

**Opening Statement of the Honorable John Shimkus
Subcommittee on Environment and the Economy and
Subcommittee on Energy and Power
Hearing on “NRC Policy and Governance Oversight”
July 24, 2012**

(As Prepared for Delivery)

Let me start by welcoming the Nuclear Regulatory Commission and, in particular, the new Chairman, Allison Macfarlane.

A lot has happened since the Commission last testified before this Committee. Early this year, the NRC issued the first license for new nuclear plants in 34 years. In March, the Commission issued orders to implement post-Fukushima improvements. Only two weeks ago, we saw a “changing-of-the-guard” as Chairman Jaczko exited the Commission and Chairman Macfarlane was sworn in. Under Chairman Jaczko, the last three years have been turbulent for the NRC, to say the least, and the change in leadership was long overdue.

With the new Chairman, today’s hearing provides an excellent opportunity to review policy and governance of the Commission. We can gather important perspective from the Commissioners, and importantly, Chairman Macfarlane about the future of the Commission and its work. This is an opportunity, not to dwell on the past, but to look to the future through some of the important lessons of recent Commission events and actions. It is critical for our oversight that we examine weaknesses in the NRC’s governance identified during the past Chairman’s tenure and to assess the many policy challenges facing the agency.

One broad area of policy interest concerns regulatory priorities. In its other work, this committee has focused significant attention on the combined effect many substantial EPA regulations has had on our nation’s coal plants.

It should be no surprise I am similarly concerned about the potential impact of numerous post-Fukushima and other regulatory changes on our nation’s nuclear plants.

Without a doubt, the industry must ensure safe operation and regulatory compliance. None of us would tolerate anything less. However, I believe it is incumbent on the Commission to consider the cumulative effect regulatory changes have on safety. In a March 2011 information paper to the Commission, the NRC staff cautioned that the Cumulative Effects of Regulation “...can potentially distract licensee or entity staff from executing other primary duties that ensure safety or security.” I believe this cumulative effect risk is valid.

The NRC and the industry had a full workload of safety improvements under development before the Fukushima accident occurred. The Commission must be diligent

about ensuring its licensees can focus on completing changes with greatest safety significance rather than being diverted onto other, less important changes simply to meet artificial timelines.

Adequate protection is about risk reduction, but should not be confused with “risk elimination.” Risk is inherent to all sources of energy, yet energy is necessary to our health and well-being: to heat our homes, grow our food, and power our economy. With the Atomic Energy Act, Congress endeavored to balance the benefits nuclear energy brings to the general welfare with protection of public health and safety. Our goal as legislators and yours as regulators should be to preserve that balance.

I want to thank all of the commissioners for coming here today to update the committee on NRC activities; I look forward to their testimony and willingness to answer our questions.