

Opening Statement of Rep. Paul D. Tonko (NY-20)
Subcommittee on Energy and Power and Subcommittee on Environment and the Economy
Joint Hearing:
“Fiscal Year 2017 Nuclear Regulatory Commission Budget.”
10:00 a.m. on Wednesday, April 20, 2016

Good morning. Thank you, Chairman Shimkus and Chairman Whitfield for holding this hearing. And thank you, Chairman Burns, Commissioner Svinicki, Commissioner Ostendorff, and Commissioner Baran for appearing before the Subcommittees today.

We are here to discuss the Nuclear Regulatory Commission’s Fiscal Year 2017 budget request of \$982.3 million, which reflects a decrease of \$19.8 million below last year’s enacted level. It is a decrease of \$73.7 million and 279.7 full-time equivalent employees when compared to the Fiscal Year 2014 enacted budget.

We know the electric utility sector is undergoing major changes. New technologies and markets are changing grid management, deployment of distributed generation, and the relationship between utilities and their customers.

Nuclear power still accounts for a significant amount of base load generation. And in some areas it plays an important role in the mix of power supply and to ensure reliability. But we must start to consider seriously how nuclear power will best fit into the new grid and sector structures that are emerging.

Given the trends occurring in the nuclear industry, the Commission has undertaken Project Aim to find efficiencies and streamline the Commission.

I understand the goals of Project Aim to right size the agency in light of the ratio of decommissioning plants to new licenses while still continuing to meet its mission to ensure the safe operation of nuclear facilities and the protection of public health and the environment. Some

Project Aim reductions have already been included in the Fiscal Year 2017 budget request.

Members on this Committee have a wide range of views on existing and new nuclear power. But there is unanimous agreement that we need high standards for safety and enforcement of those standards. There is no compromising on that.

So I think it is fair that as the Commission's budget and staff is shrinking, we look at calls for expediting the licensing process very closely—and potentially with some skepticism. We must recognize the need for the Commission to be staffed and resourced at levels appropriate for carrying out its critical oversight and safety missions first and foremost.

In addition to changes in the utility sector, we must also pay more attention to the changes to the climate.

Just yesterday the New York Times reported, “2016 Already Shows Record Global Temperatures.” According to the National Oceanic and Atmospheric Administration (NOAA), 2016 has been the hottest year to date, with January, February, and March each passing the mark set in 2015.

Out west, persisting drought will pose challenges to the nuclear industry as most designs require significant availability of water. As a nation we will face water scarcity challenges, and nuclear plants' access to sufficient water—and sufficiently cool water—must be considered.

Elsewhere floods, hurricanes, and other natural disasters are becoming more and more common. These events can pose serious operation and safety challenges. Some plants may not have been designed or constructed with the frequency and magnitude of these events in mind.

The nuclear industry is not immune to the threats of climate change. In the future, severe weather events will happen even more often. So I know I speak for many of us when I say, the nuclear industry and the Commission need a concerted effort to put strong adaptation and resiliency plans in place to mitigate the effects of climate change.

Last month was the five year anniversary of the Fukushima disaster. The Commission has worked on developing and implementing lessons learned and expects a number of safety enhancements to be completed this year.

Other, longer-term issues will be looked at in the years ahead. I look forward to hearing what we have learned from this tragedy and what steps are necessary to ensure such a disaster never occurs in the United States.

I look forward to hearing from all of you today about the Commission's efforts to guide the nuclear industry through the transition that is underway. Again, I thank you all for being here, and I yield back the balance of my time.