



COORDINATION MEETING  
STANDARDS DEVELOPMENT ORGANIZATIONS (SDOs)  
AND  
U.S. NUCLEAR REGULATORY COMMISSION

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## CHANGE IN ORGANIZATIONS

- Following equation has been used to describe change in organizations:

$$SD \times V \times FS > R = C$$

Shared Dissatisfaction x Vision x First Steps > Resistance = Change

- In order for change to occur,
  - There must be sufficient shared dissatisfaction with the status quo,
  - A clear sense of where you want to go,
  - Combined with the beginning of a plan.
- If one element is missing, resistance takes over.

## CHANGING CUSTOMERS

- Customer expectations are changing.
  - Cost
  - Time
  - Customization
  - Innovation
  - Service
  - Quality

## NRC CODES AND STANDARDS RESOURCES

- Resource expenditures are tied to outcome goals
- Resources spent on codes and standards activities must support agency's strategic goal

## POLICY ROLE

- ANSI Standards Nuclear Board (SNB) dissolved
- SDOs agreed there is continued need regarding policy setting
  - Standards implementation problems
  - Needs
  - Priorities
- SDO representatives expressed desire at last meeting to undertake some part of this function
- Raises questions of mandate/scope
  - Territorial dominion
  - What should charter be

## OVERVIEW OF NRC MANAGEMENT DIRECTIVE (MD) 6.5

### Basis

- For SECY-99-029, “NRC Participation in the Development and Use of Consensus Standards” Commission directs staff to develop Management Directive
- Implements NRC Strategic Plan which states that it is NRC policy to increase involvement of stakeholders in regulatory development process consistent with provisions of Pub. L. 104-113, “National Technology Transfer and Advancement Act of 1995”

# OVERVIEW OF MD 6.5

## Management Responsibilities

- NRC Chairman
  - Ensures agency compliance with Pub. L. 104-113 and OMB Circular A-119, “Federal Participation in the Development and Use of Voluntary Consensus Standards and In Conformity Assessment Activities”
  - Designates NRC Standards Executive
  - Transmits NRC annual report on standards to NIST
- NRC Standards Executive (SE)
  - Coordinates NRC standards program consistent with Pub. L. 104-113 and provisions of OMB Circular A-119,
- Other Senior Management
  - Ensures implementation of major activities in process

## OVERVIEW OF MD 6.5

### Staff Participation on Standards Developing Organizations (SDOs)

- Staff participate as authorized NRC representatives
  - Nomination letter to SDO prepared by cognizant office and signed by NRC SE
- Responsibilities of agency representatives include:
  - expressing views consistent with agency views
  - coordinating standards actions with cognizant staff from headquarters and regions
  - avoiding the practice or appearance of exerting undue influence

## OVERVIEW OF MD 6.5

### Development of Consensus Standards

- Offices annually identify needs and priorities for new or revised standards
- Reviews are conducted to identify opportunities to replace existing Government-unique standards with consensus standards and to update references to existing standards
- A search is made for a suitable existing consensus standard prior to initiating development of a new standard
- Offices identify and work with appropriate SDOs to write new standards

## **OVERVIEW OF MD 6.5**

### **Endorsement of Standards**

- Offices develop and implement process to identify and prioritize standards to be endorsed for use in its regulatory process
- The method of endorsement is determined by each office
- Timely endorsement may require early initiation of endorsement process
- NRC reserves right to apply limitations or modifications on the use of consensus standards that it uses in its regulatory process

## **OVERVIEW OF MD 6.5**

### **Stakeholder Involvement**

- Proposed rulemakings and procurement actions contain request for comment on the use of consensus standards in lieu of Government-unique standards
- SE coordinates annual coordination meetings with SDOs
- Web page for NRC Standards Program provides information on NRC staff participation on SDO committees

## OVERVIEW OF MD 6.5

### Monitoring

- Training is conducted periodically by SE to familiarize staff with Federal requirements, NRC expectations, and lessons learned
- Offices assess the effectiveness and efficiency of staff participation in the development and use of consensus standards

## STATUS OF ONGOING SDO EFFORTS

- Discussion of standards under development to address emerging issues.
  - Needs
  - Priorities
  
- SDO Trial Implementation Programs
  - More timely development and issuance of standards

## NRC RISK-INFORMED/PERFORMANCE BASED REGULATION

- The NRC is facing a rapidly changing environment as it prepares to enter the 21st century.
  - Restructuring and economic deregulation of the electric utility industry.
- To respond effectively to the challenges, NRC established a clear strategic direction to carry out its mission.
- One goal of the strategic plan is to assess regulatory processes to determine which are amenable to a risk-informed, less prescriptive approach.

## GENERAL/CLOSING REMARKS

- Future interactions
- Minutes will be transmitted