

Regulating for the Common Good

Nils J. Diaz

U.S. Nuclear Regulatory Commission

The United States of America is reviewing the strategic, economic, and environmental contributions of nuclear power to the nation's well being and to our international obligations, as well as to our nation's overall energy supply. All of the above are viewed more favorably than in the recent past. The Administration and the Congress have taken leadership positions to ensure America's energy mix includes the reliability of supply and steady cost that are now ascribed to operating nuclear power plants. It should be emphasized that two major contributing factors are responsible for the opportunity to position nuclear power in the present energy scenario: economics and safety. These two interdependent factors have seen major improvements in the last 10 years, to the point that safety has become the requisite background and economical performance has become the frontrunner. For the first time in many years, nuclear power is being reported as an economical source of electricity. The production costs of nuclear power – with the fleet average at about \$0.018/kw-hr and the top performers at about \$0.012/kw-hr – are second only to hydroelectric power.

The combination of good economics and excellent safety has been achieved by two previously antagonistic and now apparently synergistic forces: private industry improvements in overall performance and the independent regulator's focus on real safety. I will explore these forces, within a set of boundary conditions, with emphasis on the regulatory role and on improvements made.

I believe that the role of regulation is to provide a meaningful and useful framework for the protection of rights, health, safety, and the environment. Regulation is done only for the people, with their best interests as the essential objective; is done for the common good, with full consideration of the national interest. The dictionary definition of regulation is "to prescribe or control by regulations." In the U.S.A., and specifically at the U.S. Nuclear Regulatory Commission (NRC), we are attempting to modify this definition to better serve the common good with state-of-the-art know-how. This is being done by upgrading the prescribing and controlling actions, within the envelope of reasonable assurance of protection of public health and safety as mandated by the Atomic Energy Act. We call this approach risk-informed regulation. It is comprehensive, it is sound, and it works.