

UNITED STATES
NUCLEAR REGULATORY COMMISSION

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ALL EMPLOYEES MEETING

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MONDAY,

SEPTEMBER 9, 2019

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ROCKVILLE, MARYLAND

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The Commission met in the Commissioners' Hearing Room at the Nuclear Regulatory Commission, Bethesda North Marriott & Conference Center, 5701 Marinelli Road, North Bethesda, Maryland, at 10:00 a.m., Kristine L. Svinicki, Chairman, presiding.

COMMISSION MEMBERS:

KRISTINE L. SVINICKI, Chairman

JEFF BARAN, Commissioner

ANNIE CAPUTO, Commissioner

DAVID A. WRIGHT, Commissioner

ALSO PRESENT:

MARGARET DOANE, Executive Director for Operations

SHERYL SANCHEZ, National Treasury Employees Union

P R O C E E D I N G S

10:00 a.m.

MS. DOANE: Okay. Good morning. Welcome to the 28th All Hands Meeting of the NRC staff and the Commission. This is a public meeting. So I would like to also welcome any members of the public and the media who might be present. Thank you all for attending.

And a special thanks to the members of the Commission for your continued support of this important event and taking the time to meet with us and discuss the topics that are of great interest to us all.

In addition to those of us in headquarters attending this meeting in person, our colleagues in the regions and the Technical Training Center are viewing this meeting via video teleconference. And our resident inspectors and full-time teleworkers are viewing the meeting through web streaming.

Before we begin, I would now like to show you a short video about our collaborative art project that we did after the, our Wave of the Future.

And before we begin the video, I just want to thank Alysia Bone. Alysia, are you here? Could you please stand up so everybody can see Alysia? So not only was Alysia a pinnacle --

(Off mic comments.)

MS. DOANE: All right. You got Alysia, good, because Alysia, the Jam was what it was because of the work of Alysia and a whole big team that we have put out before. But Alysia also did this video. You'll see her artwork is beautiful. Yeah, so we should give her a round of applause.

(Applause.)

1 (Video played.)

2 (Applause.)

3 MS. DOANE: It was so inspiring. Just as a wave brought
4 us together, we are together again today to be able to ask questions and
5 continue our dialogue.

6 So the purpose of this meeting remains the same as in the
7 past, to provide an opportunity for the Commission, for communication
8 between the Commission and the staff and for members of the Commission
9 to share their perspectives on NRC's accomplishments and challenges.

10 The Chairman and each Commissioner will begin the
11 meeting with individual remarks. The remainder of the meeting is reserved
12 for questions and answers.

13 So this is a unique opportunity for employees to interact
14 directly with the Commission regarding Agency policy and strategy matters.
15 So I encourage all of you to take advantage of it.

16 There are two microphones in the ballroom for your use in
17 asking questions. You can see them on the side.

18 We also provided note cards. If you would prefer to write
19 your questions, you can pass them to one of our volunteer staff so that your
20 question can be read by the volunteers.

21 The regions and the TTC will also have an opportunity to
22 pose any questions when they are called upon.

23 So, at this time, I want to just take time to tell everybody
24 please silence your cell phones if you haven't done that already. Turn them
25 off or silence them.

26 Okay. Now let me turn to the thank yous. Meetings such

1 as this would not be successful without the work of all of the volunteers that
2 you see here and also those volunteers that you don't see because they're
3 behind the scenes.

4 So I'd like to start out by recognizing and thanking Wendy
5 Reid and Gwen Haden from the NRC Toastmasters Club who are our
6 volunteer readers, as well as other volunteers, Jackie Nicholson, Pam Baer,
7 Linda Allen, Tonya Russell, Emarsha Whitt, and Tyrus Wheeler.

8 Thank you also to our sign language interpreters and
9 support from the staff in the Office of the Secretary, Office of the Chief Human
10 Capital Officer, Office of Administration and -- I think I hit everybody. Did I
11 say -- oh, no, and the Chief Information Officer. How can I forget? We
12 sincerely appreciate all your efforts to organize and provide technical and
13 logistical support for today's meeting.

14 Finally, I'd like to recognize the officials from the National
15 Treasury Employees Union who are here with us today. And the NTEU will
16 have an opportunity to address us near the conclusion of the meeting.

17 It is now my privilege to turn this over to Chairman Svinicki.

18 CHAIRMAN SVINICKI: Well, thank you very much,
19 Margie. And good morning to everyone. I would like to extend my welcome
20 as well to all of you.

21 And it is wonderful to be gathered for this unique opportunity
22 that we do of having this All Employee Meeting. I know we have a lot of our
23 colleagues from the regions and the TTCs and other remote sites that are
24 tuning in as well. I want to offer and extend a welcome to you all. Thank
25 you for participating in this meeting here today.

26 And I do want to extend my welcome as well to our NTEU

1 representatives who, again, will be invited to come up and make some
2 remarks that they would like to give before we close today's meeting.

3 So, again, it's wonderful to see everyone. Thank you for
4 the video. I think that that was a wonderful way, a good reminder of the
5 uniqueness of our transformation journey and the work that we're doing
6 together.

7 I had the opportunity, as did so many of you, to participate
8 in the agency-wide Jam. I thought it was an amazing tool. I wasn't aware
9 that something like that existed. And I appreciated the opportunity.

10 Again, as my work and other meetings permitted over the
11 course of the Jam itself, I kind of was hopping on and off as I know so many
12 of us had to do. But it was really something that grabbed my attention. I
13 was always kind of reluctant to have to turn it aside and go to some other
14 responsibility that I had.

15 And, you know, I'm like a lot of you. I probably consider
16 myself more of an analytical person than a creative person. So it's always
17 kind of, it makes a big impact on me when I see, unleash the creativity of so
18 many people here.

19 And, you know, I was trying to think about what, you know,
20 what could I say about how I've taken on board our transformation and, you
21 know, how it's showing up in my day-to-day work activity.

22 And I thought of a story that I think is not terribly flattering to
23 me but might paint a picture of kind of how I get so set in my routines, which
24 is that the first day that I reported for duty here at NRC in 2008 wasn't -- I live
25 in Virginia and I'd worked always in the District of Columbia before coming to
26 NRC.

1 So I literally used, you know, a mapping software to figure
2 out how to get to our building here at White Flint. And it mapped me through
3 a routing.

4 And I should be, I guess, embarrassed to say that, you
5 know, over 11 years later that route I took the first day I've continued to take
6 that same route for all that time. And it just, you know, I just, if you were to
7 ask me why, I'm not sure. I think there are a number of things.

8 Back then, the ability for all users to kind of be
9 crowdsourcing real time traffic information, you have to remember, you know,
10 11, 12 years ago we've seen a rise in the power of a lot of the apps and tools
11 available to us that's been pretty phenomenal just in a decade. Maybe I
12 never gave it too much thought.

13 But my story is that, you know, the schools opened again
14 since it's September. And for some reason, both in Virginia and then getting
15 from, off the 270 Spur to come to the White Flint building, I passed a really
16 significant number of schools. I'm not sure why that is. That just happens
17 to be my route. I've never really counted them. But there's a lot on both
18 ends.

19 So it occurred to me -- and again it's not really a very
20 flattering story. But it occurred to me last week that with the schools
21 reopening maybe I should like open Apple Maps and Google Maps and just
22 see what kind of real time information. It turns out that after 11 years, almost
23 12 years, there are much better ways for me to get here.

24 So I discovered that. And it's been a bit of a revelation,
25 because it isn't anything I would have thought about. And I do leave it on,
26 because the other thing nowadays, a decade later, every user is basically kind

1 of crowdsourcing real time traffic. Through the process of doing that,
2 sometimes it offers you a new suggestion. You could save three minutes.
3 You know, you could do whatever.

4 So that's kind of my true confession with how much you can
5 put parts of what you do every day on a kind of almost a literal auto-pilot in
6 terms of my coming to work.

7 And so I know that when I see people being really, really
8 creative, you know, part of my thinking is I'll have a long ways to go to come
9 up with ideas like that.

10 But the neat thing about the Jam is I observed that it wasn't
11 just the most creative ideas. A lot of it was kind of showing up and saying,
12 well, I'm kind of an implementer, but I have good ideas on how something
13 could be implemented differently.

14 And the other thing is my story is such a basic thing. But,
15 you know, for me it's a really humble reminder of how I, there are things I do
16 every day, that there's things and tools and things available to me now that I
17 could do them in a more informed way.

18 And so it's kind of, I tell the story just to give you a
19 perspective on my personal view on transformation.

20 You know, the staff came forward. Victor started with the
21 word transformation. I always felt a little intimidated by it because it's such a
22 big word.

23 But I'm in no way against, you know, modest improvements
24 in my own day-to-day life or my work life. My small team that works for me in
25 the Chairman's Office, we're looking for ways that just as a team we can
26 function better and more efficiently. So I'm very focused on that. And I am

1 excited about the opportunity that it provides.

2 There were challenges in the Jam. One when I happened
3 to be on there is, I appreciate this honesty, someone commented, well, you
4 know, the Commission has a lot of standing practices and ways they engage
5 the Agency. Is the Commission willing to be a part of looking at how we're
6 doing business and transforming?

7 And I won't speak to that broadly. But I will just say that I'm
8 very open to it. And I always want to think that I'm getting kind of smarter and
9 better at what I do.

10 So I know that we have critics. We're always going to have
11 critics. And I think that sometimes the people who are, you know, willing to
12 think critical things about you are ones that are going to go, you know, this is
13 about being less than and this is about just cutting back.

14 I just so sincerely don't see it as that at all. I think much like
15 I'm still getting to White Flint. I'm getting here on time and safely. But I'm
16 just doing it better than I used to do it. And I think there's lots of opportunity
17 like that.

18 So I want to roll up my sleeves. I want to be a part of what's
19 happening here. And as a member of the Commission, I want to equip you
20 with things. New tools are really exciting. It excites me.

21 And I know that we're making efforts to discover what are
22 those that we could deploy that could get you what you need to do your job
23 and then have even more time during your day, discretionary time to do the
24 kind of, you know, thinking and deeper work that you want to do, but often the
25 hectic nature of your inbox and just schedules and deadlines doesn't allow
26 you to do that.

1 So I think, you know, personally I think that that's very
2 exciting. I want to be a part of it. I want to be, you know, creating my own
3 little space where I'm doing things better.

4 But I look forward to your questions here today. I know that
5 change -- the other thing is I'm a human being like anybody else. That's my
6 other thing. I don't consider myself creative.

7 And, you know, I'm not great on change. It's part of the
8 human condition. It's tough and uncomfortable. But I know that at the end
9 of the day you can change something and go I'm so glad I did that even though
10 it was a little bit difficult.

11 I read a quote. I think it's a Zen proverb. But I'm probably
12 going to get this wrong. And I should have looked it up before I said it to this
13 many people. But it's something like, you know, obstacles are not put in your
14 path, obstacles are the path.

15 So, you know, things -- so, when I try to just take a deep
16 breath and look at it that way and say, you know, working through each of
17 these hard things is part of the path that we're on.

18 So that's where I am, and I'm rambling a bit. So I will turn
19 it over to Commissioner Baran.

20 COMMISSIONER BARAN: Well, thanks to everyone for
21 being here. It's wonderful to be here with my colleagues. I appreciate all of
22 you taking the time to join us in person or remotely. This annual meeting is
23 a great opportunity for you to share your thoughts about how things are going
24 at the Agency and ask the questions you have on your mind.

25 At our last All Employees Meeting in January, I talked about
26 some areas where I thought transformation made sense and some areas

1 where I had significant concerns. I want to briefly expand on that.

2 When I watch the Wave of the Future video or read the
3 hundreds of Jam posts or talk with NRC employees here at headquarters and
4 across the country, it's clear to me that there's a lot of enthusiasm for making
5 changes that will improve the Agency. And that's terrific. We should
6 absolutely be looking for ways to make the Agency more effective and our
7 processes work better.

8 Whether it's improving how we keep track of our hours or
9 addressing the slowness of the concurrence process or getting rid of
10 potentially unnecessary steps in the rulemaking process or having the right IT
11 to make it easier to do our work, I'm glad that folks are feeling empowered and
12 motivated to explore those kinds of changes.

13 But I worry that mixed in with all these positive, common
14 sense efforts are some very bad proposals that would roll back safety and
15 security standards and weaken NRC's oversight of our licensees.

16 We've seen recommendations to reduce the frequency of
17 critical engineering inspections and problem identification and resolution
18 inspections. These baseline inspections are at the heart of what NRC does
19 to ensure that nuclear power plants operate safely.

20 There are proposals focused on minimizing the importance
21 of white findings that would have the effect of making it less likely that nuclear
22 power plants would move to higher levels of NRC oversight. That could
23 undermine the important role white findings play as leading indicators of larger
24 and more safety significant problems.

25 Some even argue that NRC should allow industry self-
26 assessments to replace NRC inspections on engineering and radiation

1 protection, emergency preparedness, and security. But NRC's baseline
2 inspections are essential. And NRC inspectors need to be independently
3 conducting them.

4 We should not allow licensees to inspect themselves in lieu
5 of NRC inspections. Doing so would be fundamentally inconsistent with our
6 role as an independent nuclear safety regulator.

7 So, as we consider the many ideas for change that have
8 come from within the Agency and from external stakeholders, we need to be
9 very careful that we are separating the good ideas from the bad.

10 Our number one concern has to be our safety and security
11 mission. That can't just be a slogan. We have to reject changes that would
12 weaken NRC oversight to save money. Efficiency is a good thing. But it
13 can't be an excuse for not doing our job of protecting the public.

14 I know that you are committed to that vital mission. If you
15 have a concern about the impact of a potential change being considered, I
16 encourage you to speak up and make sure that your perspective is
17 considered. We need everyone engaged and thinking through whether a
18 particular proposal is going to improve safety or compromise it.

19 Thank you for the work that you do. I look forward to
20 hearing your thoughts and questions.

21 CHAIRMAN SVINICKI: Thank you very much,
22 Commissioner Baran. Now we'll hear from Commissioner Caputo.

23 COMMISSIONER CAPUTO: Good morning. I'll just start
24 by adding my thanks to Margie's for all of the hard work that went into
25 organizing this meeting today. So thank you for that. And also thank you all
26 for participating and being here today and for those that are tuning in over the

1 phone and over the web.

2 I also want to add my thanks to our security officers at the
3 NRC for keeping us safe every day and a special thanks to the Montgomery
4 County officers who may be helping with us today. That's a special role that
5 they play, and I think one that often goes unobserved.

6 So, since last, since our meeting in January, time really has
7 flown. I've done a lot. It's been rewarding and enlightening.

8 But I do want to share some of the highlights of things that
9 have happened since January and activities that I participated in, particularly
10 because so many of you have had roles in these and interacted with me in
11 these visits. And I want to thank you for all of those contributions.

12 I visited six nuclear plants. As a rule, I prefer to meet with
13 resident inspectors to get their take directly on how things are going. And
14 these exchanges have been very informative, very insightful. And it's so
15 helpful to get sort of that on the ground perspective of how they do their jobs
16 every day and the things they find and the nature of that core work that we're
17 doing.

18 Visited four decommissioning sites. I went to Kewaunee in
19 February. They don't get a lot of visitors then. So I think I ought to get a
20 bonus point for, you know, eight degrees and snowy.

21 Three research reactors, and at each one of these three,
22 good, lots of good things were said about our willingness to work with them,
23 the improved timeliness of decision-making in helping them to continue to do
24 their jobs well.

25 I saw two advanced reactor developers. And let me just
26 take this moment to say kudos to NRO, Research, and ACRS. They've had

1 a busy year, completion of the APR1400, Clinch River, getting Clinch River
2 ESP to its mandatory hearing and making significant progress on NuScale, in
3 addition to the advanced reactor development work that's ongoing. That is
4 an amazing amount of accomplishments for just, in that last nine months.

5 Been to all of the Regional offices now. At each one, we
6 had thoughtful and frank discussions, which I found very, very helpful. And
7 once again, that boots on the ground perspective from the Regions I think is
8 just instrumental in terms of understanding how our core mission gets carried
9 out on a daily basis.

10 Saw one medical facility. For anyone who's had radiation
11 treatment, it's amazing the advances in the medical field. But it's also equally
12 amazing our role in making it happen. So thanks to all of you who are
13 engaged in that.

14 I did two overseas trips. International Programs was very
15 supportive, very insightful in putting together an agenda packed with tours of
16 laboratories, nuclear plants, meetings with our international counterparts.

17 And it was very helpful to hear from the leaders within our
18 State Department, but also to be able to share with them our regulatory
19 support for others in terms of what I'd like to call exporting nuclear safety
20 abroad.

21 We all testified in two senate hearings. David and I
22 participated in our first RIC.

23 But there are a couple things I also want to highlight. I
24 spoke at an American Nuclear Society Utility Working Conference, as I believe
25 several of you did. I was only there for a day. But I managed to cram in four
26 different sessions where NRC employees were speaking.

1 And they were very professional, very insightful, very
2 thoughtful on topics that ranged from how do we conduct knowledge transfer
3 and inspire the next generation of nuclear professionals in terms of passing
4 the torch. That was a very absolutely impressive young lady from the NRC
5 giving a talk on that.

6 And also, you know, all the way to risk information, risk-
7 informed decision-making. So that, once again, sharing our expertise I think
8 is very, very helpful. And it was certainly, made me proud of our workforce
9 and the team that we have here at the NRC to see those presentations.

10 I also want to highlight a recent visit to Purdue University to
11 participate in their celebration of a successful transformation, transition, which
12 is also transformational, of their research reactor to digital I&C. This is a first
13 for an agency. And that's a big first.

14 But this event was attended by a U.S. senator, a U.S.
15 congressman, the president of the university, who happened to be a former
16 governor of the state. Those involved with the project recognize the great
17 benefits that the transition will have for the university and for the nuclear field
18 in general.

19 But this successful transition showed me that our attempts
20 to modernize our decision-making and continue to support implementation of
21 digital I&C are recognized by people outside the Agency as vital. So I
22 personally want to thank all of the staff who were involved in this transition.

23 So I share with you these, this list for a couple reasons.
24 One, I think people often wonder why it takes so long for issues to get resolved
25 at the Commission level.

26 And I'm just going to state that today I'm committing to work

1 harder to address the issues that are pending before me and to improve my
2 timeliness and decision-making, because that's clearly I think an initiative
3 that's been laid out by Margie and the executive team here at the Agency and
4 one where I certainly need to step up my game and improve. And I commit
5 to do that.

6 Secondly, I've had additional time to see what the NRC is
7 doing and the daily impacts that we have in so many areas. So I want you to
8 know that I see your engagement. I see the results of your work. I'm
9 impressed. And this is my chance to say well done. So thank you for the
10 work that you do every day.

11 I know Commission Baran, you know, has often made
12 remarks about the Reactor Oversight Program that's pending before us. And
13 let me just start by saying that in a lot of ways I agree with him. I am opposed
14 to any radical or arbitrary changes to the ROP. I think they need to be
15 targeted. They need to be substantive. They need to be well-thought-out.

16 But I also reflect on the fact that 20 years ago that program
17 was established to improve objectivity, to be measurable, and to reduce the
18 subjectivity and perhaps inconsistency of the previous program.

19 So, if we reflect on 20 years of experience and data and the
20 staff has reached the conclusion that there have been sustained safety
21 improvements in certain areas, then I think that warrants reflection by the
22 Commission. But I think it needs to be well-documented and targeted in
23 terms of improvements.

24 With regard to transformation, last January I noticed how it's
25 a challenge to identify how far we need to reach in transformation versus
26 things that we can perhaps do each and every day to conduct how we, to

1 improve how we conduct business.

2 But we now, looking back, have the benefit of the Futures
3 Assessment, the work of the innovation group that existed prior to the Futures
4 Assessment, the Futures Jam that the Chairman talked so wonderfully about.
5 And thanks to all of you who contributed your time and efforts to all of these
6 initiatives.

7 The parts that I participated in and particularly the things that
8 I watched on the Futures Jam, just like the Chairman squeezing it in wherever
9 I could, showed really vibrant and useful discussions. So thank you all to
10 those who contributed.

11 And on the heels of these contributions, the Agency
12 leadership has developed initiatives to address four focus areas, which I'm
13 going to just state here. I know everyone probably got something on this
14 recently or will soon, but four key focus areas, improvements in decision-
15 making, adoption of available technology, a culture of innovation, and
16 recruiting, developing, and retaining a strong workforce.

17 These are key focus areas that will help us know when we
18 have actually achieved the goal of becoming a modern, risk-informed agency.

19 I think this is a great start. I want to give my compliments
20 to those who contributed this far and encourage all of you to engage wherever
21 you can in support of these initiatives.

22 Thank you. And I will turn it over to Commissioner Wright.

23 COMMISSIONER WRIGHT: I guess this is on. Good
24 morning.

25 GROUP: Good morning.

26 COMMISSIONER WRIGHT: Number four here. I was

1 able to walk around and say hello to a number of you this morning. And I can
2 tell you that it appears that Monday has got off to a pretty good start for most
3 of you.

4 I got back last night, went home to see my grandtwins get
5 christened. So that was yesterday morning. And then fortunately traffic
6 wasn't bad, and I'm happy to be back here bright-eyed and bushy-tailed and
7 ready to go.

8 At last year's All Employees Meeting, I was number five, you
9 know. But my number's changed since then. And maybe I need a new
10 jersey.

11 I'll tell you, I'd rather be number five, though, because, you
12 know, and have Commissioner Burns still here. But I do hope he's enjoying
13 a well-deserved break and retirement over 40 years of very dedicated service
14 to this Agency. And what a good guy.

15 As for me, well, I'm still making the rounds both here at
16 headquarters and out in the regions. I'm really enjoying continuing to meet
17 the different members of the NRC staff no matter where they're at.

18 And you guys move around a lot. I mean, I can see you on
19 the eighth floor one month and on the, you know, second floor of the next
20 building the next month. I mean, you guys are moving around.

21 You know, it's been wonderful for me to learn who you are
22 and what you do. Some of you are, to you, I'm a new face still. But for many
23 of you now, you're becoming familiar faces to me because I'm seeing you all
24 around places.

25 And I really, I think that's an important thing, especially if
26 we're looking toward, you know, transforming. And, you know, we've got to -

1 - part of transforming, one, is building trust, right. And I want to be a part of
2 helping you do your job well, because if I help you do your job well, then guess
3 who succeeds? We all succeed. So thank you for what you do.

4 It's also been great to have some fun together when we can.
5 As Region I will tell you, I do enjoy a good outdoor cookout. And my staff tells
6 me I can only take just so many grilling requests. But I had a great time
7 cooking for them out there.

8 And I've also enjoyed, had some fun playing softball with the
9 people here at the Agency, holding down the hot corner at third base for the
10 ASLBP team in our yearly series against OGC, which by the way our guys
11 won this year. And so props to them.

12 But, you know, that's just part of what you do every day, you
13 know, that we work here. It's a real job. It's a very important job what you
14 do, highly technical, very policy driven. And it has to be done correctly.

15 But that doesn't mean you can't have fun. So I like to laugh.
16 And I like to have fun with you. And I appreciate the fact that you like to do
17 the same with me.

18 So I'm happy to be here. And I'm interested in hearing
19 what's on your mind and to answer questions that you have, those that I know
20 how to answer.

21 But before we get to your questions, I want to relay my
22 appreciation for your hard work and dedication. I'm continually impressed by
23 the work going on at all levels in this Agency.

24 You're completing very complex reviews, the APR1400
25 design certification, the Clinch River Early Site Permit, you know, the
26 mandatory hearing that we had to put on. We don't do many of those, but it

1 was very well done.

2 You're making great progress in your reviews of subsequent
3 license renewal and consolidated interim storage applications. And we
4 finalized the Vermont Agreement. And, you know, we're adapting to the
5 requirements of NIEMA, which is a learning experience for everyone.

6 And, you know, the staff continues to show time and time
7 and again that you're the reason that this Agency sets the standard that others
8 try to emulate. And they really do try to emulate what you do.

9 And while completing all these important tasks and more,
10 you've also kept busy, as you've heard, jamming and innovating, taking part
11 in transformation. And, you know, I'll bet many of us are looking forward to
12 putting some of those things into action.

13 So raise your hand if you're excited about WIFI. There you
14 go. I'm excited about WIFI.

15 You know, it's exciting to see and hear about all the great
16 ideas coming out of these initiatives. So, and I'm inspired to see that you and
17 the whole Agency, that we're embracing these initiatives and seeing change
18 as an opportunity to do our work better and more efficiently.

19 So I want to thank you for your efforts and appreciate what
20 you do in all phases to help achieve our mission. So thank you again. And
21 I look forward to questions.

22 CHAIRMAN SVINICKI: Well, thank you very much. And I
23 feel like that's hanging out in the air now that NRC becomes modern, ooh,
24 WIFI. But let me explain.

25 (Laughter.)

26 CHAIRMAN SVINICKI: It has to do with the, we have many

1 government security standards that we have to meet in our work, of course.
2 And our facility needs to meet these very stringent standards.

3 But we do hope to be wiring for greater WIFI connectivity in
4 the building and, again, in accordance with all the security requirements. So
5 it is a bit of an undertaking to get that done. So I agree.

6 I just want to -- and then the -- I'm not commenting on
7 people's remarks, even though I did just comment on your remark. But
8 there's been mention of the last Employee, All Employee Meeting and then
9 last year's.

10 Let me explain that the Commission was very purposeful in
11 scheduling this meeting in September. And I think it was the collective sense
12 that this is the best time of year to do this.

13 So, you know, it depends on availability of this facility here
14 at the Marriott and some other things. We do try to, of course, get this room
15 at a time of year that it's cost effective to get the room.

16 So, if things go according to at least the sense of the
17 Commission now, it would be more in this timeframe each year. That was a
18 bit of a departure to have the last one. So I think the next one would be
19 intended to be in the fall of 2020.

20 I think if you weren't privy to all our scheduling discussions,
21 that might have seemed a little strange of why we're meeting again. I should
22 have mentioned that at the beginning I guess.

23 Now, if my indications here are right, we have two readers
24 who were, of course, thanked by Margie. But we have Wendy Reid and
25 Gwen Haden. So you do have the note cards. You are also welcome to
26 come to the microphone.

1 But while people are getting their thoughts together,
2 perhaps we should have the first question, please.

3 PARTICIPANT: Okay. Good morning.

4 CHAIRMAN SVINICKI: Good morning.

5 PARTICIPANT: The rulemaking on emergency core
6 cooling, 50.46(c), has been with the Commission for several years. With new
7 fuel types being designed and tested to support accident tolerant fuel
8 implementation, what are the Commission's plans for voting on that rule?

9 CHAIRMAN SVINICKI: Well, I'll start and, of course, on
10 any question, if any of my colleagues would like to add or kick us off, they're
11 welcome to do so.

12 I think you heard mention from Commissioner Caputo that
13 there are a lot of things on our docket. Our docket is always a mixture of
14 things that need to be undertaken somewhat quickly, like the Agency has been
15 making best efforts to move the agreement, state agreement with the state of
16 Vermont in a very timely way. Vermont requested that that be done by a date
17 certain. The staff made tremendous efforts putting the Commission in a
18 position to achieve that.

19 And so do we sometimes kind of upend the order of things
20 in order to respond to something that is moving on its own deadline? In
21 addition, of course, we always have budget cycles, strategic planned updates.
22 There are things where we have fixed deadlines through other parts of the
23 government.

24 So I would characterize that the movement of the docket is
25 always somewhat of a fluid process where we're having to take on board
26 things that just arrived but have to move to the top of the stack. I think in

1 some ways it's not unlike the day-to-day work of a lot of you sitting in the room
2 or listening to my voice right now.

3 And acknowledgment, too, Commissioner Caputo
4 mentioned for people arriving on the Commission you do inherit a docket.
5 And yet as we -- well, I don't want to say absorb new members. That sounds
6 very biological.

7 But as new, as we have, you know, turnover on our
8 Commission is a matter of law. And we always have people like
9 Commissioner Burns, who we wish well. But we have newly arriving
10 members of the Commission. We have a vacancy, as I'm sure you all know,
11 seeing four of us sit up here. So that kind of change is always ongoing.

12 We did take on board Commissioners Wright and Caputo at
13 about the same time. My sense -- when I joined the Commission, a
14 graciousness was given to me which allowed me to kind of get my footing and
15 get my op-tempo. I got the same huge stack of papers as everybody else.

16 It has been a collegial practice of the Commission to try to
17 let new members have an opportunity to build their small team of advisors to
18 go through the docket. And, again, at the same time as I started with, we're
19 always taking on board new things that need to be moved more quickly.

20 That being said, to whomever asked this question, the rule
21 that you referenced is among some of, one of the oldest things on the
22 Commission's docket.

23 I would join Commissioner Caputo in, you know, looking at
24 that docket, looking at things that have been up here for a while. Let's think
25 about the time period that that's been pending.

26 We had a different EDO who kicked off an agency-wide

1 refresh on backfit training. We had refresher training. We had a review of
2 what was needed. We had refresher training offered to all staff.

3 I know that the current EDO and her executive team have
4 looked at matters before the Commission. And I'm sure that they're making
5 routine assessments on whether or not something may or may not have been
6 overtaken by events.

7 They do have a mechanism to put their recommendation
8 before the Commission on matters like that and say, you know, this needs to
9 be updated or this would benefit from having the staff kind of have an
10 opportunity to incorporate new matter or new material.

11 So I don't know that there is any intended finalization for that
12 particular rule that is contemplated by the Commission here today. But we've
13 been stable now with this, these individuals for a while.

14 I appreciate the raw honesty of Commissioner Caputo that
15 she would, as a personal matter, like to kind of turn to those older matters and
16 look at what's there and get some of that moving. So I would certainly join in
17 those efforts.

18 And then, again, each matter of, each member of the
19 Commission will have to kind of help us get to a final decision and be a part of
20 that.

21 I don't know if anyone wants to add anything. That was
22 kind of an answer much broader than the question. But that's kind of the
23 context. Commissioner Wright.

24 COMMISSIONER WRIGHT: So I want to thank you so
25 much, because you do, you did represent what's going on correctly.

26 As a new member, the day I walked in and Annette rolled

1 that cart in with about nine linear feet of paper and said here are the keys,
2 good luck, everything was new to me. Nothing was old. Everything was
3 new. We had to learn. We had to go through and find out what was
4 important.

5 And the only way that we can do that, the Commission
6 works very closely through our staffs and through periodics. We try to find
7 out what's important in the minds of the other offices, what they're interested
8 in working on, what's been front and center on their list.

9 And then we try to build off of that where I could get a sense
10 of what, you know, what is Commissioner Caputo and Commissioner Baran
11 and the Chairman working on. And we want to make sure that we're doing
12 our due diligence on those things as well and then share with them what we're
13 interested in.

14 So we're building a larger pool of things that we can work on
15 while all the other stuff is going on that has to be done.

16 So we're getting there. We're aware of it. We know that
17 there's impacts. I don't want to be -- I've said this before. I think I said it at
18 the RIC. If we're standing in the way of potential safety improvements and
19 things that are going to improve just the operation of plants and new
20 technologies making their presence felt in a new world, then we're not doing
21 our job.

22 So I appreciate what Commissioner Caputo said earlier.
23 And I, you know, I would join with her on that.

24 COMMISSIONER CAPUTO: I would just add that I think
25 one of the challenges that we wrestle with is what I would see as sort of
26 distinguishing between what's important and what's urgent.

1 And then also, sometimes, you know, some of these matters
2 are very weighty, and some of these matters are less so. So it can be easier
3 to handle a few small items at the same time that we're deliberating on
4 something that's quite sizeable. So it ends up being a blend.

5 But then there's also a distinction between things that are
6 important but may not necessarily be urgent because they don't have an
7 immediate safety impact.

8 So, if things are safe, in the meantime, they perhaps are not
9 afforded as much urgency because the Agency has either historically handled
10 it or there are mechanisms for handling it.

11 And I would, you know, probably put decommissioning in
12 that category as well, that one has, that another example that has been
13 pending before us for a long time but as something that the Agency has a
14 history of managing safely. So it has perhaps fallen in the priority order
15 behind things that might be more urgent or have a need to be a little more
16 timely.

17 So I think it's up to us as Commissioners. I think we all
18 make our decisions slightly differently on what that balance is between
19 importance and urgency. And, you know, it's, as the Chairman said, it's fluid
20 and ongoing.

21 COMMISSIONER BARAN: Just to speak very briefly of the
22 substance of the rule, this is one I voted a while back. And I do think it's an
23 important rule.

24 It has really two basic components, which you all know, or
25 aspects of it. One is very much a safety issue, making sure that based on
26 the latest research that's done that our regulations in this area are sufficiently

1 conservative.

2 But there's another element which really relates more to
3 innovations. And that's making sure that these particular set of standards are
4 technology neutral and performance based so that we don't have the situation
5 we have now where there are only a couple of types of fuel cladding that are
6 provided for the regulations and anyone with any kind of different technology
7 needs to go through an exemption process, which isn't really that efficient for
8 anyone.

9 So I do think it's an important rule. And I acknowledge, of
10 course, that everyone's going to prioritize, you know, the matters on the docket
11 kind of their own way, and things will get done in the order when votes come
12 in. But I do think it's an important rule. And I appreciate the question.

13 CHAIRMAN SVINICKI: Well, thank you. Do we have
14 another question? Thank you very much, please.

15 PARTICIPANT: With natural gas prices so low, even the
16 operating reactors are being shut down. The advanced reactors discussed
17 so far seem not to be able to replace operating reactors. So, if most power
18 reactors are shut down by 2030, what will the NRC become?

19 CHAIRMAN SVINICKI: Well, that is a great, creative
20 question that we can all think about. You know, it was interesting.

21 I have been trying to kind of go a little less paper intensive.
22 And so I was going through some stacks of reading material I had laid aside.
23 But I found an article from maybe three years ago, an op-ed or something.
24 And it said NRC working itself out of a job. And I thought, okay, well, that was
25 a catchy headline.

26 You know, I, here's what we, what I react to is, as

1 Commissioner Baran noted, you know, we have a really important safety and
2 security mission. And I look upon it as, you know, we singularly occupy that
3 role for the country and for the American people.

4 And so, with the interest in advanced reactors, I do get
5 asked sometimes. People are like, you know, do you think an advanced
6 reactor, even if one were certified and someone filed a COL, do you think that
7 one would be built or, you know, can you prognosticate on the kind of the
8 commercial trajectory of nuclear in the United States.

9 And I find that I can narrow my thinking in a way that, you
10 know, is maybe a great luxury to me is that I just don't have to concern myself
11 that much about what would need to come together for someone to pursue an
12 advanced reactor construction in the United States.

13 There's a strong interest, since I and other members of the
14 Commission do have opportunities not only for the Congressional hearings
15 that were discussed but to engage elected officials and members of Congress
16 one on one in more, you know, discussions in their office, more one-on-one
17 conversations and not kind of where the spotlight is on.

18 And what I observe is that there is a strong, across the board
19 desire from different policy vantage points and different political points of view.
20 There is a strong, broad-based interest in keeping nuclear energy an option
21 for the energy portfolio for the future of this country.

22 And it's interesting, since I do have this luxury of observing
23 this for a long time and having even before my time at NRC, time as a nuclear
24 engineer kind of observing these issues.

25 If you'd have told me in 2019 there would be, you know,
26 broad, bipartisan support for keeping nuclear energy as a viable option for the

1 future, you know, whether it be decarbonization or climate concerns or
2 anything else, I would have said, you know, I think it's always going to continue
3 to have a political flavor like it's had, you know, for a long time and certain
4 people like nuclear and certain people don't. And so this takes me by
5 surprise.

6 And moreover, with some I meet with, their view is it's not
7 just I want it as an option. Smart people have looked at energy planners,
8 modelers, people who do modeling and simulation. And I've had an
9 opportunity to meet with some of these folks.

10 They've met, and they've looked at it. And they've said I
11 don't like nuclear and I have tried to find a solution that would allow some kind
12 of timely decarbonization of our energy economy, either for the U.S. or the
13 world. I don't want nuclear to be a part of it. I ran every scenario. I tried.
14 I've got the most powerful supercomputers in the nation available to me. And
15 I can, my only plan that's viable is, includes nuclear. Now, they have different
16 views of the proportion of that.

17 And I've met with people that I take as very sincere that they
18 did not want nuclear to be part of this solution. They would, you know, really,
19 it was very believable coming from some of them. And they're like we can't
20 get there.

21 Some of them want it as a bridge until other fusion or other
22 things can come forward. They don't really love fission. They've got
23 different flavors of what they like or don't like.

24 So sometimes when I meet with elected officials, the tone is
25 one of you better be successful in this transformation and you better have
26 workable strategies for reviewing advanced technologies because the nation

1 is counting on you to do this.

2 So I don't know whether it will ever be built. But I feel that
3 because policymakers under law gave us this unique statutory role, we're the
4 only game in town. We don't have a competitor who can also certify designs.
5 It's just us.

6 And by the way, there's an additional overlay here, because
7 many of these elected officials, members of Congress, also work in foreign
8 relations and international things. And they know that as goes the U.S. a lot
9 of countries are going to be watching that.

10 And they also know that if the U.S. NRC with its extremely
11 rigorous standards, with its world-class experts thinks that an advanced
12 reactor technology is safe, that's going to carry a lot of weight around the world
13 up to and including something that might look like wholesale adoption of your
14 safety conclusions in other countries.

15 So I feel, you know, a strong, you know, kind of sitting up
16 straight of people looking me in the eye and telling me that the NRC's role in
17 this has not a lot to do with whether or not there are construction schedules
18 pending in the United States. It has a lot to do with the energy future not only
19 of the U.S. but of the world.

20 And I know we can do it. I'm absolutely confident. But
21 there is a notion of whether, you know, there's always the distraction of the
22 inbox and everything else. So we need to be looking at the short term and
23 the long term at the same time.

24 But that's how I view our really essential mandate on this.
25 And it doesn't have to do with near-term U.S. planning. I had someone look
26 at me and say the future of the whole world depends on your agency.

1 So, I mean, talk about a heavy punchline to a meeting.
2 That was -- you kind of walk out of there going we got a lot on our shoulders.
3 But I know we can rise to that occasion.

4 So I just wanted to provide that context. I don't know if
5 anybody -- Commissioner Baran.

6 COMMISSIONER BARAN: Yeah, I would just kind of add,
7 you know, it's, I think the premise of the question or maybe the concern behind
8 the question was what's going to, what's the world going to look like in 2030.
9 And we don't know.

10 And we're not going to know. I mean, the Futures
11 Assessment was done. And that gave us some possible images of the future,
12 none of which are going to be entirely accurate.

13 And obviously, no one here is really going to be able to
14 predict the number of operating units in any particular year. We aren't going
15 to be able to predict out into the future what wholesale electricity prices are
16 going to be or the market structures or state or federal policy. And all those
17 things are really going to be the primary factors determining that kind of
18 outcome.

19 But I do think it's, you know, for us in trying to understand
20 what is our role and what is our role likely to be, I think right now we have eight
21 reactors that have announced shutdown by 2025 and potentially a couple that
22 would come online.

23 So, you know, if you're thinking about 2030 based on just
24 what's been announced today, you'd be in around the 90 reactor range, which
25 I'm pretty sure will still be the largest fleet in the world in that timeframe.

26 So we're going to have a lot of work to do. We're going to

1 need to be ready for 2030. And we're going to need to be ready for 2040 and
2 2050 and 2060.

3 So, as we're thinking about what are the changes we want
4 to make or what are the areas where we need to renew our focus or
5 commitment, we really need to be thinking long term, because it's not, I think
6 it's going to be a horizon far longer than the next ten years or 2030. And
7 we've got to be thinking that way.

8 COMMISSIONER CAPUTO: I guess for me I would start
9 from the vantage point that when I graduated from school in the 1990s there
10 were reactor closures going on and the industry was shrinking. But ten years
11 later the Agency was facing the filing of 31, of the applications for 31 new
12 reactors.

13 So, and here we are again looking at premature closures.
14 So there are swings. And I try not to dwell a lot on how these market trends
15 shift beyond how it influences the work in the near term.

16 So I think the Futures Assessment is very important
17 because it sort of games out what might happen but uses that to influence
18 how we would be making decisions today. If these things happen, what
19 should we be doing today to put us on a path to be prepared for those sorts of
20 changes. And I think that's very valuable work.

21 Other than that, I try not to get too distracted by, you know,
22 there's a never-ending stream of press articles about this or that change going
23 on economically in the industry. And I try to filter that out as much as possible
24 because there is so much work pending in front of us that we need to maintain
25 our focus and not be distracted too much by the changes of the day. Thanks.

26 COMMISSIONER WRIGHT: In a previous life, I was an

1 economic regulator in South Carolina. And I remember when natural gas
2 prices went from \$4 to \$18. So they may be where they're at now and there
3 may be good reason for why they're there, but things can change. And they
4 can change on a dime.

5 So I agree with everything that I've heard up here. The one
6 thing that I will tell the person who asked the question is we will not become
7 known as the agency formerly known as the NRC. We'll have plenty of work
8 to do.

9 CHAIRMAN SVINICKI: Thank you. I can't recall if I, the
10 regions and the TTC, should I be pausing or are they submitting through the
11 readers? I'll just pause for a second. Is there anyone tuning in? Yes, I
12 think I heard someone activate a phone line. Please go ahead.

13 PARTICIPANT: Good morning. This is Region III.

14 CHAIRMAN SVINICKI: Great. Please ask your question.

15 PARTICIPANT: The amount of work imposed on the more
16 senior staff has greatly increased over the last several years. In my
17 estimation, this is due to the most experience necessary to deal with the
18 complicated issues.

19 Given the negative public aspects of being a federal
20 employee and the high potential retirement prospects, how does the
21 Commission plan to retain highly qualified staff over the long term?

22 CHAIRMAN SVINICKI: Well, thank you for that question.
23 And again, welcome to Region III. And I'll pause again intermittently and see
24 if any of the other regions have questions.

25 There were a number of components to that. I think looking
26 at it, you know, the workload sharing across employees is something I heard,

1 our senior people perhaps taking on more than others. I also heard some
2 comment about retention.

3 Of course, a corollary to that is always kind of our
4 demographics. We have become very heavy in the area of retirement eligible
5 employees and more experienced workers so much so that I think we are
6 working on our statistic that under two percent of our employees are under the
7 age of 30. I think that we're giving thought and attention to that, realizing that
8 that's not a terribly sustainable demographic for us to have.

9 So there were a number of elements there. And I know that
10 our strategic workforce planning would be looking at components of that.
11 And I am looking at our Chief Human Capital Officer. I don't know if she
12 would have some perfecting brush strokes really as to how -- I think we have
13 a microphone that's available. She's waving me off. I get how nobody in the
14 front row wants to actually be called upon.

15 While she's thinking that over, do any other members of the
16 Commission have any commentary that they would make? Again, there was
17 quite a bit to unpack in the question.

18 COMMISSIONER BARAN: I'll just chime in on a couple
19 points. One is I agree with the Chairman that there is a renewed focus on
20 entry level hiring and making sure that as we think about where is the Agency
21 going to need to be in 10 or 20 or 30 or 40 years from now, we're going to
22 need to bring new people into the Agency.

23 And over the last few years with the shrinking budgets, it's
24 been very, very limited external hiring. And it has had an effect on kind of the
25 shape of our demographics at the Agency. We have this really, just tiny
26 percentage of folks who are younger or new to the Agency. And we've really

1 got to work on that, because the work is going to be there.

2 And there's all this important knowledge of management
3 going on. But people have to have people to share that knowledge with who
4 are going to be here for many, many years to come. So that's really an
5 important part of that.

6 I feel like another thing that I hear when I'm out on my
7 travels, and that is from the inspector, from the resident inspectors. And one
8 of the pieces of business that the Commission has before it is a resident
9 inspector paper and some of the initiatives there.

10 I think that's very important because we want to make sure,
11 particularly now that, with our declining workforce we don't have the same
12 pools in the Regions that we used to on resident inspectors. We really need
13 to make sure that remains an attractive and viable and feasible role for people
14 to play.

15 And so, thinking through the things that we can do, some of
16 them are smallish, some of them are a little bit more significant, to make sure
17 that we can retain resident inspectors and senior residents is really important.

18 COMMISSIONER CAPUTO: Well, I would just comment
19 on a couple things. I think one of the things that I have noticed since we had
20 our last Commission meeting with OCHCO is just to look at not only how do
21 we hire new folks and train them, but how do we actually retain them.

22 One of the wonderful things about having a very
23 experienced workforce is they're very experienced. But I think one of the
24 challenges can be balancing that with promotional opportunities to help those
25 earlier in their careers to develop and advance.

26 And I think that is something that I'm particularly concerned

1 about in terms of our new hiring is just to make sure that as we recruit these
2 folks and train them, that we make sure that they are going to have ample
3 opportunities to develop and advance or we will quickly lose them to more
4 exciting opportunities elsewhere.

5 And that means that certainly our ability to innovate and be
6 creative is something that younger folks are going to be very focused on,
7 whether or not this workplace provides them that vibrant work environment
8 that they, you know, might prefer elsewhere without enough opportunity to
9 develop and advance.

10 I think the other thing that I think about is the need to sort of
11 balance how our workload is declining. As a reflection also in that earlier
12 question about plants shutting down, our budget has come down 15 percent
13 since 2014. But over half of that is simply a decline in work that we're being
14 requested by licensees and applicants, either completion of applications,
15 which basically amounts to work that was completed, fewer license
16 amendments and so on.

17 So there's a declining trend in sort of the workload that's
18 actually before us. And that's reflected both in budget space and the amount
19 of work that we could then delegate to new hires.

20 So those are all I think very complex aspects to the nature
21 of how OCHCO helps us manage the workforce in general and try to achieve
22 these balances.

23 COMMISSIONER WRIGHT: So just very quickly, I agree
24 with everything that I've heard here. It's a very serious issue, something --
25 you know, I want to be sure that the hires that we need, we get the mission
26 critical people first.

1 And, but I'll tell you, I can't believe, I mean, we only have,
2 what is it, two or three percent under 30. If you guys are that old, you look
3 pretty good. You've held up.

4 (Laughter.)

5 CHAIRMAN SVINICKI: Well, it's hard to follow that. But I
6 have --

7 (Laughter.)

8 CHAIRMAN SVINICKI: It's always hard to follow raw
9 pandering to the crowd. But I will just say that, you know, I do challenge
10 supervisors, though, when vacancies come up.

11 And I'll tell a personal learning for myself on this, too, is that
12 because we have a workforce with such experience, over time positions come
13 to be viewed as they must be graded at a certain hire level.

14 On my team as Chairman, I had someone of really vast
15 experience in subject matter area. That person took retirement. And I
16 challenged myself.

17 It was maybe the first opportunity I had had to really think
18 about could I be open to candidates. Of course, I was only considering
19 people inside the NRC. But could I think about candidates who did not have
20 all those years of experience? And I considered a few different candidates.
21 I selected someone for the position.

22 And what I found is that this individual, while not having as
23 many years of experience as the predecessor, brings other things that are
24 wonderful complements. She is fresher to the role. She looks at, she has,
25 she brings fresh looks to things. She has, because of that, the separation
26 that I thought was such a bad thing -- you know, I think you say I need to get

1 someone just like the person who's retiring or leaving NRC.

2 And it's been, you know, to my mind it was such a learning
3 for me to see that I could have someone with fewer years of experience who
4 just brought other wonderful things to the role.

5 So I know there was a comment that senior people are
6 overloaded. You know, maybe we wait a little too long before we say I can
7 let this person try to do this work. I could check their work maybe a little more
8 thoroughly, because they don't have the years of service.

9 There's a whole basket of mechanisms that you can use.
10 You know, maybe if senior folks are doing everything, maybe they could get
11 help from people around them.

12 I've been here long enough that, you know, I begin to have
13 my own views of some of our, you know, blind spots as an organization. And
14 to me, one of them is I think we wait a little bit sometimes for people to be what
15 I call over-ready.

16 They're ready to step into something and because we're
17 cautious and we need to be given the nature of our work, but we don't need
18 to be cautious about everything all the time in every dimension of the decisions
19 we make.

20 And I think that we have wonderful people in the mid-career
21 ranks and things that probably grow a bit impatient with how long we wait for
22 them to prove their readiness for things.

23 So I completely caveat. It's my observation and my sense
24 of having been at NRC for a while is that we could take a little bit more of a
25 chance on people's readiness, because our people are that good.

26 Anyway, I think we went around on that. So we're ready for

1 the next question from the room I think if there is one.

2 PARTICIPANT: How do you think NIEMA will impact the
3 NRC's ability to provide adequate and effective corporate support?

4 CHAIRMAN SVINICKI: Well, I will start. Again, I think
5 there will be a number of perspectives up here.

6 Who was it that said we were learning about NIEMA? I
7 think it was Commissioner Wright said, you know, any time the first time
8 through a cycle of things.

9 So, we are learning a lot. Of course we're not discussing
10 the 2021 budget, which is still under our internal development and
11 consideration right now.

12 But, it was the first budget formulation where we had to take
13 into account the provisions of the new law. And so, we are, I think, getting
14 the first data point of kind of trends data and cause and effect.

15 Something that I think is very important about the law is that
16 many of the mandatory provisions have what is called, to the extent
17 practicable.

18 So, it is an opportunity for us again, under the law as it was
19 put in place, to make our case to put forward to the OMB.

20 And then if OMB was in agreement, ultimately to the
21 Congress if we needed relief or exception from something under the law.

22 So, we're in -- by my observations still kind of in the learning
23 stages of the exact effect of the provisions.

24 And if you're not following it closely, it just, it has some caps
25 and restrictions that are interesting to me of course, as a number's person.
26 Because some of them are interrelated by virtue of mathematics.

1 So, you know, this can't go higher than that. And then this
2 v cannot exceed that. So, it's a very intricate, I think.

3 And I think that OCFO and the programs and others did a
4 good job of running it through the scenarios for this first time through.

5 But, there's also kind of the compounding factor. The
6 effects in year one of a thing, sometimes just become compounded over time.

7 And that's another thing that we'll have to keep our eye on.
8 So, I appreciate that question. I can just state that the effect of the law on our
9 corporate support areas is something very much on my radar screen as I look
10 at budgets.

11 And you know, my view is that an organization needs to
12 work seamlessly as a whole. So, if one part of the organization has access
13 to investment tools, other parts of the organization need to be able to
14 communicate and have access to the same things.

15 So, to the extent that it should begin to have -- cause
16 disparities going forward, I certainly would take a close look at that.

17 And would hope that all future commissions do so as well.
18 I don't know if anyone wants to add anything. Commissioner Baran?

19 COMMISSIONER BARAN: I don't have too much to add.
20 I agree with everything that the Chairman said.

21 I just would want to, you know, make a couple of points.
22 One is, I think she's right on target in terms of the flexibilities that were built
23 into the law.

24 They were very, as I understand it from, you know, a far, an
25 important part of the negotiation of that legislation was the flexibilities to the
26 extent, maximum extent practicable and other things.

1 So, I think, you know, going forward if we need to look at
2 that, we shouldn't be reluctant to. It was something that Congress explicitly
3 provided for.

4 And the other thing I'd mention is, just you know, is the
5 corporate cap by itself that much of a challenge?

6 I think where the challenge comes in is when you combine
7 that with a declining budget. You know, if you are declining by a significant
8 percentage each year, that's really where it becomes challenging.

9 And so, that's not my personal vision about where things
10 should go in the next few years. But, that can create some challenges, the
11 combination of those two.

12 COMMISSIONER CAPUTO: For me personally, I look at it
13 in terms of the context of its proportion of the budget. And I try to put that in
14 context with a few other things.

15 One, when you look at how we bill our fees. The licensing
16 work that we do is directly attributable to licensees, whether it's inspections,
17 license amendment reviews, application reviews.

18 You know, all of that totals a portion of our budget. And
19 when you look at the corporate support costs as a portion of the budget, it's
20 actually a larger portion.

21 So, I think when you look in terms of the amount that we
22 spend on corporate costs, we sort of need to keep that in mind as we look for
23 ways to become more efficient in our corporate support spending.

24 Because as Commission Baran says, I think it becomes a
25 challenge as the budget shrinks and the workload shrinks.

26 It becomes very clear, or very obvious in the area like new

1 reactor licensing when there are fewer applications to review. There's a
2 natural decrease in the workforce and in the workload.

3 But it's very obvious. I think it's less obvious the role that
4 corporate support plays in all of that.

5 And so, I think this was a signal from Congress to sort of
6 force our scrutiny of making sure that we are as efficient in how we utilize our
7 corporate support resources as we are in using our technical resources.

8 COMMISSIONER WRIGHT: Very quickly, I appreciate
9 what the business lines, how you put things together. And then working with
10 the CFO's office to get the budget put together.

11 This was the first time where I got involved from the start to
12 the finish. And we've learned a lot.

13 It's a new dance. And I think that you really did a good job
14 in walking through it. There were some hiccups as there always will be.

15 But, I'm grateful and I can tell you, Samantha and my staff
16 are grateful for the way that everybody worked together. And with not just
17 the Commission offices, but with you as well.

18 So, thank you for that.

19 CHAIRMAN SVINICKI: I'm going to for the next question,
20 pause to allow the Regions or the TTC to chime in. So, I'll be quiet for a
21 second.

22 PARTICIPANT: Good morning. Region IV has two
23 questions.

24 CHAIRMAN SVINICKI: Okay. Please proceed.

25 PARTICIPANT: Okay. The first question is for
26 Commissioner Caputo. What is the single most important thing NRC can do

1 to improve our budget formulation process?

2 COMMISSIONER CAPUTO: Data analytics. I think
3 without a doubt we need to do a better job of tracking data on how we spend
4 our money and how we allocate resources so that we can see trends.

5 I think one of the challenges that I struggle with most, just to
6 give one example when it comes to budget development is, you know, there
7 maybe a recommendation to either increase or decrease the amount of
8 resources that we spend on license renewal, just as an example.

9 But the question is, we don't really get data on where the
10 baseline spending has been. And how much we spend in general on a
11 license renewal review.

12 And so there's really not a lot of context to really educate us
13 in terms of where that spending is headed or not.

14 And I think there's probably a lot more we could learn from
15 using data on how we conducted our previous activities. How long they take.

16 How many work hours they take in terms of using that to
17 predict the direction that our budget should be headed.

18 And so I think really to educate ourselves in a better level of
19 detail, and use -- use our past resource expenditure to educate our future path,
20 I think, in greater detail is probably the single most important thing.

21 CHAIRMAN SVINICKI: Thank you. Was there a -- there
22 was a second question, I believe, on the phone line?

23 PARTICIPANT: Yes there is. The second question is for
24 Commissioner Wright.

25 Following your attendance at the Organization of
26 Agreement States recent annual meeting, can you tell us what your

1 impression is of NRC's relationship with the states?

2 COMMISSIONER WRIGHT: So, thank you for the
3 question. So, I went to last years. And I went to this years.

4 And I understand, I'm looking at it through a lens of just
5 being a new Commissioner and these are the first two I went to.

6 The NRC staff, one very respected, very engaged. They
7 are very, I mean, the states are awesome. The people that were there.

8 They want to learn. They want to do the right thing. They
9 want to be trained. And they want to be trained the right way.

10 And they look at our NRC staff like a big brother. And they
11 really appreciate everything that we do and how we participate.

12 I understand it hasn't always been that way. But, I can tell
13 you from what I've seen the last two years, we're -- that organization is a very
14 important organization. And the way they work with us is incredible.

15 But, the way we work with them, is going to make them even
16 stronger. So, I really -- our staff needs to pat themselves on the back for what
17 they do to help the agreement states. You do a great job.

18 CHAIRMAN SVINICKI: Thank you. I'll turn to a question
19 from the room?

20 PARTICIPANT: Please name your favorite and least
21 favorite innovation that has been adopted or proposed.

22 CHAIRMAN SVINICKI: Oh, gosh. I don't want to go first
23 on this one. Because it's a great question. And I want to think about it for a
24 second.

25 Does anybody have a --

26 COMMISSIONER BARAN: Okay. I'll go.

1 CHAIRMAN SVINICKI: Okay. Yes, please.

2 (Laughter)

3 COMMISSIONER BARAN: That is a great question.
4 So, I think -- I think my favorite innovation that people are talking about is
5 taking a new look at the rule making process and all the steps we have in the
6 rule making process.

7 Because in my time here, I've been here about five years
8 now, I've seen a number of rule makings. And sometimes they're very
9 complex and they have a lot of moving parts.

10 You know, I've seen rule makings that go a decade or
11 longer. I'm sure Christine has as well. And that's too long.

12 That's too long for a rule making. And we've got to make
13 sure, you know, rule making is really like a, you can think of it as kind of a
14 content, you know, free tool. You know that you can use.

15 You can use a rule to strengthen a requirement. You can
16 use a rule to weaken a requirement. You can use a rule to add a requirement.
17 You can use a rule for some innovation purpose.

18 And so, but it's got to be an effective tool. And if it's taking
19 10 or 15 years sometimes to, you know, get through the rule making process,
20 it's not -- it's not an effective tool. Or at least it's one that's really struggling
21 to be effective.

22 So, I do think the initiatives I'm hearing about to focus, you
23 know, do we always need a Reg Basis for some of these rules that aren't as
24 technically complex?

25 We may not. I mean, other agencies do not have that as a
26 stage of rule making. And there maybe cases where it's really useful

1 And there maybe cases where we should evaluate that and
2 ask ourselves, do we really need it? Or could we basically move this along a
3 year faster then we otherwise would be able to?

4 So, that I would say is an area. There are some great ideas
5 out there. That's one I really like.

6 I think my least favorite, maybe by quite a bit, is the talk that
7 there's been about self assessments. Industry self assessments in lieu of
8 NRC inspections.

9 Terrible idea. Awful. I'm glad that the staff is moving away
10 from that idea.

11 (Laughter)

12 COMMISSIONER BARAN: We should not go down that
13 road. It's a terrible idea.

14 So, did I give you a little more time? Or others can chime
15 in.

16 CHAIRMAN SVINICKI: Yes, Commissioner Wright, you
17 look eager to answer.

18 COMMISSIONER WRIGHT: Is WiFi an innovation?

19 CHAIRMAN SVINICKI: Yeah. It is actually.

20 (Laughter)

21 COMMISSIONER WRIGHT: If it is, I'm all for it. You
22 know, the sign off process, you know, we're looking at that.

23 We're trying to streamline that and get things moving quick.
24 Especially those things that really should move quicker.

25 I just, you know, I just think we need to take the lead out.
26 And you know, don't be afraid to move something.

1 Fear can paralyze you. And we just -- we've got enough
2 data. We've got enough history that now we know ways and times are right
3 to go on certain things.

4 And we just need to do it. And I encourage you. So, that's
5 what I got. I don't know that I have a least favorite.

6 CHAIRMAN SVINICKI: Commissioner Caputo?

7 COMMISSIONER CAPUTO: I don't know that I have a
8 least favorite either. But I think, well, I agree with Commissioner Wright about
9 concurrence needs.

10 As an engineer, I think process simplification, which is one
11 of the initiatives that the executive team is looking at, is just a natural.
12 Because no mater what, you know, decades can go by and you keep doing
13 things the same way, like driving to work, --

14 (Laughter)

15 COMMISSIONER CAPUTO: There are always ways to
16 tweak it and make it better. And sometimes it just takes a moment to sit back
17 and think, you know, there is a better way to do this.

18 And so while some of these might be tiny tweaks on how
19 you conduct your business every day, or, you know, a new fresh idea for how
20 to not do something at all.

21 I think the favorite innovation that I have at this point is
22 probably the Future's Jam, because of the energy and the motivation it created
23 among all of you to come up with these ideas and look for ways to do
24 something better.

25 And to, you know, take some time to set aside from your
26 regular duties to think about those kinds of improvements.

1 So, you know, those I think for me really go hand in hand
2 with sort of the environment in which to be encouraged to come up with those
3 ideas about how to simplify processes.

4 And then the encouragement to actually go forth and do. I
5 think that there's a wealth of opportunity there. And I thank everyone for their
6 insights and contributions.

7 CHAIRMAN SVINICKI: Well thank you. And now I -- the
8 road is well paved in front of me. So I can say that I think my answer would
9 have and baked into it some of the elements of the answers that others have
10 given.

11 Yeah. The rule making thing. As I was listening to you
12 talk about that, I just realized that maybe I've just gotten a little beat down in
13 that. I remember my earliest years here.

14 I thought of rulemaking as somewhat like those of us who
15 worked for lawmakers in Congress, you know, you can move from concept to
16 enacted law. I know, it's -- if it's something difficult and controversial, it's
17 going to be a long path.

18 But if something is straightforward, you should be able to do
19 it. Sometimes you could do it very, very quickly.

20 And so I saw rulemaking as that quasi-legislative type
21 process. And I didn't understand why no matter the complexity it seemed to
22 have to take all the same time period.

23 So, under the broad heading of, you know, why does it got
24 to be like that, it's just like, it doesn't probably got to be exactly like that. So,
25 I appreciate that we're taking a look at that.

26 But, maybe it also goes to the process simplification that

1 Commissioner Caputo talked about. I just think that one of the ways we could
2 make this such an attractive place to work now, and going forward, is to adopt
3 greater fluidity and how we let people say, hey, that's an interesting thing. I
4 want to contribute to that thing.

5 Whether it's we've got great problem solvers here. And
6 people said, could I just like be part of a team that exists for a period of time
7 and then kind of fold back or do it collateral with my duties?

8 And then maybe that team will solve that problem or
9 implement a proposal. And it will -- I can go back to the duties I had.

10 There's just -- there's so much rigid structure around kind of
11 the assignment of people to work.

12 The teams that they operate on. How, you know, those
13 teams are not kind of morphing and changing over time.

14 People are not coming and going. I know that if you know,
15 I reflect back at my time as a GS-11 at the Department of Energy and I think
16 about a chance to kind of really fluidly get collateral duties that were
17 interesting.

18 To be on teams that started and stopped at a distinct time.
19 And I think to reflect also on my statement about kind of waiting until people
20 are over-ready.

21 It would be, I think, really refreshing if the time between an
22 employee concept or an idea about something, and then an opportunity to
23 flesh it out a bit with maybe some other contributors or a multi-disciplinary
24 team.

25 Making a recommendation and whether or not management
26 decides to implement it or not. I think if we could have a little bit shortened

1 time frames around that, people would take the kind of creativity we saw at
2 the JAM, and they would have more confidence that if they put it forward, we
3 would actually make something of it.

4 So, I think just the way that we work with each other. How
5 many people have to be on the concurrence chain?

6 You know, I would rather it be four people who actually read
7 that document, let's be honest here, okay. Because we get things and you're
8 like 12 people concurred in this, and it has a basic mathematical error or
9 something like that.

10 And you're like, how many of these 12 people read this
11 thing? I'd rather have three careful readers than 12 people who just signed
12 the signature page.

13 And so, I think there's tremendous opportunity space on a
14 number of fronts. And a lot of things are nascent.

15 So, I, you know, I might dodge a bit on what is an innovation
16 you don't like. Because even again, reflecting on my longer federal career,
17 even if management just entertained my idea and didn't do it, I still felt like it
18 was a worthwhile thing to put it forward.

19 So, I'm not the kind of person who's going to go, wrong.
20 Dumb idea. Don't bring that idea forward.

21 You know, I know that there's government wide innovation
22 competitions that have gone on for a number of years now under many
23 different Presidents. And I notice that kind of one of the -- the ones that I
24 think came forward from somebody here, maybe it was redundant.

25 But, it was like continuous feed towels in the restroom
26 versus c-fold towels. Because the c-fold towels you grab a certain number

1 just by force of habit.

2 Whereas if it's continuous feed, you might only take the
3 portion that you needed. So, it's an environmental benefit and a resource
4 savings and everything else.

5 But, I felt that for me, I'm like that's like brilliant under the
6 broad heading of no idea too modest, really to make a big change when you
7 compound it by thousands of people, and you know, a lot of restroom visits.

8 So there you go. Okay. Yes, I will pause and ask if the
9 Regions have another question?

10 PARTICIPANT: Region II has a question.

11 CHAIRMAN SVINICKI: Great. Please go ahead.

12 PARTICIPANT: As you know, the Resident Inspector
13 Program is one that is critical to the oversight of the nuclear fleet. Over the
14 last several years there have been challenges with filling some of these
15 positions due in part to challenges associated with moving.

16 Would be interested in your thoughts on those challenges?
17 And what the Agency can do moving forward.

18 And in particular as you all are aware, SECY-19-02 is up for
19 Commission review. And any -- and that's associated with the challenges to
20 the Resident Inspector Program.

21 And any thoughts you might have on that. Thank you.

22 CHAIRMAN SVINICKI: Well, thank you for that question.
23 I'll lay out some thoughts. But this has been an area of very active discussion
24 between a lot of the various members of the Commission.

25 So, I'm sure my colleagues will also have some
26 perspectives. You know, I have PCS'ed with the government. And I know

1 that it is not an easy thing to make people change their duty stations and have
2 them move about.

3 When I came here, I was comforted to know that there were
4 flexibilities for Regional Administrators to extend the assignments of resident,
5 and senior residents, if they say, had you know, children finishing high school
6 or something like that.

7 Frankly in my time here, that level of Regional Administrator
8 flexibility to extend assignments has actually grown. I was limited, more
9 limited when I first joined the Commission.

10 I think those kinds of practical measures are first of all, kind
11 of a no-brainer. And second of all, absolutely justified and merited and
12 needed at certain times.

13 It is true that we have the SECY in front of us. I picked that
14 up shortly after I got it. I -- I'll admit why I personally am just taking time to
15 contemplate.

16 I wish that I could be confident that adoption of all of the
17 changes in there would not have some sort of propagating potentially
18 diminishing effect on the overall Agency.

19 And let me explain why I have this bias. On the
20 Commission we don't fill all the positions. And we don't promote people up
21 at every level.

22 But we do make the selections under law for some of the
23 highest responsibility positions in this agency, like director of NRR, NMSS, the
24 EDO, and others.

25 So, we have on our shoulders, this burden of preparing this
26 Agency for the long term future. Meaning, will any change adopted by this

1 Commission have a positive effect or negative effect on the overall growth of
2 people over the course of their entire careers to eventually be very strong
3 candidates for these positions of tremendous responsibility?

4 And so, when you look at something that, in my time I reflect
5 on what have been the strengths of that? It's wonderful to be able to look at
6 candidates for one of these positions, but under when I was a Commissioner
7 just considering the Chairman's proposal, and now as Chairman and needing
8 to advance candidates.

9 To have individuals from inside the Agency who have this
10 broad experience. And have had in a lot of circumstances, an opportunity to
11 serve as a resident inspector and senior resident inspector.

12 I have served with members of the Commission that I think
13 one said this privately, but -- publically, but since I'm not sure, I'll just -- I won't
14 name him.

15 But he said he would never vote for someone for a certain
16 position within this Agency if they had not served either as a resident inspector
17 or a senior resident inspector.

18 He felt that strongly about the essential nature of that
19 experience for certain leadership positions here.

20 So, when I look at things in that paper that I just, I'm not
21 entirely sure that over time they wouldn't take the whole experience of being
22 a resident inspector or senior resident, and make that like its own little island.

23 I think it's a strong Agency if you have throughout the Senior
24 Executive Service, people who have had that experience. And if you make
25 that its own track off to the side by just saying, you know, it's going to establish
26 a system where in general you would just want to be a resident inspector for

1 25 or 30 years, or a senior resident.

2 And then never really integrate and take opportunities in
3 programs here. I worry about the diminishing effects of that.

4 And I can't prove that the changes in that paper would have
5 that effect. But I have had a sense that if it were accompanied by more of a
6 scenario's analysis of the possible way this might change the executive ranks
7 here over the course of time, I would have been ease -- it would have been
8 easier for me too more readily adopt the items in that paper.

9 So, I share that as just an element of why, of course I want
10 to be supportive of things that strengthen the ranks of resident inspectors and
11 senior resident inspectors.

12 But on the Commission, our obligation is to look at that long
13 trajectory that grooms and prepares candidates to hold the highest offices in
14 this Agency.

15 And sometimes the change you make at the front end of the
16 pipeline is going to change forever what comes out the other end of that
17 pipeline.

18 So, that's really more than the questioner wanted to know
19 about my internal deliberations on it. Would anyone else like to make some
20 comments?

21 COMMISSIONER BARAN: Sure. Well, I take those
22 thoughtful concerns very seriously. And it's good to have a conversation
23 about it.

24 I have a -- my own view is that I looked at the proposed
25 changes in that paper. I thought they broadly made sense.

26 I think, you know, my experience in traveling, you know, to

1 different sites across the country and talking to residents and senior residents,
2 that actually many of them do really enjoy that work.

3 And they spend much or most of their career doing it. And
4 I think we want to make sure we're able to retain folks.

5 It's important to be thinking through, you know, if for the
6 residents or senior residents who want to someday become senior executives
7 or branch chiefs, how do we make sure that we've got a good path for that.

8 So, that's, I think, an area where it does make sense to
9 focus. But, you know, probably of all the papers before us know, the one I
10 hear the most about when I talk to folks, is this one.

11 And I know people are really anxious to have the
12 Commission respond on this. And my own view is that, you know, you can
13 look at some of the steps and you can see pros and cons.

14 One of them, you know, in terms of going to eight years.
15 Well, you've got to strike a balance there at some point.

16 You know, you don't want it to be forever because you -- part
17 of it's honestly to maintain objectivity.

18 But part of it is also just having a fresh look. You know,
19 have someone new come to the plant with a fresh pair of eyes, and what do
20 they see?

21 So, for me, I was comfortable going to eight years. It's hard
22 for me to see going much beyond that, because you do have to strike that
23 balance at some point.

24 But, I look forward to continuing the conversation on those
25 issues and those elements of that paper. Because I think overall it's really
26 important that we take steps to make sure it remains an attractive position,

1 because it is so important to the Agency.

2 COMMISSIONER CAPUTO: Well, I agree with everything
3 that's been said so far. I think one thing that I need a little bit more information
4 on is, where do we have trouble filling those positions?

5 Because I have a feeling some of those locations may for
6 one reason or another, not be attractive locations, or attractive postings. And
7 so, just changing the time frame might actually make that worse.

8 Because they're -- it's one thing to get assigned to an
9 unattractive location for three years. It's a different question to get assigned
10 to it for eight.

11 So I think what I want to try and figure out for myself is just
12 how, you know, how does that dynamic really affect things?

13 I think the one thing that I feel the most strongly about in that
14 paper is that when we require people to relocate, I do feel like we need to do
15 absolutely everything in our power to see that they are reimbursed completely.

16 I don't feel like any employee should have to take a financial
17 hit if they're being required to move to a new posting. Move their family and
18 deal with all of that change in addition to new responsibilities.

19 So, that's the one thing that I do feel strongly about. And
20 want to find ways to address completely.

21 COMMISSIONER WRIGHT: So thank you. I agree with
22 everything that I've heard here.

23 And I agree with Commissioner Baran that any time I go out,
24 outside of the office, this is the one thing you hear about. Every question and
25 answer period that you go through, this is what you talk about.

26 You know, I'm not exactly sure what the right answer is on

1 this. You know, each inspector's needs are different. Their families are
2 different.

3 Their assignments are different. So, is it -- what is it? Is it
4 six years? Five years? Eight years? Seven years?

5 Or is it just to have the flexibility to stay if your family needs
6 to stay because your kids are graduating from high school in a couple of years.
7 Or something like that. It can be something driving you just as simple as that.

8 One thing I do believe strongly in, and I agree with
9 Commissioner Caputo on this, is that if we're going to -- if it's going to cost you
10 to move, we don't need to cost you multiple ways, you know, in your tax bills
11 or anything like that.

12 So we need -- we need to do everything we can, to make
13 people whole. But what we need more than that, I think, is a champion on
14 the Hill.

15 Who will whatever loophole's got to be plugged, we've got
16 to plug that loophole. If DoD can do it, why can't the NRC?

17 So, I think we need to look at that and try -- see what we
18 can, you know, we need to pull that thread.

19 CHAIRMAN SVINICKI: Thank you. I'll take the next
20 question from the room, please?

21 PARTICIPANT: What is the Commission's desire to not
22 only streamline the environmental review process, but also to make the
23 process more protective of the environment, i.e., more effective?

24 CHAIRMAN SVINICKI: Well, I understand that under the
25 broad heading of transformation, of course, since a significant line of effort for
26 us is often environmental review and compliance with the National

1 Environmental Policy Act, it's my understanding that that process or any
2 process improvements they are certainly not off the table.

3 I don't think anything's taken, you know, a really concrete
4 form yet in terms of something that the Commission would have awareness
5 of.

6 Often one hears, and I have some sympathy with this, that
7 the origins of NEPA were pretty pure. It was to make sure that decision
8 makers had enough, sufficient information and sufficiently scoped information
9 in front of them to make an environmentally informed decision.

10 Not always the decision with the least environmental
11 impacts. But, that it has grown into maybe a bit like rule making, a thing that
12 there's a ton of process that has built up around it.

13 So, I wouldn't want to take off the table that there might be
14 opportunities faced there for a process improvements and efficiency. Of
15 course, the Agency will still comply with the National Environmental Policy Act.

16 And often there are groups that challenge the adequacy of
17 an agency's consideration of environmental issues. And we're not different
18 from then other agencies that have had challenges to our EIS's and other
19 things.

20 So, there would need to be a balancing there between
21 sufficiency and adequacy of our compliance. With the opportunity for
22 improvement.

23 But it has grown into being a very process heavy thing. So,
24 I stand ready to look at any proposals that the NRC's transformation efforts
25 should come up with.

26 And I don't know if anyone else would want to add to that?

1 COMMISSIONER BARAN: I don't have too much to add.
2 And I would say that one element of the transformation paper had a
3 recommendation that started to get at streamlining NEPA reviews.

4 It was fairly vague. So it was really hard to know what it
5 meant. I think that from my point of view what we just need to bear in mind
6 is these reviews are very important.

7 I think NEPA reviews are critical. So we've got to make
8 sure we're not skimping on them to save money or resources or time.

9 You know, we've got to do a thorough job there. And as
10 the Chairman alluded to, it's, you know, one of these areas that gets litigated.

11 So, part of it is making sure we have a good defensible
12 decision making document and process. But part of it's just to make sure,
13 and this is also something that the Chairman just talked about, making sure
14 that the decision makers have all the information they need to make a good
15 decision.

16 So, we need to continue to be thorough on those. And in
17 some cases be more thorough than we are now.

18 And the kind of references to change in this area I've seen,
19 are really pretty vague and ill-defined. And you know, they have to really be
20 tightened up considerably from my point of view, to really have a sense of
21 what we're talking about there.

22 COMMISSIONER CAPUTO: I guess I would agree with
23 comments that are made so far. I need to learn more about what the staff
24 envisions for improvements here.

25 We definitely shouldn't skimp on a review, because as
26 Commissioner Baran said, I mean, we do need to ensure that these decisions

1 are legally defensible. So, we need to be thorough.

2 But I do think to the extent that there is room for process,
3 simplification process improvement to make more timely decisions, you know,
4 I don't know that anyone's interests are served by a process that's really strung
5 out with delays by a cumbersome process.

6 So, if there are ways to make sure that our decisions are
7 thorough, but more timely, you know, those are recommendations that I would
8 be eager to look at.

9 CHAIRMAN SVINICKI: Okay. Ditto is?

10 COMMISSIONER WRIGHT: I don't -- yeah, I think ditto
11 as long as it's consistent with our Agency's mission.

12 CHAIRMAN SVINICKI: Okay. Thank you. And I'm just,
13 I'm noting the time. So what I'm going to do is I'm going to turn to the Regions,
14 particularly if there's someone who has been holding back, this would be the
15 last time I'm going to turn to the phone lines.

16 And then if we have time, take a last question from the room.
17 But, let me turn to the phone lines then.

18 Is there someone who would like to ask a question from the
19 remote areas?

20 (No response)

21 CHAIRMAN SVINICKI: Okay. Hearing none, I will take a
22 question from the room.

23 PARTICIPANT: This question is for Commissioner
24 Caputo. Could you elaborate on your comment that the ROP was
25 established approximately 20 years ago, and we need to be reflective about
26 that?

1 Parenthetically, it seemed like you might have more to say
2 about that.

3 COMMISSIONER CAPUTO: So, one of the concerns that
4 existed, and the GAO noted in the '90s was that there's a certain amount of
5 inconsistency in terms of how oversight was applied.

6 And you know, that I think was one of the drivers behind
7 revising the ROP. So, I think that puts us in a position where we have a 20-
8 year-old program, where we can perhaps look to see if there are ways to do it
9 better.

10 And I think that, you know, I really appreciate the NRR staff
11 for making that effort. I think one of the concerns that gets voiced, and one
12 of the criticisms is that we are somehow rolling back safety simply when we
13 look at perhaps reducing the number of hours that we spend.

14 And I guess one counter that I would have to that is just that
15 if safety performance in the reactors was declining, there would certainly be
16 an expectation and it's built into the program, that we would spend more hours
17 inspecting.

18 And so I think it's incumbent upon us also to just, you know,
19 use logic and reason to say that if there has been sustained safety
20 improvement on the part of the fleet, that there may be areas where we used
21 to routinely spend a certain amount of time that would actually uncover the
22 need for improvement and generate findings.

23 Where now, those maybe, the industry practices maybe
24 very well established. And it's enough to monitor the results of a program
25 routinely looking for backsliding.

26 But not necessarily spend as much time reviewing things,

1 because the result of the ROP has established the correct habits in the
2 industry.

3 So, you know, I think that's perhaps probably what, you
4 know, that is generally the background with which I am reviewing what the
5 staff has proposed.

6 I mean, if there are -- if there are ways that inspectors spend
7 their time that are no longer productive or useful, then I think we need to be
8 honest with ourselves and assess whether it's enough to simply not spend as
9 much time on an activity or to reallocate that time elsewhere where it might be
10 more safety beneficial.

11 I mean, the core mission of the Agency, safety and security
12 is still there. And the ROP has been very effective at maintaining safety and
13 security.

14 But, I do think that we have 20 years of experience with the
15 program now. And if the staff sees room for improvement, that it's certainly
16 incumbent upon us as Commissioners to give that a thorough assessment.

17 COMMISSIONER BARAN: I'll just jump in and say
18 something I think we all know. Which is that the ROP which has been around
19 for 20 years is not a static program and it never has been.

20 And certainly, I would not advocate for it being a static
21 program. Every year you know, the staff takes a look at it.

22 And adjustments are made throughout areas of focus.
23 Maybe we haven't seen findings in one area and we're going to shift and look
24 in another area.

25 Or we're going to reevaluate the specific number of hours
26 inspectors are going to spend on a particular inspection. And that's

1 absolutely appropriate, has always happened.

2 But I think, you know, kind of back to the vein of really being
3 very thoughtful about potential changes, because I think one thing I guess
4 everyone always seems to agree, there's consensus on, is that the ROP is
5 working very well overall.

6 It's been a very successful program. So we've got to be
7 careful making potentially significant changes to a program that has worked
8 well.

9 And if I use as an example, maybe the engineering
10 inspections. You know there, there are proposals, recommendations to
11 change two things really, if you kind of broadly think about it.

12 One is kind of specific structure of the inspection. How we
13 handle that. And moving to something, we have focused areas that changed
14 annually.

15 I'll avoid all of the new names and acronyms for the different
16 inspections and what we -- what the paper contemplates moving from and to.

17 But, there's that kind of, you know, how can we shape these
18 inspections to make them as effective as we can?

19 I think that's great. We should absolutely be looking at
20 those things. I'm supportive of that change.

21 That's different then reducing the frequency of the
22 inspection. So that we can cut FTE or save a licensee money.

23 That is not being more efficient. That is just doing less of
24 our job. These are important inspections.

25 They've come up with thousands of findings over the years.
26 And so we need to be, you know, really careful about how we do it, because

1 some of these things are a roll back.

2 If you go from something that's triennial to once every four
3 years or once every five years, it's a roll back. That's what it is.

4 And we can't pretend it's something else. So we've got to
5 be real thoughtful about how we handle that.

6 There are good changes to make. And there are not so
7 good changes to make. And we've got to distinguish between those.

8 CHAIRMAN SVINICKI: Well, I appreciate that. And as I
9 was listening to my two colleagues, I was reflecting on the questions we've
10 had about like, you know, what's the status of this paper? And when might
11 something be decided?

12 I hope that one of the benefits that some of you find from
13 these all employee meetings is that you have an opportunity to hear the kind
14 of complicated balance that we need to strike between Commissioner
15 Caputo's area she's focused on, and Commissioner Baran.

16 So that is why even though the staff sends a
17 recommendation, and I know that's the completion of their thought about it,
18 and they think it's pretty straightforward, again, the country decided starting
19 with the Atomic Energy Commission, to have a Commission structure for
20 nuclear safety and security.

21 Well, in the beginnings it wasn't so much about security, it
22 was about safety. But they decided to have, you know, a deliberative, a small
23 deliberative group.

24 I think just for this benefit of shaping that, you know, one
25 person is going to say, well, I think the most important thing to be balance is
26 X. And the other person on the Commission is going to say, no, no, the most

1 important thing to be factored in here is some other consideration.

2 And I think this kind of rock tumbling, rock polisher, is what
3 the Congress intended. But, it is also why, I think, I hope you're hearing the
4 great care and attention we take with the recommendations and work product
5 that you send up to us.

6 And I think I was a little bit off. We might, if it were not a
7 tremendously philosophical question, we would have time, I think for one more
8 question from the room.

9 I'm leaning into the expertise of the readers here to go, okay,
10 I've got to find one that we don't need a PhD dissertation from four people.
11 Let's --

12 PARTICIPANT: This one is for Commissioner Baran.
13 Given the vast improvement in licensee performance, what evidence do you
14 have that NRC inspections are lacking?

15 Why should we not focus on the most important issues as
16 opposed to reflecting on history?

17 COMMISSIONER BARAN: Yes --

18 CHAIRMAN SVINICKI: Well, there's two ways of looking at
19 this one, is we closed with a very provocative question to you. The other is,
20 you get the last word on this.

21 So, go ahead.

22 (Laughter)

23 COMMISSIONER BARAN: Now I feel like there's a lot of
24 pressure. Well, I think -- so as not to, you know, go into too great of depth on
25 this.

26 I think one thing that is important for me to convey is, as we

1 think about changes, and Commissioner Caputo talked a little bit about
2 performance over the years. And does that mean we should do fewer
3 inspections or less inspections, fewer inspection hours?

4 To me, performance, whether it's improving or otherwise, is
5 not something that is unconnected from our oversight. Our oversight is so
6 important for good performance by our licensees.

7 And so us watching, us conducting that independent
8 oversight is a driver for performance improvements. And so if you had
9 improvements over the year, that's not a reason to say, well let's stop looking,
10 or let's look less, it's all going to be fine.

11 We have to give ourselves a little bit more credit than that.
12 Those who are conducting these inspections are having an impact.

13 And we need too not, you know, back off and say well, good
14 performance, so we don't need to do as much. What I worry about in some
15 of these cases, is you don't want to see cyclical up and down performance.

16 You don't want to, you know, when you talk to folks at plants
17 that have done well, or have struggled, one of the things you hear about is,
18 well we got really good, and then we got complacent. And we saw our
19 performance decline.

20 Well, you know, what would really accentuate that decline
21 in a plant like that would be a simultaneously pulling back and performing less
22 oversight.

23 And so, we have to be thoughtful about that. It's, you know,
24 performance at these plants is not happening in a vacuum.

25 It's happening in the context of our regulatory requirements,
26 our health and safety and security standards. In the inspections that we're

1 doing to make sure that those standards are being met.

2 COMMISSIONER CAPUTO: I think a large part of this
3 really turns on how the Agency is working to be more risk informed in their
4 decision making.

5 And if in 2000 industry performance was at a certain
6 measure and the Agency determined that base line inspections were at a
7 certain level as a reflection of that performance, and then we look at the safety
8 performance improving over time, 20 years later it's improved.

9 If we change nothing, then we're not necessarily being risk
10 informed. And I will turn to one example of an engineering inspection where
11 the inspection manual might require four hundred hours, and the inspection
12 was conducted for eight hundred hours, and still yielded no findings.

13 And so, I think that's a lesson for us in terms of how we
14 spend our time. And I would suggest that if we've still yielded no findings
15 after spending twice as much time, is that plant now twice as safe simply
16 because we've spent twice as much time?

17 I don't think so. So, I think we need to be, you know,
18 scrutinizing how we use our time, how we use our inspection resources.

19 I mean, these are talented employees with a lot of expertise.
20 And we need to make sure that we're using them wisely to achieve as much
21 safety benefit as we can.

22 CHAIRMAN SVINICKI: Well, I -- before I -- in a moment I
23 will invite our representative of the NTEU, Ms. Sheryl Burrows to come up.

24 But I want too just -- before I do that, just thank all of my
25 colleagues for the dialog today. And thank you all for participating.

26 But also for the questions in the Region, on the phone lines

1 and here. And in something that makes my staff cringe.

2 You know, as I listen to all of this today and talk of
3 transformation, kind of detailed consideration of some of the policy proposals
4 in front of the Commission, I was reminded of the movie, Finding Nemo.

5 Does anyone else like a good Pixar animation film? But,
6 you know, that Nemo and his dad, of course, are separated. And Nemo's
7 dad, whose name I've forgotten of course, says, oh my goodness, you know,
8 I promised him that nothing would ever happen.

9 And Dori's there, who's a wonderful character in this movie.
10 But she goes, well you can't promise him that nothing would ever happen,
11 because then nothing would ever happen.

12 So you know, we're trying to undertake a lot of separate
13 initiatives right now. We have a really, really important obligation to the
14 American people for nuclear safety and nuclear security.

15 So, on the one hand, we don't want anything to ever happen.
16 But I think within that, we have a lot of capacity that we bring to looking afresh
17 at what we do.

18 To modernizing, to innovating. And so, I think, you know,
19 we can do both at the same time. And I'm very confident in our ability to be
20 successful with that.

21 And with that, I will ask Sheryl to please join us up here.
22 Welcome.

23 MS. SANCHEZ: Well, thank you. Well, I didn't have the
24 great start to the morning that you did. I had an accident three or four cars
25 ahead of me. So that was lucky, because it wasn't me.

26 And then on the way up from the garage my heel broke.

1 But I think I can make it for, you know, a few minutes here.

2 So, good morning Chairman Svinicki, Commissioners
3 Baran, Caputo, and Wright, EDO Doane, NRC managers, and the most
4 important group to enter into Chapter 208, our bargaining unit, or BU
5 employees.

6 You are truly the Agency's greatest asset. And you are the
7 reason the NRC is the best nuclear regulator on earth.

8 As the Chairman said, I am Sheryl Sanchez, President of
9 NTEU Chapter 208, the exclusive representative of NRC bargaining unit
10 employees.

11 1978, I know some of you weren't born then. 1978 was a
12 very good year. I was just starting my senior year of high school, and
13 fortunate enough to be enrolled in a nuclear science class.

14 TMI hadn't happened yet. It seemed like a good idea.
15 But, 1978 was a year of much more important events.

16 On November 17, 1978, the NRC recognized NTEU
17 Chapter 208 as the exclusive representative of the headquarters bargaining
18 unit employees. The Regions were included approximately two months later.

19 Additionally, the Civil Service Reform Act and the Federal
20 Labor Management Statutes were both signed into law in 1978. It is a direct
21 result of these four events that I have the privilege of addressing you here
22 today.

23 You may ask, I'm -- okay, I'm going to start old school from
24 the beginning. I'm going to start in the beginning. And I'm going to explain
25 the Union's role in our workplace.

26 According to Article 4.1 of the Collective Bargaining

1 Agreement, or CBA, the Union is the exclusive representative of the
2 employees. And it is entitled to act for all employees in the unit.

3 It is responsible for representing the interest of all
4 employees without discrimination, and without regard to membership in the
5 Union.

6 You may ask, what are these interests we represent? The
7 short answer is, everything. Everything that impacts your personal working
8 conditions.

9 Take a look at the table of contents of the CBA. Examples
10 include, equal opportunity, hours of work, telework, annual leave, sick leave,
11 promotions, rotational assignments, reassignments, position descriptions,
12 awards, performance appraisals, training, moves and workspace changes,
13 travel, disciplinary and adverse actions, grievance procedures, and reductions
14 in force.

15 I'm not sure that all bargaining unit employees realize how
16 much your NTEU Chapter 208 team does to advocate for our bargaining unit
17 every day.

18 Since November 9, 2015, our bargaining unit employees
19 have been covered by a very good contract. But that contract will expire on
20 November 9, 2019.

21 On August 28, 2019 NTEU was officially notified that the
22 NRC intends to reopen, amend, modify, or terminate this agreement. I am by
23 nature an optimist, but I have to be honest and tell you all that I'm terrified.

24 Why -- haven't we opened the bargaining contract before?
25 And what's so different about this time?

26 There's not sort, easy answer to this question. But I will

1 provide a little background and try to explain.

2 On May 25, 2018, the current Administration issued three
3 Executive Orders. These EOs addressed employee removals, official time,
4 and collective bargaining.

5 The EO covering removals makes it much faster and easier
6 to fire federal employees by discouraging progressive discipline and reducing
7 the performance improvement plans to no greater than 30 days.

8 The EO on official time targets the amount of time union
9 officials could use to represent employees. Prevents them from using any
10 agency time to prepare grievances.

11 Restricts Union access to government property. And
12 requires that all employees spend at least 75 percent of their time on agency
13 business.

14 The justification is that this official time does nothing like for
15 example, to keep the reactors safe.

16 But we could say the same thing about the employees who
17 make sure the buildings are maintained. They may not be making the reactor
18 safer, but they're making the employees who keep the reactors safe more
19 comfortable.

20 I think the same thing could be said about our Union. We
21 improve working conditions of bargaining unit employees at the NRC.

22 The EO and collective bargaining sets the deadlines to
23 complete bargaining and elevates the role of the Federal Service Impasse
24 Panel. The Federal Service Impasse Panel is a seven member body that is
25 appointed entirely by the President.

26 So, if an agency and a union reach impasse, the matter will

1 be settled by a panel that supports the three aforementioned EOs, which we
2 have already seen play out in other agencies.

3 Since these EOs were assigned, some federal agencies
4 have attempted to evict their unions from their buildings or charge them rent.
5 They've slashed their contracts to essentially eliminate almost everything
6 including telework, alternative work schedules, progressive discipline, even
7 metro subsidies.

8 One chapter president told me the agency simply informed
9 her that they were cancelling the contract. These are very scary times.

10 Several federal employee unions, including NTEU
11 challenged the EOs in August. And in August of 2018, they were largely
12 overturned by a Federal Judge due to the fact that they were not congruent
13 with the labor laws that I mentioned earlier, which were enacted in 1978. A
14 very good year for labor.

15 But, 2018 and 2019 are not turning out to be such good
16 years for labor. The government appealed the overturning of the EOs. And
17 the appeals' court determined that the unions should have filed with the
18 Federal Labor Relations Authority as opposed to a federal court.

19 So they didn't disagree with the decision, they disagreed
20 that it wasn't the proper venue. We disagree. And we've asked the entire
21 United States Court of Appeals for the D.C. Circuit to rehear the case in what
22 is called a rehearing en banc.

23 We did get a small victory on August 14 when it was decided
24 that agencies may not immediately implement the EOs. And the previous
25 injunction against them is still in place.

26 They must wait for the result of the legal battle. So we wait,

1 and we hope, and we fight. But soon our CBA will be open.

2 And based on real changes in the climate at the NRC that
3 the union has been experiencing in the last year, we're very, very worried.

4 We're at risk of losing a lot of the rights and privileges
5 contained in our very good contract. We see foreshadowing changes
6 already.

7 Reorganizations and reassignments without proper union
8 involvement. Telework agreements which were demonstrated to be
9 successful, suddenly being challenged.

10 More than a handful of full time telework agreements not
11 being renewed for no valid reason. A large increase in the number of
12 counseling memos issued.

13 And what's even more troubling and confusing, a few of the
14 managers telling the employees they didn't want to do it, but they had to.
15 We're seeing qualifications of very experienced technical staff suddenly being
16 questioned.

17 And we also are seeing signs that we're heading for an
18 extremely difficult performance appraisal season. For the first time ever, I'm
19 actually worried about the very existence of our union.

20 Imagine for a moment an agency without a union.
21 Everything would be completely at management's discretion.

22 And we all know that all managers are not created equal.
23 Some are very fair and very reasonable. Others not so much.

24 Without progressive discipline or due process, an employee
25 could be quickly removed because their first level supervisor said they weren't
26 performing. Or they were insubordinate. Or they felt threatened by the

1 employee.

2 We all know, and we've pretty much come to accept that
3 those employees who are beloved get everything the agency has to offer and
4 more. The union largely through the contract is here to level the playing field
5 and lessen the gap between the beloved employees and the not so favored.

6 We are here to provide the employees with guidance and
7 make sure they have representation and due process. We need to be here
8 for this.

9 The biggest thing we have going for us in this upcoming
10 battle is the quality of our employees. And the agency knows that we have
11 good quality employees.

12 To be successful, and not have 2020 be the end of the world
13 as we know it, it is essential that management is aware that our bargaining
14 unit supports us and wants us here to represent them.

15 They need to see that the majority of you want us here. Not
16 just a small percentage. We have to stand united and strong.

17 There is strength in numbers. And now more than ever, we
18 need to be stronger. We're running out of time. We need your support now.

19 To all of the employees who we have helped personally, or
20 those who enjoy a good work life balance due to a telework agreement, or
21 another benefit that we've provided, please tell someone. Tell everyone.

22 It's time to become more involved. It's time to stand with
23 us united. Because the thought of an agency where management can do
24 whatever they want unchecked, and employees have no one to advocate for
25 them, is just too scary to even imagine.

26 Thank you so much for your time and attention.

1 (Applause)

2 CHAIRMAN SVINICKI: Thank you Sheryl for those
3 remarks on behalf of NTEU. And with that, we are adjourned. Thank you
4 all. Please proceed safely back.

5 (Whereupon, the above-entitled matter went off the record
6 at 12:00 p.m.)