

December 16, 2013

The Honorable Thomas Carper
Chairman, Committee on Homeland Security
and Governmental Affairs
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am writing to provide the NRC's response to the U.S. Government Accountability Office (GAO) recommendations in GAO-13-743, "Nuclear Power: Analysis of Regional Differences and Improved Access to Information Could Strengthen NRC Oversight" (Report) dated September 12, 2013.

In its Report, the GAO assessed the NRC's oversight of nuclear reactors, and highlighted differences in the number of "non-escalated" findings and violations that were identified by the NRC's four Regional Offices since the implementation of the Reactor Oversight Process. As explained in the GAO report, these findings and violations are of very low safety significance. The report, also noted that the "number of escalated findings, which equate to greater risk significance, were more similar across the regions."

As the NRC stated in its response to GAO, the NRC agrees with the GAO's finding that the extent to which non-escalated findings have been identified differs across NRC regions. Further, the NRC agrees with the GAO's observation that the NRC was aware of these regional differences and has taken steps to address them. Additionally, the NRC staff provided the following in its response to GAO: "However, the GAO maintains that, while the NRC has undertaken these steps, the NRC has not conducted a comprehensive analysis of these differences consistent with Federal standards of internal control. Although the NRC believes adequate internal controls to ensure alignment between regions exist through program office oversight, audits, regional counterpart calls and meetings, and procedural criterion specified in the Enforcement Policy, Enforcement Manual, and Reactor Oversight Process (ROP) implementing procedures, the agency agrees to seek enhancements, particularly as they relate to less significant findings and violations."

In sum, the Commission believes the NRC's existing ROP is reliable and effective at assessing licensee performance and determining appropriate regulatory responses, commensurate with the risk and safety significance of identified findings. Since the ROP was implemented in 2000, the agency has striven to improve the consistency, objectiveness, and predictability of the regulatory actions taken in response to licensee performance. Thus, consistent with the philosophy of continuous improvement, the Commission agrees with the GAO's recommendations, and the NRC staff has begun implementing the recommendations.

The three GAO recommendations and the NRC response to each are below.

GAO Recommendation 1: To better meet its goal of implementing objective and consistent oversight, direct agency managers to conduct a comprehensive analysis of the causes of the differences in the identification and resolution of findings.

NRC Response: The NRC agrees with this recommendation. The NRC's Enforcement Policy, Enforcement Manual, and ROP all provide tools to inspect and assess licensee performance, with the goal of being objective, predictable, and risk informed. In addition, the NRC emphasizes inspector training, internal self-assessments, staff knowledge transfer, and use of operating experience to further enhance objective and consistent oversight. The NRC has determined that the available guidance has been effective in providing the agency with objective assessments of its licensees' performance. Notwithstanding, the NRC will revisit its initiatives with respect to implementation of the ROP and the non-escalated enforcement process to identify potential enhancements.

The NRC is conducting an analysis to determine the causes of regional differences in the identification and resolution of very low-safety-significant findings. The analysis will examine program criteria used to evaluate potential findings and determine how the regions apply those criteria. The NRC will use the results of the analysis to identify what program enhancements are appropriate to continue to ensure consistent and objective regulatory oversight.

GAO Recommendation #2: To improve transparency and better enable the public, Congress, and others to independently track findings, all documents related to the findings, and the finding's resolution, direct the agency to either modify NRC's publicly available recordkeeping system to do so or develop a publicly accessible tool that does so.

NRC Response: The NRC agrees with this recommendation. The NRC's official recordkeeping system is the Agencywide Documents Access and Management System (ADAMS). All retained NRC documents, related findings, and their resolution, as applicable, are stored in ADAMS and made publicly available, with the exception of sensitive or protected information. As part of the ROP enhancement project, which was initiated at the direction of the Commission in late 2012, the NRC is working on ways to improve communication. The NRC will identify ways to improve transparency, and effectively and efficiently track documents related to inspection findings through improved tools to facilitate public access to inspection information.

GAO Recommendation 3: To help NRC staff more efficiently use past experiences in their oversight activities, direct agency officials to evaluate the challenges inspectors face in retrieving all relevant information on plant performance and previous oversight activities, and improve its systems accordingly to address these challenges.

NRC Response: The NRC agrees with this recommendation. The NRC will make plant performance and oversight information more readily searchable and available to NRC inspection staff and other NRC personnel.

The NRC is currently working to upgrade the Reactor Program Systems software and improve inspector access to operating experience. This will make plant performance and oversight information more readily available to appropriate NRC staff.

The NRC continues to believe that the implementation of the Reactor Oversight Process ensures the adequate protection of the health and safety of the public. The NRC appreciates the opportunity to comment and to identify the agency actions that have been, or are being taken regarding the recommendations in the GAO Report. If you need any additional information, please contact me or Rebecca Schmidt, Director of the Office of Congressional Affairs, at (301) 415-1776.

Sincerely,

/RA/

Allison M. Macfarlane

cc: Senator Tom Coburn

Identical letter sent to:

The Honorable Thomas Carper
Chairman, Committee on Homeland Security
and Governmental Affairs
United States Senate
Washington, DC 20510
cc: Senator Tom Coburn

The Honorable Darrell Issa
Chairman, Committee on Oversight
and Government Reform
United States House of Representatives
Washington, DC 20515
cc: Representative Elijah Cummings

Mr. Frank Rusco, Director
Natural Resources and Environment
U.S. Government Accountability Office
441 G Street, NW
Washington, DC 20548
cc: Edwin Woodward, GAO