

March 2, 1999

FOR: The Commissioners  
FROM: William D. Travers /s/  
Executive Director for Operations  
SUBJECT: CORE RESEARCH CAPABILITIES

PURPOSE:

To inform the Commission of future plans to address core capabilities and skill needs in the Office of Nuclear Regulatory Research (RES).

BACKGROUND:

The Commission's Staff Requirements Memorandum (SRM) of September 3, 1998, asked the staff to address Advisory Committee on Reactor Safeguards (ACRS) and NRC Inspector General comments on [SECY-98-076](#), Core Research Capabilities, make appropriate revisions, and submit a paper documenting the results to the Commission. This SRM further stated that this should be considered a part of the overall agency efforts in identifying NRC core capabilities.

DISCUSSION:

Over the past few weeks, the Office of Nuclear Regulatory Research (RES) and other NRC offices have been coordinating with the Office of Human Resources on a new agency-wide effort to address skill needs as described in [SECY-99-041](#). RES, like other NRC offices, will be participating in this agency-wide program and will be incorporating skill requirements in its Operating Plan.

In parallel, RES has considered the benefits of revising its core capability assessment relative to the agency-wide effort to address skill needs and other office priorities. It has concluded that competing priorities such as the RES self assessment will have a far greater payoff for the office than investing resources at this time to modify the core capability study. The RES self assessment, being facilitated by Arthur Andersen, will further the implementation of the NRC's Planning, Budgeting and Performance Management process by developing outcome-based performance goals, establishing metrics, and identifying activities needed to reach the goals. It is believed that the systematic framework to be used in the self assessment can assist in defining core capability areas.

For the reasons outlined above, RES does not plan to make further revisions to SECY-98-076 at this time. Instead it will be employed as a reference document and can be used to inform budget decisions. For example, it can be used to identify when budget cuts or scenario planning exercises might erode expertise level core research capabilities. RES has met with the ACRS and it is in general agreement with this approach.

There is one area related to the RES core capability assessment that will be pursued by RES over the next few months. One of the comments in the OIG's review of SECY-97-075, Criteria and Methodology for Assessing Core Research Capabilities, was that it was unclear how RES would use the sunsetting criteria to determine when sunsetting conditions are reached and projects should be closed out. RES will be developing specific sunsetting criteria over the next few months during the second phase of its self assessment initiative. It is expected that the application of these criteria will clearly identify when projects should be terminated by defining, up front, the minimum types and depth of research information that are necessary to resolve an issue or to produce a product.

CONCLUSION:

RES will participate in the NRC agency wide assessment of skill needs and because of the high priority self assessment being facilitated by Arthur Andersen, RES will not, at this time, make revisions to SECY-98-076.

COORDINATION:

The Office of the General Counsel has no legal objection to this paper. The Chief Financial Officer and the Chief Information Officer have no objection to this paper.

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