

NRC NEWS

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"Perspectives from Commissioner Jeff Baran" 2015 Regulatory Information Conference March 11, 2015

Thank you, Brian. Good morning. I hope everyone enjoyed the first day of the RIC and arrived ready for another full day of events.

I'm very happy to be here with all of you for my first RIC.

As you might imagine, this being my first RIC, I got a lot of advice about my remarks today. And it is all genuinely appreciated. Commissioner Svinicki encouraged me to seize day two of the RIC and make it my own. But how does one go about doing that?

Well, one former commissioner told me that this is my one chance each year to be philosophical. On the other hand, someone else suggested that I avoid getting too ethereal. One person said it's important to make three main points, but another said I should really have a single major theme. I've been told I should demonstrate a deep understanding of the issues. I've also heard that I shouldn't get too into the weeds. A friend told me that it was important to somehow work "stairway to heaven" into the speech. I don't know what that's about, but consider that box checked. My favorite piece of advice came yesterday on my way home. On the Metro platform, someone told me, and this is a quote: "have better jokes."

Well, our good friends in the news media have met that challenge. This morning, Politico actually provided me a joke for delivery today. Do you want to hear it? You've gotta want it. Okay, brace yourself. What's the favorite food of a British physicist? Fission chips. Please send all complaints about that joke to Darius Dixon, care of Politico Pro.

This event is all new to me, but my initial impression is that it seems to be a little bit like the nuclear safety prom. It's the big, once-a-year gathering where everyone's dressed up and excited to see each other and to catch up. There are fancy dinners and receptions. Kristine Svinicki is fussing with her hair. There's no dancing, as far as I know. But there are four huge Jeff Baran heads on the screens behind me - so that probably makes up for the lack of dancing.

For those of you who have been attending the RIC for years, I may be an unfamiliar face (or an unfamiliar giant head on a screen, as the case may be). So let me take a moment to briefly introduce myself. Many of you may know that I am an attorney. Before joining the Commission in October, I worked for over a decade on Capitol Hill. During my first five years on the Hill, I served as counsel on the staff of the House of Representatives Oversight Committee, where I worked on a range of issues,

including nuclear issues. Beginning in 2009, I spent about six years working on the staff of the House of Representatives Energy and Commerce Committee, the House committee with jurisdiction over NRC. One of my main responsibilities during that time was oversight of NRC and nuclear energy and waste issues.

Over that eleven-year period, I had a number of opportunities to work across the aisle to develop bipartisan legislation. I had the privilege of helping to negotiate bills that became law with broad bipartisan support, including legislation on medical isotopes, pipeline safety, energy efficiency, and hydropower. I think that legal and policymaking work was good preparation for my current role on the Commission.

It is a real honor to serve as a member of the Commission and to work on issues important to our vital mission of protecting health, safety, and the environment. I am committed to bringing an open-minded and thoughtful approach to the policymaking, rulemaking, and adjudicatory issues that come before us. I have truly enjoyed working with my fellow commissioners over the last few months. Collectively, we bring a wide range of experience and perspectives to our deliberations, which I think is valuable. While there are only four of us on the Commission right now, we are all very well working together to get the work of the Commission done.

During my years on the Hill closely following NRC's work, I benefitted from many briefings with NRC staff. I have long been impressed by their expertise and dedication. Since I arrived in October, I obviously have had the opportunity to interact with many more NRC staff members and continue to be struck by the quality of the people who work at this agency. After my confirmation, when I began staffing my office, I looked within the NRC staff to assemble my team and I believe it is a terrific team. Amy Powell is my chief of staff. Jody Martin is my legal counsel. Rob Krsek is my reactors technical assistant, and Raeann Shane is my materials technical assistant. My administrative assistants are Renee Taylor and Stacy Schumann. I hope that you will have the opportunity to meet and talk with them this week.

During my years working for Congress, I also benefited from many meetings with utility representatives and trade associations. On a number of occasions, I worked with these and other stakeholders to develop the consensus legislation I mentioned earlier. As a Commissioner, I look forward to continuing to build those relationships.

Since I arrived in October, I have made it a priority to begin visiting NRC-regulated facilities, including recent tours of Peach Bottom, Watts Bar, and North Anna. I plan to head to Vogtle and Summer early this spring, along with the Westinghouse facility in Columbia. I have been impressed with the professionalism and knowledge demonstrated by the personnel at the nuclear plants I have visited. I look forward to visiting additional facilities in the near future.

I thought I would use my remaining time this morning to share some of my initial impressions of NRC after five months on the job and give you a sense of what I see as likely areas of focus for the agency going forward. I also want to leave plenty of time for questions.

As many of you know from watching and working with the Commission through the years, we work on tough, complex issues. And there are several important items currently in front of the Commission. As a general matter, I believe that we need to hear a wide range of perspectives from the

staff, stakeholders, and the public as we deliberate on these matters. I think we make the best decisions when we get input from a broad range of stakeholders.

First and foremost, we are always focused on our mission of protecting public health and safety. This priority governs all that we do.

Currently, five new reactors are being built in the United States and five reactors recently ceased operations and are entering decommissioning. At the construction sites, NRC is conducting oversight to ensure that the new plants are built safely and in accordance with regulatory requirements.

With respect to decommissioning, the Commission recently directed the NRC staff to proceed with a rulemaking. Although the risk profile of a permanently shut down reactor is very different than that of an operating reactor, NRC does not currently have regulations specifically tailored for permanently shut down reactors. Because of this gap in NRC's regulatory framework, licensees with reactors transitioning to decommissioning routinely seek exemptions from many of the regulations applicable to operating reactors. This approach of regulation by exemption is inefficient for both NRC and its licensees. The exemption approach does not improve the stability and predictability of the licensing process and does not allow for effective public input or improved public understanding of the decommissioning process. So I support the staff's effort to take a fresh look at these decommissioning issues. We can benefit from the lessons learned from the recently shut down plants and the closures in the 1990s. And there is real value in taking public comment on decommissioning issues that are of great interest to many stakeholders.

The agency, along with its licensees, continues to address post-Fukushima safety enhancements and lessons learned. The tsunami and resulting nuclear accident rightly caused NRC to take a fresh look at its assumptions and regulations. Given the work that many of you have done directly on these initiatives, I'm sure you know that substantial progress has been made in several areas. But I think we all recognize that more work remains to be done. For example, FLEX mitigation equipment is now present at a number of plants around the country, and two regional response centers are fully operational. Uniform connections for generators, pumps, and hoses should provide tremendous flexibility in responding to future beyond-design-basis events. However, many plants will not have all of their new mitigation capabilities in place until next year and we still need to ensure that the new equipment can withstand the reevaluated seismic and flooding hazards at the sites where it may someday be needed.

Today marks four years since the Fukushima accident, and we all need to maintain our focus on implementing the lessons learned from that tragedy in a timely way. We look forward to your insights, creativity, and commitment as we all work to complete these essential efforts.

Security will continue to be a major focus of NRC's activities in the coming years. Cyberattacks and infiltrations remain an evolving and significant threat. Enforceable, performance-based standards are already in place for nuclear reactors, but we also need to make sure that we protect the digital systems at fuel cycle facilities, as well. The Commission is currently considering whether additional actions are appropriate in this area. If the Commission decides to initiate a rulemaking to enhance cybersecurity at fuel cycle facilities, it is important that it be conducted and implemented expeditiously. Cyber vulnerabilities at all NRC-regulated facilities should be addressed in a timely way.

These are just a few of the issues that will continue to be priorities for NRC. For these and other issues, I believe we must continuously strive to be the gold standard in nuclear safety and security regulation. That's not an accolade an agency earns one day and declares itself satisfied. We have to work tirelessly to further improve the way we do business to protect the public and the environment.

That drive for excellence applies to another priority for the Commission: the continued improvement of our licensing process for new reactors and designs. The Commission recently certified the ESBWR design and held an uncontested hearing for the combined license application for Fermi Unit 3. We expect to hold an uncontested hearing on at least one other combined license application in the coming months.

While NRC continues its work on pending applications for new reactors, we need to be ready to accept and review applications submitted for new technologies. The staff accepted the APR-1400 design certification application for review just last week. We are expecting to receive the first application for a small modular reactor design in 2016. NRC already is reviewing an application for a new production facility for medical isotopes and anticipates additional applications of this type in the future. I think we are well-positioned to handle SMR and medical isotope production applications, but we're always open to feedback on how our process is working.

Nevertheless, the agency faces a different environment than what was expected just a few years ago when substantial new reactor construction was anticipated and no licensees had yet announced plans to shut down any reactors. To meet our responsibilities now and in the future, we need to enhance the efficiency, effectiveness, and agility of the agency. In order to avoid disrupting the agency's work, it is important to set a thoughtful trajectory to the appropriate resource and staffing levels over the next few years. We need to make sure that we do a good job matching resources to expected workload.

Before I joined the Commission, my colleagues had the foresight to initiate Project Aim 2020, an internal working group tasked with looking at the changes NRC should make to prepare for the future. This is a valuable and timely effort. We are actively deliberating on the recommendations of the Project Aim team, and I expect that the Commission will approve some prudent actions in the near term.

Finally, I think we need a renewed focus on enhancing our transparency and openness with Congress, stakeholders and the broader public. Transparency and openness allow Congress to fulfill its important oversight function and the public to actively participate in NRC's regulatory activities. As I said earlier, I think we make the best decisions when we hear from a diverse mix of stakeholders. That dialogue doesn't just help us to improve our communications about what we are doing. It actually helps us to make better decisions in the first place. It forces us to question our assumptions and to think creatively about new approaches to regulatory challenges. Openness means sharing as much information as we can, describing the issues and the agency's work in understandable language, and being open to the feedback that we receive. Our Congressional oversight and appropriations committees are more interested than ever in NRC's mission and the way we are carrying out that mission. I firmly believe that NRC can provide Congress with the information it needs to perform its oversight duties while preserving the independence that is essential to accomplishing our safety and security mission.

Once again, it is a pleasure to be here with all of you today and throughout the week. I look forward to meeting many of you during this conference and to seeing your facilities in the U.S. and abroad in the future. I'd be happy to answer any questions you may have. Thank you.