.

### **International communication and cooperation.**

In fact, I consider expanding the NRC’s international programs and outreach to be one of the things I am most proud of as Chairman. When I joined the NRC, there was already the beginning of a trend toward more international cooperation. I don’t take the credit for it, but I did push hard to support this trend, accelerate it, fund it, and engage personally in more international dialogue.

I think it is fair to say that, today, the NRC is internationally proactive in a way it never was before. We have the attitude that we can learn from other nations, and share what we have learned, in a way we never had before.

This is especially important now, when we see so many nations expressing an interest in either expanding their nuclear power capacity, or building nuclear power plants for the first time. If these plans move forward, the picture for nuclear energy in ten or twenty years will look very different.

One area where the whole world will benefit from greater international cooperation has nothing to do with power plants, however. I am referring to medical isotopes.

### **Medical Isotopes**

As many of you are aware, the global production capacity of radioactive isotopes used in nuclear medicine is a very serious concern. Two of the reactors that have been significant suppliers of medical isotopes—the Chalk River plant in Canada, and the High Flux Reactor in Netherlands—have both faced challenges recently that raise long-term concerns about meeting the future global supply.

And while there have been some expressions of interest in creating new production facilities, these plans are still tentative, and would—in any event—take time to construct and come online, if approved. Clearly, a coordinated international focus on this problem would be extremely helpful. In fact, I hope that this conference will provide a forum for ideas, partnerships, and information-sharing to address this challenge, which is so important to the health and happiness of millions of people around the world.

I always point out that as a regulator I am not an advocate for nuclear activities. But that does not mean I cannot recognize or emphasize the value of nuclear medicine. Within our own NRC family, my friend and colleague—the late NRC Commissioner Ed McGaffigan, who died in September 2007—was able to extend his life by many precious months thanks to the Gamma Knife technology that was available to treat his cancer.

### **McGaffigan Award**

In memory of Ed's long and exemplary service to the cause of nuclear safety, and the deep, positive influence he had on the agency, the Commission last year created the Edward McGaffigan Jr. Award. The award seeks to honor an NRC employee whose career is marked by an extraordinary commitment to public service and exemplifies the integrity, professional dedication, and moral character that Commissioner McGaffigan exhibited.

One purpose of this award is to reward the quality that unites everyone in this room: a commitment to excellence. That, after all, is the business we are all in: technical excellence, excellence in quality assurance, and excellence in setting and maintaining high standards of safety and security. That is certainly a quality that Ed encouraged here at the NRC; and it is a quality he personally cultivated and embodied as well.

The first recipient of the award will be honored at the agency employee awards ceremony in April. But I would like to take this occasion to acknowledge him today. William J. Raymond has been with the NRC since 1975, and is currently the Senior Resident Inspector at the Seabrook Nuclear Power Station in New Hampshire. We were hoping he could be here so that I could ask him to stand up and let us give him a round of applause. Unfortunately, he could not be with us personally. But technology is a wonderful thing. This conference is being broadcast live over the Internet. So if you are watching Bill—and I hope you are—please stand up wherever you are. And let's all give him round of applause.

Ladies and gentlemen. Bill Raymond, and all of us at the NRC, are devoted to building "A Safer Tomorrow." We are doing that by cultivating excellence, and by committing ourselves to better cooperation and better communication—within the NRC, within the United States, and around the world.

I hope all of you here today will benefit from the many workshops, poster sessions, seminars, and other opportunities available over the next few days. Please enjoy the rest of the conference.

Thank you.

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