

**Opening Statement of the Honorable Ed Whitfield
Subcommittees on Energy and Power, Environment and the Economy
Hearing on the Nuclear Regulatory Commission's FY 2017 Budget
April 20, 2016**

(As Prepared for Delivery)

Nuclear energy is a safe, clean component of our diverse electric generation portfolio. Like coal, market challenges are pressuring nuclear power plants and potential regulatory costs are placing additional economic burdens on the electricity generation sector.

Last September, I expressed concern about the agency's inflated budget and staffing levels, delays in addressing licensing actions, and lack of organizational efficiency. Those issues directly affect NRC licensees, as well as the ratepayers who fund the Commission through annual fees. I recognize that the Commission has subsequently taken some steps to address these issues and applaud you all for your leadership in these efforts.

During my tenure as Chairman of the Energy and Power Subcommittee, I have witnessed an overly enthusiastic regulator, primarily the EPA, repeatedly determine it has no bounds when it comes to how or what it regulates. As a contrast, the NRC's rulemaking process and structure is designed to be disciplined and embody its Principles of Good Regulation – independence, openness, efficiency, clarity, and reliability. The ability to promulgate and impose regulations on NRC licensees is a potent statutory authority and one that should be thoughtfully and diligently exercised only when necessary.

In 1981, as a means to assure that the Commission apply a rigorous and credible evaluation to the most significant rulemakings, it established the Committee to Review Generic Requirements, or CRGR. Consisting of senior management representatives throughout the NRC, CRGR was designed to be a check on the most consequential regulatory actions that could be imposed on licensees, known as applying the "backfit rule." However, over time, we see the CRGR no longer functioning as originally intended with respect to backfit reviews, which has been confirmed by the NRC Inspector General and other stakeholders.

Recently the Commission in a vote on its involvement in the rulemaking process missed yet another opportunity to initiate a comprehensive review of CRGR's membership, effectiveness, responsibilities, and how exactly it is functioning. I encourage you to revisit this issue. As one commissioner noted, it is telling that there has not been a single instance of the staff electing to recommend CRGR review of any rulemaking package since the waiver process was approved by the Commission in 2007.

However, I am pleased that within this vote the Commission, with Congress' urging, reasserted its influence and leadership in the rulemaking process. Providing the commissioners an opportunity to engage in NRC staff proposed rulemakings at an early stage of the process will allow the agency to more effectively allocate resources to the highest priority actions. This reassertion of authority will also assure that any rulemaking that is initiated has established milestones to hold NRC staff accountable, is fully vetted with a full consideration of alternative courses of action, and have a preliminary assessment of the cumulative effects of regulations. These are important and necessary considerations to preserve credibility in the regulatory process.

###