

Nuclear Energy Institute Efforts and Activities

Working Group on Voluntary Improvement of Safety,
Technology and Human Resource

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Overview

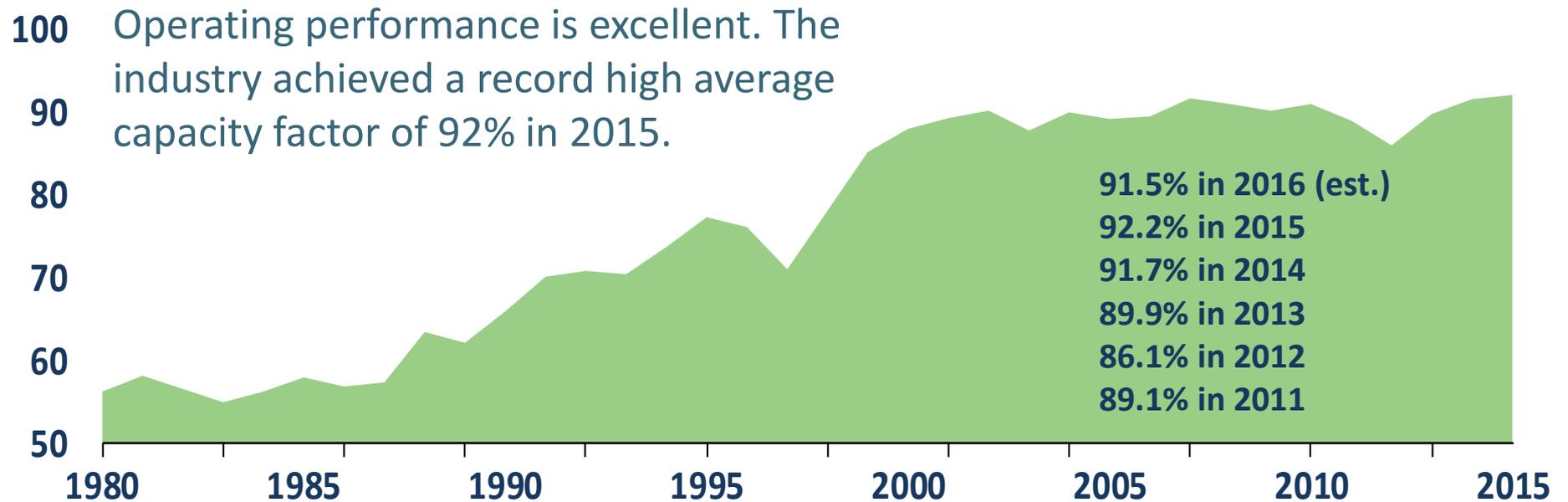
- Who is NEI?
- U.S. Industry Performance
- Examples of NEI leadership to resolve technical/regulatory issues
 - Shutdown risk
 - NRC Reactor Oversight Process
 - Response to Fukushima event
- Nuclear Industry Advocacy – communications and public relations to achieve a desired outcome
 - Nuclear Communications
 - Nuclear Matters
- Governance and credibility
- Keys to Earning Trust

Who is NEI?

- NEI is the U.S. nuclear industry's policy organization in Washington, DC that advocates for the beneficial uses of nuclear technology
 - Founded in 1994
 - Merger of several other nuclear associations
- NEI functions:
 - Regulatory interface with USNRC on generic issues
 - Government affairs (advocacy/lobby at federal level)
 - Public affairs (advocacy, communications and public relations)
 - Policy group (economics, suppliers and international)
- Members include utilities, suppliers, and universities
- 100 permanent staff plus loaned member employees
- Budget of \$50 million mainly supported by member dues

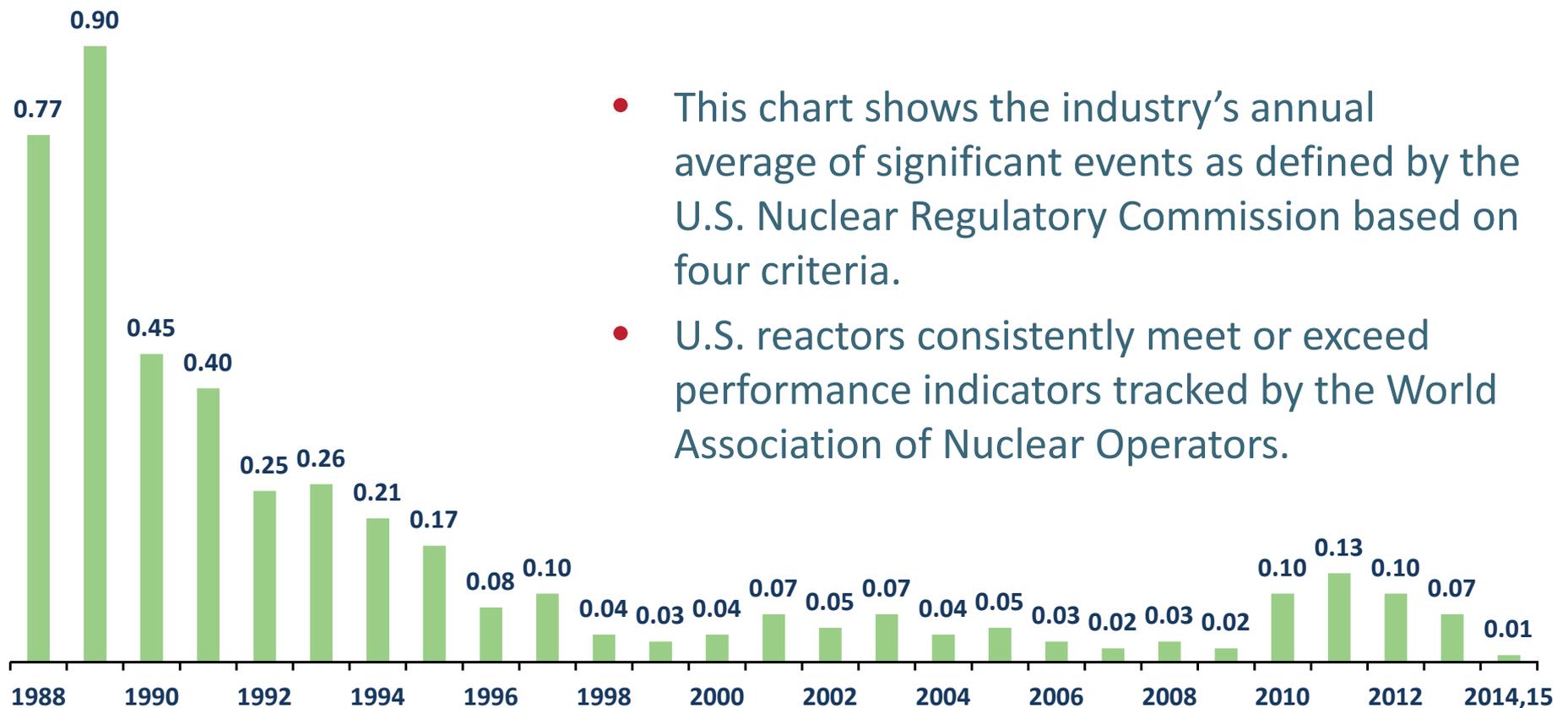
U.S. Industry Performance

- Sustained reliability and productivity
 - Average capacity factor increases from ~55% in 1980s to ~90% since 2000



U.S. Industry Performance

- Focus on safety – reduction in significant events
 - From high of 90 in 1990 to less than 1 event/year in 2014–15



- This chart shows the industry's annual average of significant events as defined by the U.S. Nuclear Regulatory Commission based on four criteria.
- U.S. reactors consistently meet or exceed performance indicators tracked by the World Association of Nuclear Operators.

U.S. Industry Performance

- Why?
 - INPO focus on excellence in operations
 - NEI focus on technical/regulatory issues
 - Maturing staff and stable workforce

Shutdown Risk

- In the late 1980s, U.S. plants experienced many events during outages, some very serious
 - Loss of decay heat removal, station blackout
 - Resulted in long, inefficient outages
- NUMARC (NEI) formed Shutdown WG
 - Developed industry guidance for managing shutdown safety
 - Developed industry initiative for commitment by utilities
 - Commented on NRC proposed rules
- Result: Significant reduction in both number and severity of shutdown events and NRC terminated rule-making

NRC Reactor Oversight Process

- For many years, industry complained about subjectivity and inconsistency of NRC oversight
 - Random allocation of NRC resources (not based on performance)
 - Needed Congressional oversight to drive NRC interest and action
- NEI formed WG to develop a constructive alternative, i.e. an objective, transparent risk-informed, performance-based process
 - Developed conceptual framework and performance indicators/reporting guidance
 - Commented on inspection procedures and significance determination process development
 - Monthly public meetings of NEI ROP Task Force and NRC

Response to Fukushima Event

- Intense initial effort (~30 days) to provide context and understanding for media, government officials, and the financial community
 - NEI recognized as credible source of information
- For longer term, Industry formed executive steering group to guide and coordinate efforts
 - NEI, INPO, EPRI, BWR and PWR Owners Groups
 - Several task forces formed to address issues
 - FLEX, SAFER Centers, hardened/filtered vents, seismic, flooding, spent fuel pool instrumentation
 - Each task force had a CNO sponsor
 - Developed comments on NRC recommendations and attained alignment on priorities
- By the end of 2016, most significant actions had been implemented and accepted by the NRC

Keys to Success

- One voice on generic industry issues
 - Only NEI can speak on behalf of entire industry
 - Companies help formulate position and support messages
- NEI leadership - the power to convene the industry
- Nuclear Strategic Issues Advisory Committee (NSIAC)
 - Chief Nuclear Officer leadership, engagement and commitment
- Industry organizations work together and stay in their respective lanes of expertise
- Proactive efforts on problem statements and proposed resolutions
 - Helps regulator and facilitates “win-win” outcome
- Communicate frequently and transparently

Potential Japanese Efforts

- Applications and protocol for plant restart efforts
- Efficiency improvements and cost reduction initiatives
 - Similar to U.S. “Delivering the Nuclear Promise”
- PRA applications
- Security - physical and cyber
- Groundwater protection

Nuclear Industry Advocacy

- Very difficult for an individual company with diverse electric generation to advocate for nuclear
 - Companies tend to focus on specific plant issues
- Who is “the nuclear industry?”
 - At NEI, we recognized that we were it
- Nuclear advocacy in the U.S. is changing from attempting to gain broad favorability to a more specific desired outcome (e.g. market fixes)

Nuclear Communications

- NEI maintains ~6 writers for its own publications, outside speeches and congressional testimony
- NEI also has ~3 media relations managers that maintain contact with the print and broadcast media
- NEI has two full time digital media staff
- Public polling on nuclear energy is done through an outside contractor

Nuclear Matters

- New coalition that educates the public and policy makers on the benefits of nuclear energy and advocates for policy solutions that sustain and advance those benefits
 - Stages many events - federal, state and local
- New leadership council comprised of stakeholders and policy advocates to provide overall direction
- Recognition that advocacy is more like a political campaign that is designed to win
 - Zero emissions credits in New York
 - Future of Energy Jobs Bill in Illinois

Use of Social Media

- Recognition that consumption of information is now driven by digital/social media
 - Much less reliance on print media
- NEI has its own Facebook page, Twitter feed, YouTube channel and blog
- The NEI website is the hub for content and utilization of these social media
 - www.nei.org

Governance and Credibility

- In the U.S., it is very common for an industry or a special interest to have a trade association or entity to advocate on its behalf
 - Washington metro area has over 7000 trade groups
- Governance and credibility go hand in hand
 - Must fairly represent the [diverse] membership
 - Must be individuals that can speak and commit on behalf of their organizations
 - Can be called upon to represent the industry or interest before government, media, and the public

Advisory Structure

- NEI Executive Committee functions as a governing Board of Directors
 - Focuses more on federal policies and NEI organization
- NEI has many standing advisory committees to help guide the NEI staff on various issues and activities
 - NSIAC (chief nuclear officers) has the most influence over NEI activities and decisions
 - NSIAC CNOs can only vote on industry initiative (80% rule)
- Use of the chief nuclear officers with the regulator (as the sponsor or chairperson of an NEI activity) has been very effective
 - Brings essential knowledge and credibility to the table

Organizational Issues

- FEPC in Japan is more like the Edison Electric Institute in the U.S. (Investor-owned utilities)
 - All electricity generation and distribution
- Without singular nuclear focus, attention to issues is diluted
- NEI provides that focus in U.S.
 - Permanent staff good for longer term relationships with regulators, politicians and media
 - Engenders trust and credibility

Keys to Earning Trust

- Be proactive – doing the right thing before the regulator has to deal with the problem
- Actions speak louder than words
 - Company example
- Transparency
 - Sharing performance data
 - Owning mistakes, owning corrective actions
- Providing solutions that benefit all parties
- Establishing and maintaining relationships

Thank You!