



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

CHAIRMAN

February 22, 2017

The Honorable John A. Barrasso
Chairman, Committee on Environment
and Public Works
United States Senate
Washington, DC 20510

Dear Chairman Barrasso:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your February 17, 2017, letter and the December 21, 2016, letter from the former Chairman of the Committee on Environment and Public Works, Senator Inhofe, and from Clean Air and Nuclear Safety Subcommittee Chairman Capito that you referenced. The Senators wrote to express their views regarding the NRC's follow-up to the agency's July 26, 2016, stakeholder meeting and to request certain information be provided to the Committee on a monthly basis. Enclosed is the requested report.

The NRC appreciates acknowledgement of improvements the agency has made through Project Aim and other activities. I can assure you that the NRC remains focused on and committed to delivering our safety and security mission in an effective, efficient, and agile manner, as the nuclear industry continues to experience a dynamic operating environment. If the Commission has created the impression that the NRC is satisfied with acceptance of the status quo regarding the issues raised at the July 26, 2016, stakeholder meeting, please know that the meeting provided valuable insights to inform and shape many ongoing NRC program changes and enhancements and that these insights are being factored into our work going forward.

For example, in the area of backfitting, the Committee to Review Generic Requirements (CRGR) held a public meeting on September 13, 2016, to discuss the backfitting process. Another meeting with interested stakeholders is scheduled for February 28, 2017. On November 29, 2016, the Commission directed the staff to revise agency guidance concerning the consideration of cost where regulation is not necessary to ensure adequate protection of public health and safety and, in particular, in applying the compliance exception to the backfit rule. Specifically, the Commission directed the staff to ensure consistency with the Commission direction in responding to the Executive Director for Operations' tasking to the CRGR (to review backfit guidance, training, and knowledge management). The Commission also directed the staff to provide the revised backfitting guidance to the Commission for approval. The NRC staff is currently working to update the guidance that supports its regulatory and backfit analyses.

Over the last year, the NRC has enhanced the efficiency and predictability of the nuclear reactor licensing process, including: clarifying management expectations for licensing reviews; improving discipline in the request-for-additional-information process; enhancing collaboration with stakeholders to identify any unnecessary regulatory impediments to the advancement of digital technology; refining the decommissioning transition process; and developing efficiencies in the review process for small modular and advanced reactor technologies. These and other

efforts have supplemented the agency's Project Aim activities through which, among other things, we are implementing approximately \$48 million in reductions associated with lower priority work that can be shed, performed with fewer resources, or performed with a different priority; planning the merger of two major program offices; and realigning staff resources in several key areas into more efficient centers of expertise. We are working every day to sustain these improvements and to identify additional opportunities to improve processes that accomplish NRC's mission while achieving resource savings.

Consistent with the Government Performance and Results Act, we measure and report on the NRC's performance using a system of organizational performance indicators to support our strategic goals and objectives, a number of which are reported externally through the Congressional Budget Justification, while others are tracked internally at both the agency and office level.

The Commission respects the Committee's oversight authority and seeks to facilitate the Committee's exercise of that authority. The enclosure represents the staff's effort to provide the information requested by Senator Inhofe and Senator Capito. I would welcome the opportunity to meet with you about the scope of the information provided and how to best meet the Committee's needs.

Thank you for considering my request. If you have any questions, please contact me or Eugene Dacus, Director of the Office of Congressional Affairs, at (301) 415-1776.

Sincerely,



Kristine L. Svinicki

Enclosure:
As stated

cc: Senator James Inhofe
Senator Thomas R. Carper



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WASHINGTON, D.C. 20555-0001

CHAIRMAN

February 22, 2017

The Honorable Shelley Moore Capito
Chairman, Subcommittee on Clean Air
and Nuclear Safety
Committee on Environment and Public Works
United States Senate
Washington, DC 20510

Dear Madam Chairwoman:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to the letter jointly sent by you and the former Chairman of the Committee on Environment and Public Works, Senator Inhofe, dated December 21, 2016. You wrote to express your views regarding the NRC's follow-up to the agency's July 26, 2016, stakeholder meeting and to request certain information be provided to the Committee on a monthly basis. Enclosed is the requested report.

The NRC appreciates acknowledgement of improvements the agency has made through Project Aim and other activities. I can assure you that the NRC remains focused on and committed to delivering our safety and security mission in an effective, efficient, and agile manner, as the nuclear industry continues to experience a dynamic operating environment. If the Commission has created the impression that the NRC is satisfied with acceptance of the status quo regarding the issues raised at the July 26, 2016, stakeholder meeting, please know that the meeting provided valuable insights to inform and shape many ongoing NRC program changes and enhancements and that these insights are being factored into our work going forward.

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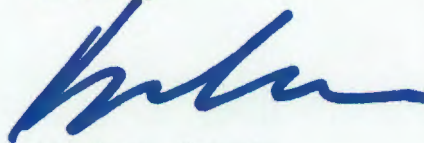
things, we are implementing approximately \$48 million in reductions associated with lower priority work that can be shed, performed with fewer resources, or performed with a different priority; planning the merger of two major program offices; and realigning staff resources in several key areas into more efficient centers of expertise. We are working every day to sustain these improvements and to identify additional opportunities to improve processes that accomplish NRC's mission while achieving resource savings.

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Thank you for considering my request. If you have any questions, please contact me or Eugene Dacus, Director of the Office of Congressional Affairs, at (301) 415-1776.

Sincerely,



Kristine L. Svinicki

Enclosure:
As stated

cc: Senator Thomas R. Carper

Similar letter sent to:

The Honorable John A. Barrasso
Chairman, Committee on Environment
and Public Works
United States Senate
Washington, DC 20510
cc: Senator James Inhofe
Senator Thomas R. Carper

The Honorable Shelley Moore Capito
Chairman, Subcommittee on Clean Air
and Nuclear Safety
Committee on Environment and Public Works
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cc: Senator Thomas R. Carper