STATEMENT
COMMISSIONER PETER B. LYONS
U.S. NUCLEAR REGULATORY COMMISSION

Before the

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS
SUBCOMMITTEE ON CLEAN AIR AND NUCLEAR SAFETY
UNITED STATES SENATE
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Chairman Carper, Ranking Member Voinovich, and members of the Subcommittee, it is a pleasure to appear before you today with my fellow Commissioners to discuss the Commission's oversight of the security of our nation's nuclear power plants.

The priority of the NRC remains, as always, the adequate protection of public health and safety and the environment and promotion of common defense and security. To emphasize these vital areas, the NRC recently refined its Strategic Plan to focus on only two strategic goals – safety and security. In the security arena, I believe that the NRC is playing an appropriate role as a partner in intelligence gathering and information sharing, while maintaining an intelligence assessment capability that provides timely information on potential new threats to the Commission. These broad integrated activities support the Commission's screening process whenever new threats are evaluated. The screening process is disciplined and thorough, with steps that include input from the intelligence community and technical reviews by other security partners. In this past year, the Commission supported improvements to this process that included seeking earlier technical input from other agencies, removing cost considerations, and ensuring that the integrated threat mitigation capabilities of federal, state, and local agencies are considered.

The NRC has supported the Comprehensive Reviews, led by the Department of Homeland Security (DHS), of the security capabilities at each of the nuclear power plants. The DHS has begun similar reviews in other critical infrastructure areas and those results may be of value to both the nuclear industry and the NRC. I will be interested to see how civilian nuclear activities rank against these other elements of our critical infrastructure, and I will be surprised if the nuclear power sector does not excel.

Last year we completed the first cycle of realistic force-on-force tests for all of our nuclear plants and Category I fuel facilities. These tests made a significant positive difference. They probed for and occasionally found weaknesses, which were then corrected. Security of our nuclear plants is stronger today because of these tests.

This Subcommittee has provided invaluable guidance to the Agency in the area of safety culture. We are currently assessing the possible expansion of the Commission's policy on safety culture to address the unique aspects of security. At this time, it is not clear whether this would be best accomplished by developing either one safety and security culture statement or two separate statements, one each for safety and security, taking into account the necessary interfaces between safety and security. Further dialogue between staff and our stakeholders should guide us toward the best approach. In any case, every effort should be made to integrate security forces into the licensee's

organization as a true team player whether they are employees of the licensee or of a security contractor and to hold them to equivalently high standards of performance.

In the reactor oversight arena, the NRC is conducting its eighth annual self-assessment of the Reactor Oversight Program (ROP). The ROP, a flexible risk-informed process designed to focus on those plant activities most important to safety, assures that our nuclear power plants continue to operate in a safe and secure manner. The ROP increases the level of oversight to focus on elements of a licensee's performance that may be declining. This program will continue to be enhanced as a result of these annual self-assessments, as well by external reviews such as the recent Government Accountability Office audit.

Too many frustrating events involving operating nuclear power plants occurred during the last year. In each case, I believe the Agency is taking appropriate actions to address the issues, but there were too many of them. One example involves the inattentive security guards at the Peach Bottom facility that the Chairman discussed. It is apparent that the NRC's oversight and inspection processes did not function at the level we require. We are reviewing staff recommendations to evaluate how we deal with allegations that come to us, how we work with the individual who raises the issue, and how we work with a licensee to evaluate their response. The NRC is also considering how to improve our inspection regime to detect inattentiveness and make certain our resident inspectors are kept fully aware of allegations that may be under investigation by other NRC offices.

A second example involves degraded performance of the Palo Verde facility. The results of our recent inspection, while concluding that the facility is still being operated safely, identified additional examples of organizational and programmatic weaknesses associated with ten of our thirteen safety culture components. The results of this inspection illustrate the importance of our oversight process when declining performance is recognized. An important lesson is that a licensee's performance is a dynamic condition that constantly needs to be assessed.

In addition to the reactor arena, the Agency has focused on the safe and secure use of radioactive materials and sources. The wide diversity of medical, academic, and industrial licensees presents challenges in the areas of both safety and security. Although after 9/11 the NRC took actions to improve the licensing and security requirements for materials with high risk significance, the agency is now focusing attention on additional actions to ensure the adequate protection of the public health and safety. I support the continuing efforts of the NRC staff, in collaboration with our Agreement State colleagues, towards ongoing improvement of materials regulatory programs.

The NRC faces many challenges including, as Chairman Klein indicated, a surge of new plant applications. We have experienced significant growth over the last few years to meet our need for trained and knowledgeable staff. As a result, we are ready and able to meet these challenges. However, with the exodus of experienced staff and increased industry needs, there will be a continuing need to ensure that there is a sufficient pool of people for future government, industry, and academic needs.

This fiscal year, Congress appropriated $15 million to the NRC to foster educational programs that support the entire nuclear power industry. We are committed to

effectively utilizing these resources to grow the pool of needed talent. We issued a public announcement just last week on the availability of grants for support of education. We very much appreciate your interest in, and support for, workforce development.

With our expansion, the agency has inadequate physical space for the growing staff. The Subcommittee's support on this issue has been greatly appreciated. The agency's 2009 budget shortfall is another issue that may require your additional support. Notwithstanding the challenges ahead, I believe the Agency is well positioned for the future.

Mr. Chairman, we assure you that the NRC remains committed to fulfilling its statutory role. We appreciate the past support that we have received from the Subcommittee and the Committee as a whole, and we look forward to working with you in the future.

I would be pleased to respond to your questions.