

**STATEMENT OF COMMISSIONER WILLIAM C. OSTENDORFF
U.S. NUCLEAR REGULATORY COMMISSION
BEFORE THE
SENATE APPROPRIATIONS COMMITTEE
SUBCOMMITTEE ON ENERGY AND WATER DEVELOPMENT
March 4, 2015**

Good afternoon Chairman Alexander, Ranking Member Feinstein and distinguished Members of the Subcommittee.

This is my first time to testify before this Committee-I am grateful for the opportunity. I would also like to acknowledge that this is Chairman Burns first appearance before Congress in his new role as Chairman. We are very pleased to have him leading the Commission.

The Chairman has already provided an overview of the NRC's budget, the changing environment, and steps we're taking to improve the operations of the NRC through project AIM. I am in complete alignment with his testimony

I will make three brief points in the next few minutes that I believe are relevant to this Committee.

The first concerns the status of post-Fukushima safety enhancements. Along with Commissioner Svinicki, I have been involved in all of the Commission's decision-making related to what safety changes we should require as a result of the operating experience from the tragic earthquake and tsunami in Japan four years ago. I clearly recall visiting Watts Bar with Senator Alexander just a few weeks after the Fukushima event.

Looking back over the actions the NRC has taken over the past four years as a result of Fukushima lessons learned, I firmly believe the agency has acted on a foundational basis of solid science and engineering. We have appropriately given highest priority to the Tier One items associated with greatest safety significance. I will not go into any details here - the Chairman's testimony does that. I will make two comments. First, as a former Rickover era nuclear submarine officer who spent 16 out of my 26 years in the Navy operating submarine reactor plants, I am confident in the NRC's safety actions post-Fukushima. And second, as I compare our

actions and approach to that of the broader international community, I am convinced we continue to be a world leader in nuclear safety.

My second point relates to licensing of new reactors. When I was sworn in as a Commissioner April 1, 2010, the NRC was reviewing license applications for 26 reactors. As a member of the Commission these past five years, I have voted to approve design certifications for the Westinghouse AP 1000 design certification, Summer and Vogtle combined construction/operating licenses (or COL's) and more recently, I voted to approve the design certification for the GE-Hitachi Economic Simplified Boiling Water Reactor. The math is simple. Rather than currently reviewing 26 minus 4 or 22 COLs, we are reviewing 9 applications. I need not inform this Committee the significant fact of life changes the nuclear industry has faced since the heady days of a rumored nuclear renaissance circa 2005-2008. The unexpected leap in shale gas reserves and concurrent plummet in natural gas prices, flat or declining electricity demand in certain areas and other economic factors have dramatically changed the landscape for projected nuclear generation capacity. While fully supporting achieving greater agency efficiencies in the Project AIM arena, we - both the Commission and Congress - need to work together to ensure that we do not lose those critical skills sets used by our highly technical staff to review and license new reactor technologies, including Small Modular Reactors, as we proceed in the months and years ahead. To do otherwise would negatively impact our nation's ability to pursue nuclear technology options in the future. We should not let that happen.

My third and final point concerns Yucca Mountain. I know that this Committee is keenly interested in solving our nation's spent fuel disposal challenge. I have spoken over the past few years to both Senator Alexander and Senator Feinstein and your staffs on the topic of spent fuel. I am proud of our staff's work to complete and publish the final safety evaluation report for Yucca Mountain in January of this year. The Yucca Mountain Safety Evaluation Report involved highly technical and complex issues - our staff successfully met the technical challenge and did its job. We now look forward to progress towards a long-term spent nuclear fuel disposal solution as mandated by the Nuclear Waste Policy Act.

In closing, I appreciate the opportunity to share these thoughts with you today and look forward to your questions.