UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

April 26, 2000

MEMORANDUM TO: James T. Wiggins, Deputy Regional Administrator, RI
Bruce S. Mallett, Deputy Regional Administrator, RII
James L. Caldwell, Deputy Regional Administrator, RIII
Thomas P. Gwynn, Deputy Regional Administrator, RIV

FROM: William M. Dean, Chief
Inspection Program Branch
Division of Inspection and Support Programs
Office of Nuclear Reactor Regulation

SUBJECT: REACTOR OVERSIGHT PROCESS INITIAL IMPLEMENTATION PUBLIC MEETINGS

Attached for your review is the Inspection Program Branch's (IIPB's) proposed approach for conducting the reactor oversight process (ROP) public meetings to be conducted by each region during the initial implementation period. The purpose of these meetings is to provide citizens in the local area of each plant information about the ROP and to answer their questions about the new process.

Our intention is for each region to provide a minimum uniform presentation which represents the agency perspective. The NRC Reactor Oversight Process Initial Implementation Leaders Guide to Local Public Meetings has been designed as a result of lessons learned from the series of public meetings conducted during the pilot phase. IIPB will prepare the final color slides and an original reproducible copy of handout materials for use by each region.

I wanted to offer the regions an opportunity to provide their comment on what we have developed and offer any additional suggestions. After we consolidate regional comments we will revise the material and schedule a conference call to discuss the final presentation. Please provide any comments by May 10 so that they can be considered in the final presentation package. Any comments should be provided to August Spector (AKS) who is the responsible task lead for this activity. Thanks for your continued assistance and support.

Attachment: As stated

cc: A. Randolph Blough, RI
W.D. Lanning, RI
L. Plisco, RII
V. McCree, RII
M. Dapas, RIII
S. Reynolds, RIII
A. Howell III, RIV
R. Crlenjak, RI
B. Holian, RI
C. Casto, RII
G. Grant, RIII
J. Grobe, RIII
K. Brockman, RIV
E. Collins, RIV

DRAFT

NRC REACTOR OVERSIGHT PROCESS

Initial Implementation

Leaders Guide to Local Public Meetings

REGIONAL SITE PUBLIC MEETING TO DESCRIBE REACTOR OVERSIGHT PROCESS

Key Messages

1. Plants are safe

Our oversight process is based upon a sound foundation and years of industry and regulator experience. Improved overall safety performance has resulted.

2. We are improving our oversight process

We are improving our oversight processes to be more predictable, effective, efficient, objective, and risk-informed while maintaining safety and protecting the environment.

3. Provide the public with current information about the safety status of each plant

Based upon measurable objective data and NRC plant inspections the NRC will make its data and findings more readily available to the public in a more timely manner.

Major Themes

A. *The NRC is an independent agency of the Federal government. Our mission is to ensure licensees design, construct, and operate nuclear plants safely.* NRC has an established sets of regulations and requirements by which plants were designed and constructed. The NRC is concerned with the peaceful uses of nuclear materials in our country. The NRC has its own staff of resident inspectors located at each plant site. Regional and Headquarter inspectors also contribute to safety oversight activities.

B. *The focus of the new process is on oversight of the most significant safety issues at each plant. The new process is more structured, objective, and predictable in its approach to inspecting and evaluating nuclear plant safety performance.* The new reactor oversight process is a change to better focus on key safety issues, and to become more effective and efficient in our oversight approach.

C. *The result of each plant's performance is more clearly measurable, more readily available, and more easily understandable by the public.* The new oversight process represents real improvement in how we objectively monitor plant performance and

inspect for key safety issues to provide the licensee and the public current information about plant safety performance.

D. *The new process is a result of an evolutionary change in the nuclear industry.* This change is the result of a maturing industry and technology, improved plant performance, and a variety of external and internal factors including improved regulatory tools and internal NRC processes and critical stakeholder feedback. We have gone into this new program in a methodological and prudent way, working with industry and public interest groups. The NRC conducted a pilot test of the program in 1999 at 13 plants, after which we made changes as a result of lessons learned. We are currently conducting initial implementation at all 103 plants during 2000 and 2001 and will continue to make modifications as a result of our ongoing experience. However, the underpinnings of our program remain firm -- on a daily basis, NRC inspectors will be on site actively conducting safety inspections of each plant to assure public health, safety, and protection of the environment.

E. *Based upon our experience the framework fo the oversight process has been revised by:*

1. the establishment of Cornerstones of Safety,
2. the introduction of Performance Indicators that provide an objective indication of current safety performance in key areas,
3. Inspections that use trained NRC inspectors who monitor plant activities for safety, and
4. an Assessment Program that triggers NRC regulatory response in a graded manner as licensee safety performance degrades.

F. *The NRC is establishing efforts designed to provide citizens living in the local area of each plant with up-to-date information about how the NRC assures safety and the safety status of each plant.* Holding public meetings is just one useful way. However, we realize only a limited number can attend. To consistently provide more timely information to a wider audience, we are using the Internet. We are making available a new web site specifically devoted to the Reactor oversight process. This site gives you a complete description of the process, links to our inspection procedures and policy manuals, links to schedules of public meetings plus other useful information. However, most importantly the web site will provide specific data on the status of each plant along with official NRC inspection reports. We hope that in this way you can maintain your knowledge of our activities and current safety performance. The web site will also provide an e-mail address which members of the public may use to reach the NRC in Washington. So, please use our information and our services, ask us questions, express your concerns. We are here to serve the public by ensuring that public health and safety is maintained.

SAMPLE INVITATION LETTER FROM REGIONAL ADMINISTRATOR OR DESIGNEE

To be sent out approximately 3 weeks prior to meeting.

I am writing to invite you to participate in a public meeting designed to explain to members of the local community the Nuclear Regulatory Commission's (NRC) new Reactor Oversight Process. The NRC staff has recently revised its oversight process, including how it inspects nuclear plant safety performance. The new process applies more objective, timely, safety-significant criteria in assessing safety performance at nuclear power plants, such as the —name of plant -- in your local area. We pilot tested this new process at 13 plants during a six-month period in 1999. As a result of the pilot test, we made modifications to the process. Initial implementation of the new process began nationwide at all 103 nuclear power plants in April 2000.

We will hold our meeting between 7:00 p.m. and 9:00 p.m. on _____, at the _____, address____. At this meeting we will give you a complete description of the new process, how the new process is being used at the ____local plant name __, and provide you the opportunity to ask any questions pertinent to the new process.

If you would like information about our Reactor Oversight Process please use our WEB site address: **www.nrc.gov/current web address for external home page**
I hope you can attend our meeting. If you know of other individuals who would be interested in attending this meeting I would appreciate your letting them know about the session.

If you have any questions please contact --- OPA or technical person on regional staff , list name, phone and email address— of my staff.

Sincerely

Regional Administrator (or designee)

SUGGESTED INVITEE LIST

Political

Mayors, Town/Village Council Members of local communities within 20 miles of plant

Chairman of the County Board of Supervisors

Members of the County Board of Supervisors

State and local emergency response officials

Local Emergency Response Managers/Coordinators

State Program Coordinators

Local Police Chief

Community Interest Groups

President of the local Chamber of Commerce, Lions Club, and other key public service organizations

Community leaders -- affiliated or non-affiliated

Leaders of public interest groups, especially those concerned with nuclear and the environment

Local Media

Suggested logistics:

1. Meetings should be held in the evening from 7 to 9 p.m.

2. Prefer meetings be held off-site at local motel, community center, town hall or school.

3. Approximately three weeks prior to meeting Regional Administrator (or designee) send letter inviting local participants. (See sample letter.)

4. Approximately two weeks prior to meeting Regional Public Affairs Office distribute press release to local news media. (See sample press release.)

5. Equipment and materials requirements:

   Overhead projector with spare bulb
   Large Screen
   Overhead projection slides -- provided by NRR
   Handout materials -- Copies of slides, NUREG-1649
   Computer disk with ROP WEB page for demo -- provided by NRR
   Laptop computer (optional)
   Computer Projector (optional)
   Telephone connection with Internet access (optional)

Sample Press Release:

To be developed by public affairs.

REGIONAL SITE PUBLIC MEETING TO DESCRIBE REACTOR OVERSIGHT PROCESS

Length: Two hours (recommend meeting begin at 7:00 P.M. and end at 9:00 P.M.)

Lead: Regional Management

NRC Participants: Regional Management (example, Div. Dir., Br. Ch); Senior and Resident Inspector of plant; Regional Public Affairs; (NRR/IIPB representative will be available for the first few meetings in each region to provide assistance.)

Requirements: 1. Use of NRR standard overhead slide package and NUREG 1649 as handouts
2. Provide ample opportunity for Q&A by the public

Equipment: Overhead projector
Screen
Computer (optional)
Computer projector (optional)

Materials: Standard Overhead Slide Package issued by NRR/IIPB
Paper copy of overhead slides -- handout
NUREG-1649 issued by OPA -- handout
(Optional) Computer disk of Overhead slides in Power Point and/or Presentations format
(Optional) Computer disk which shows web page

Meeting Plan

TIME	TOPIC	PRESENTATION APPROACH	PRESENTATION NOTES
5 Minutes	Introduction and Purpose	1. To introduce NRC presenters and other key NRC people present. 2. Inform the audience of "housekeeping" issues for the evening 3. Briefly indicate meeting purposes.	1. Open by highest Regional management official attending 2. Slide of NRC Seal should be projected on the screen while people are assembling

25 minutes	Brief Overview of Reactor Oversight Process	To provide members of the public with general plain language presentation utilizing slides: a. **Briefly review agenda** -- Use slide 1 b. **Describe NRC regulatory roles**. Do not make assumption members of public know what NRC does, especially on the local level. Use slides 2, 3, 4 c. Briefly describe, in plain language, the new program: **-Our previous program** -- Use slide 5 **-Reasons why we are making transition** to new process -- Use slide 6 **-Key aspects of new program**. Do not get into great detail describing PI, Inspection, Enforcement, Assessment, etc. This will come later. Use slides 7, 8 **-Assessing performance** is a summary slide which depicts a Venn diagram. Purpose is to illustrate need for objective indicator data and inspections to adequately assess plant safety performance. Use slide 9 **-Briefly describe Strategic Performance Areas**, Cornerstones, and Performance Indicators. Do not discuss in any detail each PI. This will probably overwhelm the general audience. During Q&A details can be discussed as they are raised. Do not dwell on any one question or questioner. Suggest that you are available after the meeting to discuss in greater detail their concern. Use slide 10 **-Briefly describe Performance Indicator** as one type of measure and indicator. Do not get into technical detail regarding each indicator, save for Q&A. The purpose here is to explain the basic purpose of PI's and describe color coding. Use oil gauge analogy. This information is available on the NRC web page. Use slide 11 **-Baseline inspections**. Explain to the audience that NRC conducts baseline inspections and other types of inspections designed to monitor plant safety, confirm PI data, etc. Resident inspectors who work at the site each day conduct inspections, etc. Have an office on site. The government employs inspectors who are independent of the licensee. Mention that inspection reports are on the NRC web for public to read. Use slide 12	Regions determine presenters. One presenter should deliver all material in this section. Suggest the presenter be from Regional Office. Use overhead projector to show slides. If a video projector is to be used, a computer disk is available from NRR.

		- **Briefly discuss the Action Matrix**. Action Matrix provides summary assessment and NRC regulatory response. The purpose here is to demonstrate that NRC has an objective and predictable approach to assessment and regulatory response becomes more intense as plant conditions deteriorate. The burden for safe plant operation is squarely on the licensee. The corrective action program places responsibility on the licensee to identify and correct issues. If the licensee does not correct identified problems, NRC will increase its regulatory interaction. Use slide 13 - **Continued emphasis on safety** is a summary slide. Try to again show that NRC provides diligent oversight and that the public should feel confident that we contribute to safety. Use slide 14 d. Describe benefits to public and discuss public communication using the following slides: -**How the public benefits** is a key slide to help build public confidence. It should be used as a segue to the next slide. Use slide 15 - **What will the public see?** Is the last slide. Emphasize that this is an open process and that the NRC is trying to give the local community timely information via the WEB. Members of the public who do not have Internet usage can get information from most public libraries using the library's computer. Also indicate that everyone in attendance can have the NUREG 1649 booklet which briefly explains the program. These should be distributed at the meeting. Use slide 16 -**Project the NRC seal slide** or shut off the projector. Use slide 17	NUREG 1649 handout Optional slide #17
15 minutes	NRC ROP WEB PAGES	Using slides give a brief demo of the ROP web pages to include the general page, PI, etc. pages. Use of computer or a video projector would be helpful. The object is to provide some basic information. This portion of meeting could be held after the meeting since it may take more time than allotted. Also, this would provide public an opportunity to have some hands on exposure to the web page. Regions to decide local approach.	Use of video projector if available. Use of computer to demonstrate NRC web page useful if available. (Preferred approach) Disk of web page demos to be provided by NRR
10 minutes	Regional Issues	Opportunity to discuss regional issues related to the new program. Presentation to be developed by each region as appropriate.	Regional slides

60 minutes	Question and Answers	This portion of the meeting will provide all interested stakeholders opportunity to present questions to the NRC about the ROP. The NRC presenters should create an atmosphere of "dialogue" with the participants and solicit their ideas about the ROP.	The audience should be told that questions should relate to the new program and not other issues. These can be addressed after the meeting. NRC should respond to questions in an open and candid way.

DRAFT

NRC's REACTOR OVERSIGHT PROCESS

NRC seal

Nuclear Regulatory Commission

The slides in this package have been developed to maintain uniformity in basic presentation materials used at the public meetings which introduce the Reactor Oversight Process. The information listed below each slide are suggestions, designed to assist the presenter. Most audiences are not interested in overly technical details and usually feel uncomfortable listening to presentations utilizing many acronyms and technical language.

Please project this slide just prior to the meeting, as guests are entering the room.

Regions are encouraged to substitute a slide which indicates the Region. If desired, the Region can be easily added to the bottom of this slide.

Overview for this evening

- **Who we are**
- **Why we are here**
- **Overview of new program**
- **Key benefits of the new program**
- **What's in it for you**
- **Your questions**

1

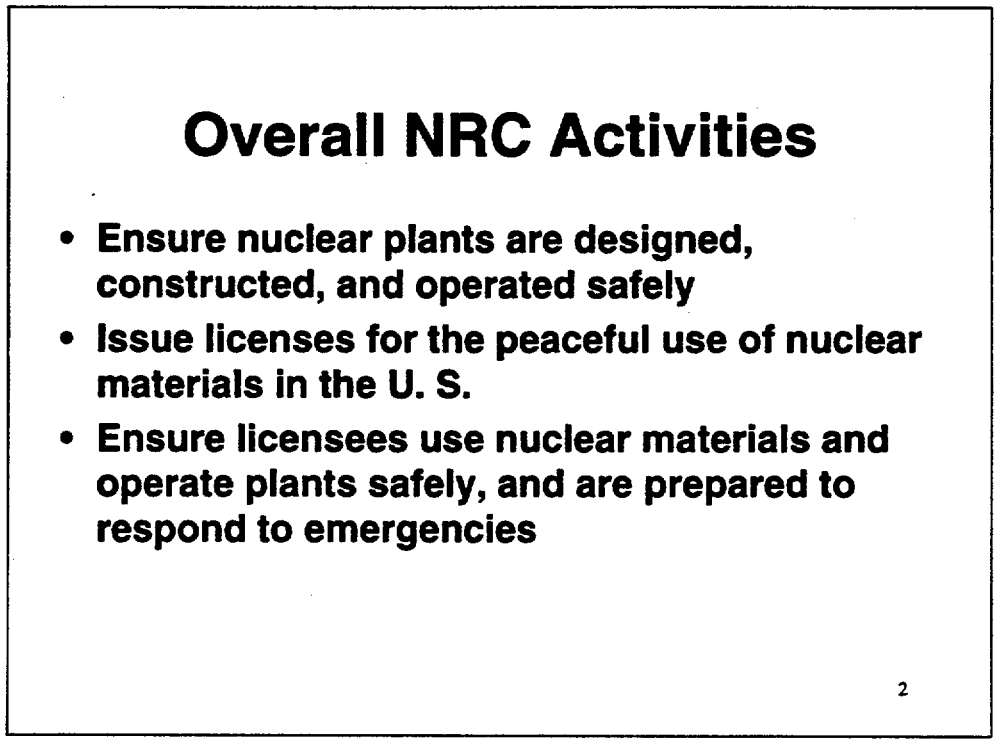
NOTE: *The notes section on the following slides are designed to provide you with key points to be covered as well as suggestions in presentation format.*

SUGGESTION: *For some items we have provided suggested plain language dialogue. Please feel free to adapt this dialogue to your own particular presentation style, however our emphasis is on "plain language." We have avoided using certain terms such as "risk" and "event." These words have been found to be difficult to fully define and be understood by the lay audience in the short time period of this presentation.*

SUGGESTION: *Questions from the audience should be held until you have completed the presentation by showing all slides in the package. We have found that when members of the audience are given an opportunity to interrupt the presenter with questions, other members of the audience may begin to also ask questions, thus breaking the flow of the planned presentation causing some confusion and misunderstanding by others in the audience and extending the time period allotted for this part of the evening activity. Please mention to the audience that if they have a clarifying quesiton they should feel free to ask it, however there will be ample time for Q&A's after the main presentation. Approximately one hour for a question and answer period following the presentation.*

PROCESS: *In addition to the above agenda, the Region may want to include some information about their activities and the specific plant. This is encouraged and should follow the above agenda.*

PROCESS: *This prepared presentation should take approximately 25 minutes. Following this presentation, Regional and local plant activities/issues can be discussed for approximately 10 minutes. An option may be added to discuss and demonstrate the ROP WEB site for approximately 15 minutes. This should be followed by 60 minutes of Q&A and audience open dialogue about ROP with NRC representatives.*



The NRC is an independent agency of the Federal government. Our mission is to ensure licensees design, construct, and operate nuclear plants safely. The NRC is concerned with the peaceful uses of nuclear materials in our country. Regional and Headquarter inspectors help each resident inspector in their safety oversight activities. The NRC has its own staff of resident inspectors at each plant site, where they maintain an office.

SUGGESTION: *Indicate that you are from the Regional Office and give location.*

NOTE: *At this time you should go to next slide which shows the 103 plants which NRC regulates. You can then very briefly mention that we have offices in four regions and NRC plant resident inspectors have offices at each site.*

NRC Reactor Licensees

3

EMPHASIZE: *Very briefly indicate that we regulate 103 plants across the country. We have four regional offices and each inspector has an office on site.*

SUGGESTION: *If you mentioned this information when showing previous slide, then merely show this slide and indicate that the slide shows the location of all 103 nuclear power plants licensed by the NRC. This slide has been included in order to show perspective of our national responsibility.*

SUGGESTION: *Presenter may also want to briefly note that NRC regulates materials licensees.*

FOUR KEY NRC OBJECTIVES

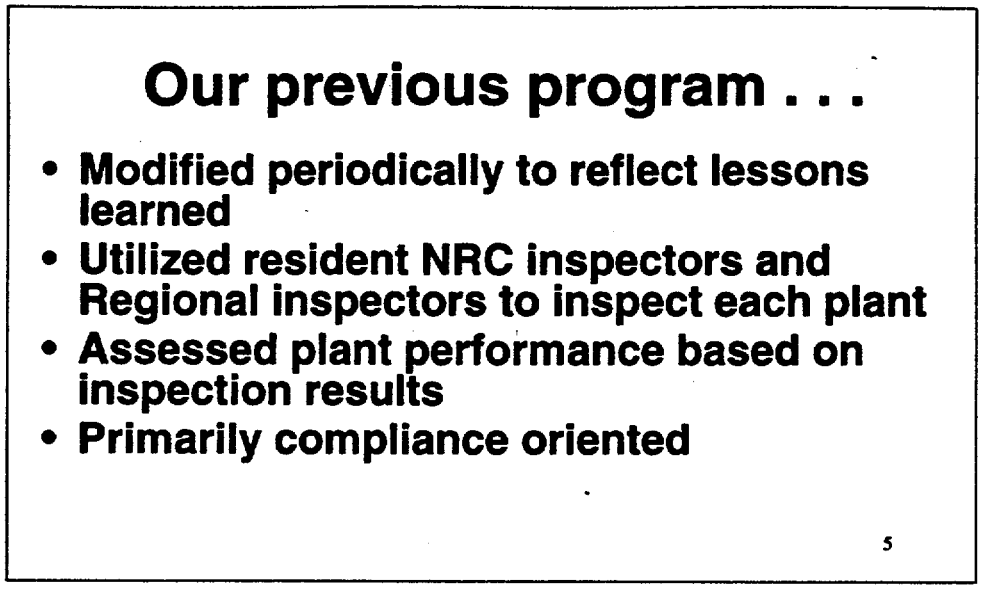
- ***Maintain safety and protect the environment***
- ***Enhance public confidence***
- ***Improve effectiveness, efficiency, and realism of processes and decision making***
- ***Reduce unnecessary regulatory burden***

4

BACKGROUND: These are the agency's objectives that we focus on relative to our reactor oversight process. These have been derived from the NRC Strategic Plan. Presenter may want to briefly mention the strategic plan.

NOTE: *Very briefly make the point that our reactor oversight process is specifically designed to meet each of these outcomes.*

EMPHASIZE: *The first one, maintain safety and protect the environment.*



Our oversight process has been developed over twenty-five years of inspection and industry oversight. Our process has been periodically modified during this period as a result of new technology, more sophisticated data analysis techniques, improved safety performance, and lessons learned from past experience.

We have found that our inspection program has contributed to overall improved safety performance. This program utilizes trained and experienced NRC inspectors assigned to each plant. These resident inspectors get to know and understand the operation of each plant, hence become experts on specific safety systems associated with the plant in your area. This will not change.

Our previous program was primarily compliance oriented. That is, the NRC assured public health and safety by verifying that licensees complied with regulations. We are still concerned that licensees comply with all regulations, however we have learned much over the years about what areas contribute most to plant safety and are altering our process to focus on these areas in a more effective manner.

NOTE: *Please do not assume that the audience knows about or is even aware to our previous program. At past meetings we found wide misunderstanding of our programs and mission.*

SUGGESTION: *If SALP, SMM, Watch List are mentioned please do not dwell on these, since they have been eliminated and the lay audience may find deep explanation too detailed and/or technical.*

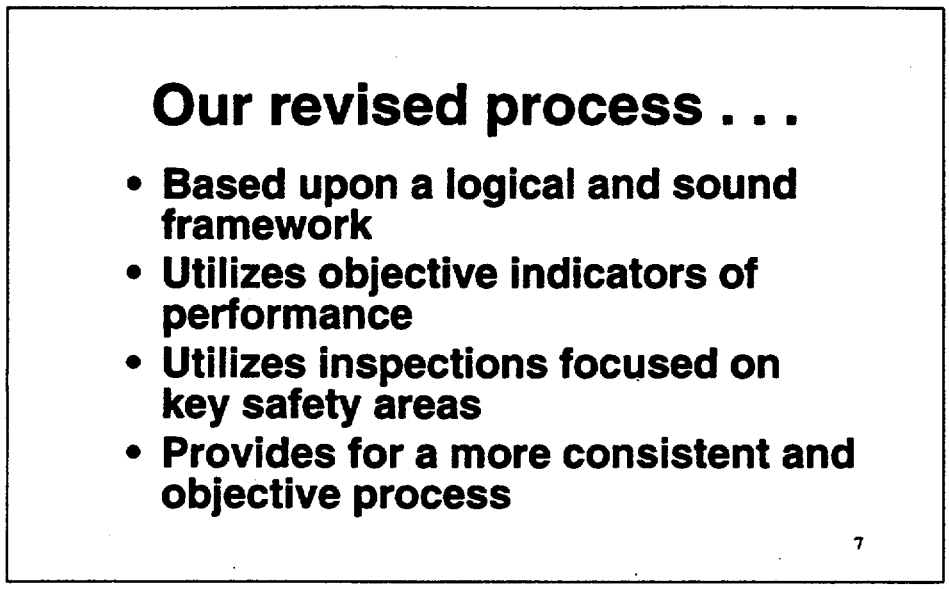
Forces Influencing Transition

- **Maturing industry and technology**
- **Improved plant performance**
- **Improved regulatory tools**
- **External Factors**
- **Internal Factors**

6

We are making a *transition* to a revised process based on our collective learned experience.

The new process is a result of an evolutionary change in the nuclear industry. This change is the result of a maturing industry and technology, improved overall plant safety performance, and a variety of external and internal factors including improved regulatory tools, internal NRC processes, and stakeholder input.

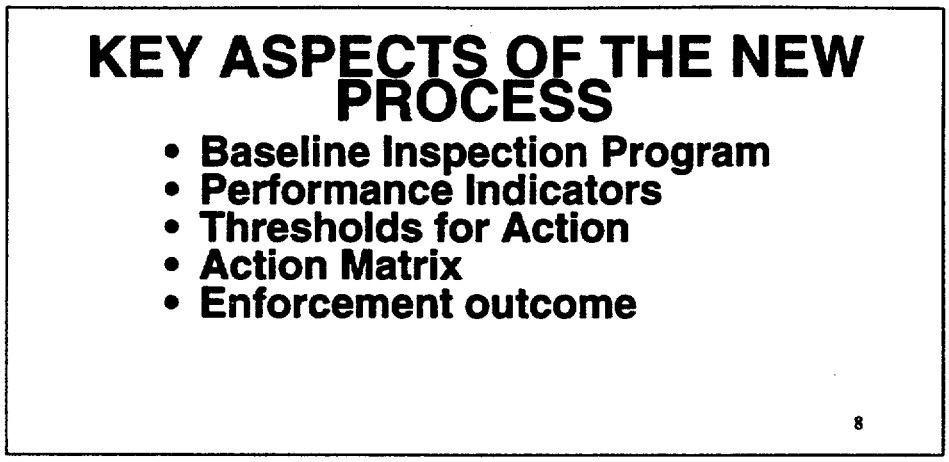


The new process continues to be based upon a sound foundation of regulatory experience. The new process maintains our current regulations. The new process provides an oversight approach which is more predictable, effective, efficient, objective, and realistic. And more understandable by the public and licensee.

The focus of the new process is on oversight of the areas that contribute most to safety at each plant. The new process allows the NRC to be more structured, objective, and predictable in its approach to maintaining public health, safety, and protecting the environment. Simply put, the new reactor oversight process is a change by the NRC to better focus on key safety areas, and to become more effective and efficient in our oversight approach.

We have gone into this new program in a methodological and prudent way, working with industry and public interest groups. The NRC conducted a pilot test of the program in 1999 at 13 plants, after which we made changes as a result of lessons learned. We are currently conducing initial implementation at all 103 plants during 2000 and 2001 and will make continued modifications as a result of our experience. However, the underpinnings of our program remain firm -- on a daily basis, NRC inspectors will be on site actively conducting inspections at each plant to assure that public health and safety is being maintained.

NOTE: *This slide is to used as a **lead into the next slide** which reviews the main features of the new process.*



The new Reactor Oversight Process provides NRC, the licensee, and the public with more current information on plant performance so that we can conduct corrective actions and we can maintain safety in the most safety significant performance areas. The new process includes the following:

a. the establishment of Cornerstones of Safety,

b. the use of Performance Indicators that provide a objective indication of current safety performance in key areas

c. Baseline Inspections that use trained NRC inspectors who monitor plant activities for safety, and

d. an Assessment Program that triggers increasing NRC regulatory actions as needed to maintain safety.

ALTERNATIVE: The new Reactor Oversight Process focuses inspection activities on most important areas

Applies greater regulatory attention to facilities with performance problems

Maintains base-level of regulatory attention on all plants

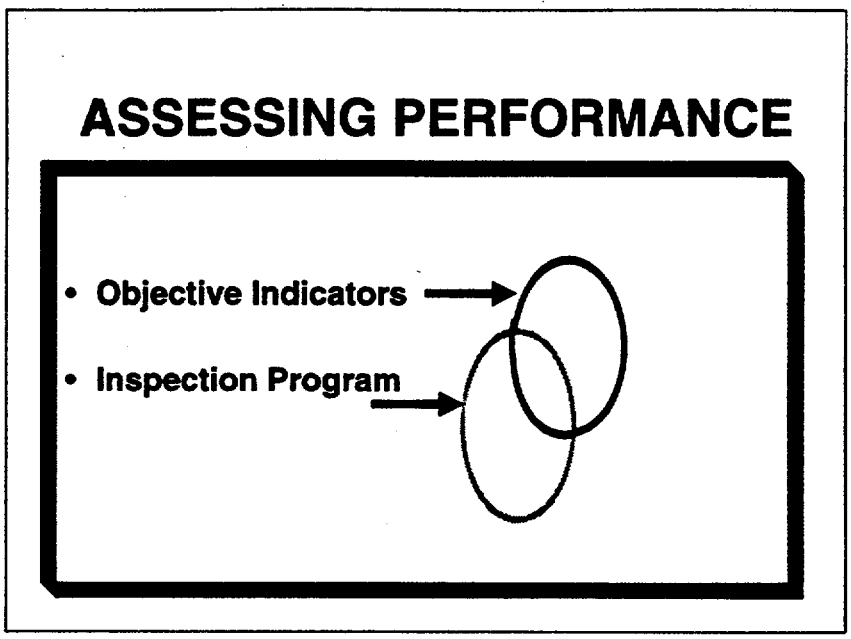
Makes greater use of objective measures of plant performance

Provides public and industry timely and understandable information related to assessment and regulatory actions

Avoids unnecessary regulatory burden

Responds to violations in a predictable and consistent manner

NOTE: *This slide is an overview of the key elements of the new process. The next few slides will provide more detail,* ***hence please only mention the four items on this slide with little detail description.***



This slide indicates the two methods NRC will use in assessing licensee performance. We will use objective data to monitor indicators of plant performance in clearly identified key performance areas. Each calendar quarter your plant will report to the NRC objective data in 18 specific safety areas, and ....

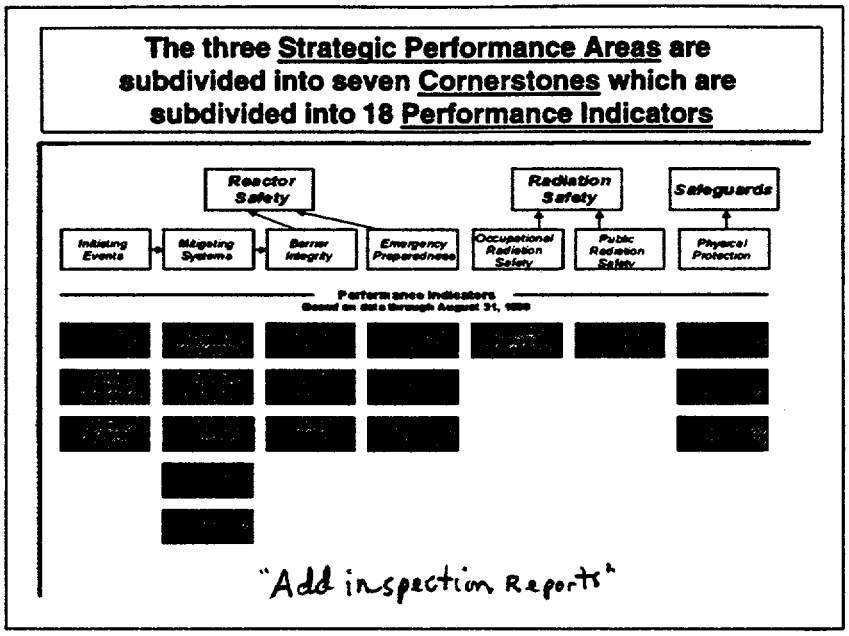
Our NRC inspectors will continue to conduct a variety of on-site plant inspections of key safety areas, as well, as provide oversight of how the plant is performing in its effort to correct any past safety concerns.

There is some overlap between what is being measured by the objective indicator and the inspection program. This provides a comprehensive approach to nuclear plant safety oversight.

To gain a better understanding of the key areas which the NRC will monitor, lets look at the next slide.

NOTE: *The language in this slide is designed to bring out the relationship of performance indicators and the inspection program. The next slide introduces how these are used in relation to the Cornerstones.*

EMPHASIZE: *It is important to state that <u>both</u> are used, emphasizing the inspection aspect of plant assessment. Performance Indicators provide only a part of the "safety picture." Inspections are required to provide the entire safety picture.*



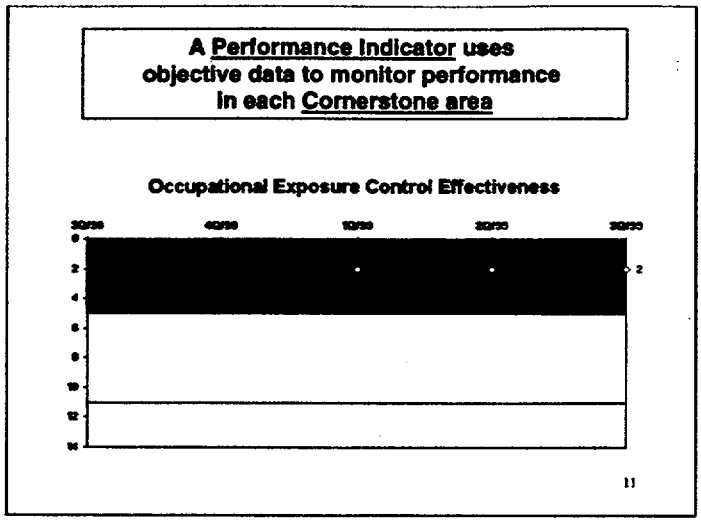
To carry out its mission, the NRC has identified three strategic performance areas which consider the safety aspects of all major plant systems and activities. These are Reactor Safety, Radiation Safety and Safeguards.

Each of these strategic performance areas consist of specific cornerstone elements of which we have found to be objectively measurable.

NOTE: *Briefly explain each cornerstone and its intent. Do not go into detail. Consider the timing of your presentation. Most presenters have spent approximately 3 minutes explaining all seven cornerstones.*

Performance in each of the cornerstones is measured using both performance indicators and inspection activities. Each indicator is measurable using data collected during plant monitoring. The Performance Indicator data is sent to the NRC by the plant each calendar quarter. We publish this data as well as the results of our inspection program on the NRC Reactor Oversight Process WEB site so that all stakeholders -- licensees and members of the public can view the information.

NOTE: *The next slide is to be used for explaining the PI in more detail. Do not discuss any of the PIs in detail at this time, as much of the information is highly technical, not being appropriate for the type of presentation being given.*



SUGGESTION: One way to explain PIs in simple understandable laymen's language is to compare the color indicators to an oil gauge in a car. The oil gauge merely provides the driver an indication of the level of oil in the engine. When the gauge is in the "green" zone it indicates that the oil level in the engine is acceptable. When the gauge indicates either "white" or "yellow" the driver is warned that although the engine has oil, the acceptable level is getting low. Hence, the oil should be checked either at the next service station, if " white," or sooner if "yellow." Additional oil should be added to the engine in order to maintain an adequate oil level. Also, the engine should be checked to determine if it leaks any oil. If so, then, depending upon the nature of the leak, corrective action should be taken to repair the problem. When the oil indicator gauge indicates the "red" zone, the driver is warned that the oil level is extremely low. The engine must be checked for leaks and other mechanical problems, then repaired before continued operation. If a driver is carefully monitoring the oil gauge, periodically inspects the engine, and takes corrective action, it is unlikely that either the yellow or red indicator will show. Bottom line: The prudent driver will change oil according to specifications and correct problems as they arise.

NOTE: *Although this is a very simple and obvious example it has been used with great success at previous public meetings and has made the NRC presentation flow much better. Please remember that we are merely trying to brief the audience on the concepts, not provide them with an overwhelming amount of technical information.*

If members of the audience desire more detailed information about particular PIs, suggest that such be discussed after the meeting when you can devote adequate time to responding to the question.

EMPHASIZE: *PIs are only indicators and that they alone will not reflect total plant performance. Inspections are necessary in order to understand the plant performance picture.*

DEFINE: Explain the significance of and define the color coding scheme.

Green:

White: colors to be defined.....

Yellow:

Red:

NRC Conducts Safety Inspections

NRC resident and regional inspectors conduct a <u>Baseline Inspection Program</u> to monitor plant safety performance in each of the Strategic Performance Areas

Add in Picture of inspector

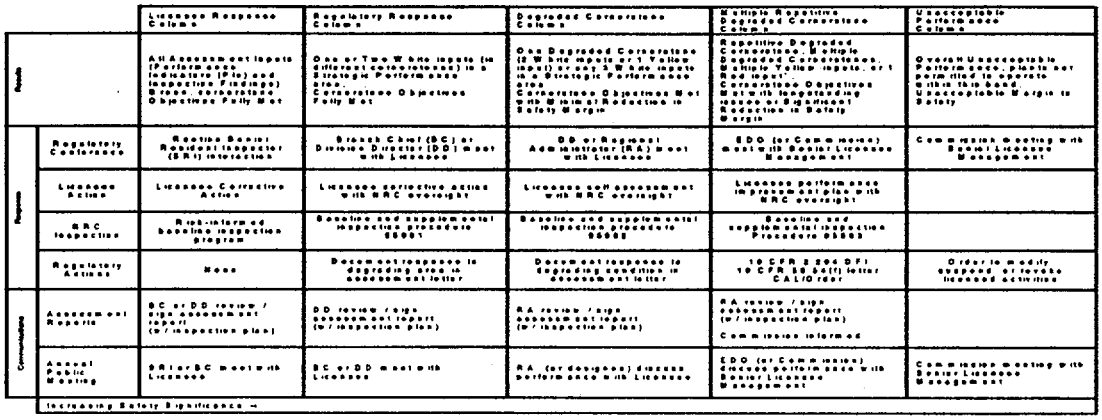
12

NOTE: *By this time the audience should be familiar with the concept of the NRC inspection effort. This will tie the inspection program to the performance indicators and lead to the Action Matrix. We have found that bringing these two concepts together helps to enhance public confidence in NRC*

The new process requires our inspectors to conduct what we call a Baseline Inspection Program at each plant. This not only confirms the performance indicator data submitted by the licensee, but looks for other potential safety concerns not revealed through PIs. We have developed specific inspection procedures which provide for consistent and measurable oversight by our inspectors. These procedures are available for you to review on our WEB site. In addition to our baseline inspection program, we will continue to conduct special inspections of plant activities as a result of events or when there are problems in a plant's safety performance. Our inspection reports are posted on the WEB site.

An Action Matrix is used to assess overall plant safety performance and specify thresholds for NRC Enforcement Actions

Action Matrix



The results of our inspections and the PIs submitted by the plants are assessed using something called the Action Matrix. This matrix has been designed to summarize the results of performance indicators and inspection activities to enable the NRC, the licensee, and the public to better understand the results of our monitoring activities, how the agency will communicate its assessment with the licensee and public, and what regulatory response the agency will take. The Action Matrix provides a predictable approach to determine NRC actions resulting from its oversight processes.

NOTE: *By this time the audience should have a good basic understanding of our approach to oversight. Brief discussion of this slide is important because it depicts our assessment guidelines as well as demonstrates the various thresholds related to enforcement. Briefly explain these thresholds and the types of increasing enforcement we will implement. Again, show that the NRC expects the licensee to be responsible for plant safety. If they do not adequately apply safety, then the NRC will increase its regulatory enforcement.*

NOTE: *Please do not expect the audience to be able to read the fine print on this slide as projected on the screen. The handout they have been provided contains larger type, hence they should be able to read the Action Matrix from their handout.*

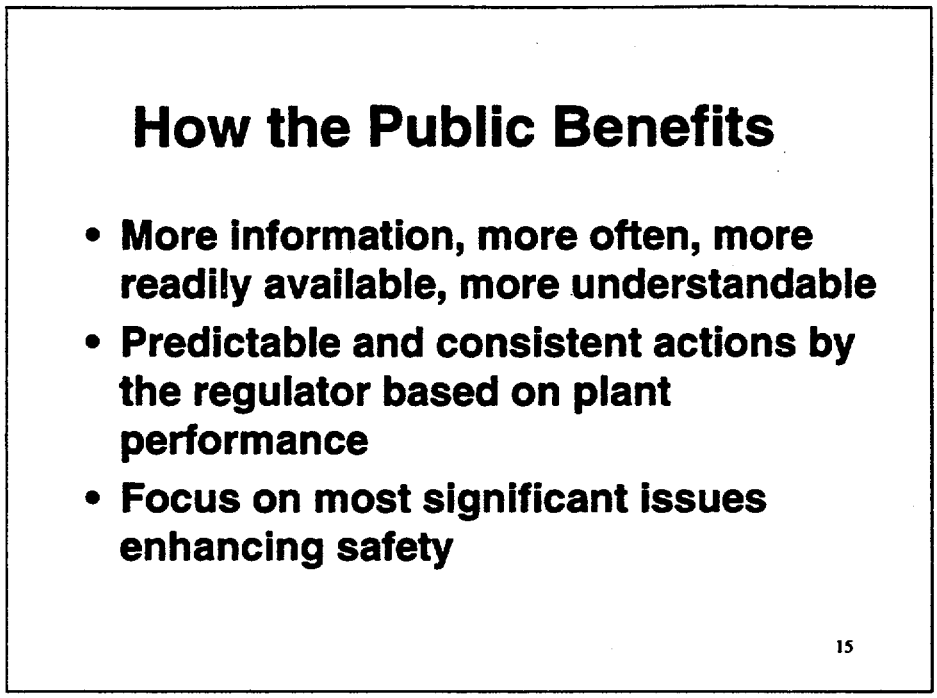
Continued emphasis on safety

- **Strict standards, daily monitoring will continue**
- **Clear, consistent objectives, focused on safety**
- **NRC monitoring results easier for public to understand and more readily available**

14

First and foremost the NRC is concerned with maintaining safety. In addition, we want to keep our stakeholders informed of our activities.

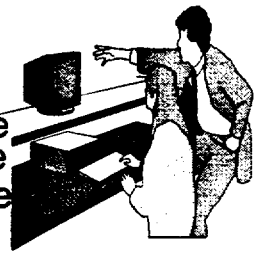
The NRC is committed to providing citizens living in the local area of each plant with up-to-date information about how we help maintain safety and the safety status of each plant. Holding public meetings is just one useful way. However, we realize only a limited number can attend. To consistently provide more timely information to possibly a wider audience, we have decided to use the Internet. We are making available a new web site specifically devoted to the Reactor Oversight Process. This site gives you a complete description of the process, links to our inspection procedures and policy manuals, links to schedules of public meetings plus other useful information. However, most importantly the web site will provide specific data on the status of each plant along with official NRC inspection reports. We hope that in this way you can maintain your knowledge of our activities. The web site will also provide an e-mail address which members of the public may use to reach the NRC in Washington. So, please use our information and our services, ask us questions, express your concerns. We are here to serve the public by ensuring that public health and safety is maintained.



The new process has benefited the public. We have found that information about each plant's performance is more clearly measurable, more readily available, and more easily understandable by the public. Simply put, the new oversight process represents real improvement in how we objectively monitor plant performance and inspect for key safety objective to provide the licensee and the public current information about plant assessment. The public benefits in that they can be assured that plants are being operated safely, that their regulator is maintaining oversight of plant safety, and that members of the public can have access to the same information available to the NRC.

What will the public see?

- Public meetings to provide direct information and opportunity to provide input
- Performance Indicator data will be available on NRC public WEB site
- Periodic reports on NRC WEB site
- WEB ADDRESS:
  - **www.nrc.gov/NRR/OVERSIGHT/index.html**



16

NOTE: *Indicate that the NRC plans to conduct a public meeting in the vacinity of each plant once per year. This meeting will provide an update of the plant as well as provide members of the public to share information with NRC.*

As mentioned earlier, Performance indicator data, Inspection reports, as well as a wealth of other information about the reactor oversight process is available on the NRC web site.

If you are not connected to the Internet most public libraries have computer connections available to the public. Also, our Public Document Rooms have the information available. *(Toll Free Number to the PDR: 1-800-397-4209)*

NOTE: *After displaying this slide turn off the projector, unless you plan on using the next slide. There is no need to let the noisy fan motor continue to run. If it continues to make noise, pull the projector plug.*

NOTE: *Regions may want to spend some time discussing Regional and local issues.*

NOTE: *After discussing the new program and local issues open the meeting to questions from the audience. In answering questions, please be candid in your response, however do not spend too much time with any one questioner.*

If the answer to a question requires more time or if a specific questioner has many questions, indicate that you and members of NRC will be happy to discuss the issue after the meeting. This will enhance the decorum of the session.

NRC's REACTOR OVERSIGHT PROCESS

NRC seal

Nuclear Regulatory Commission

After the presentation you may want to project this slide.

Regions are encouraged to substitute a slide which indicates the Region. If desired, the Region can be easily added to the bottom of this slide.

NRC's REACTOR OVERSIGHT PROCESS

NRC seal

Nuclear Regulatory Commission

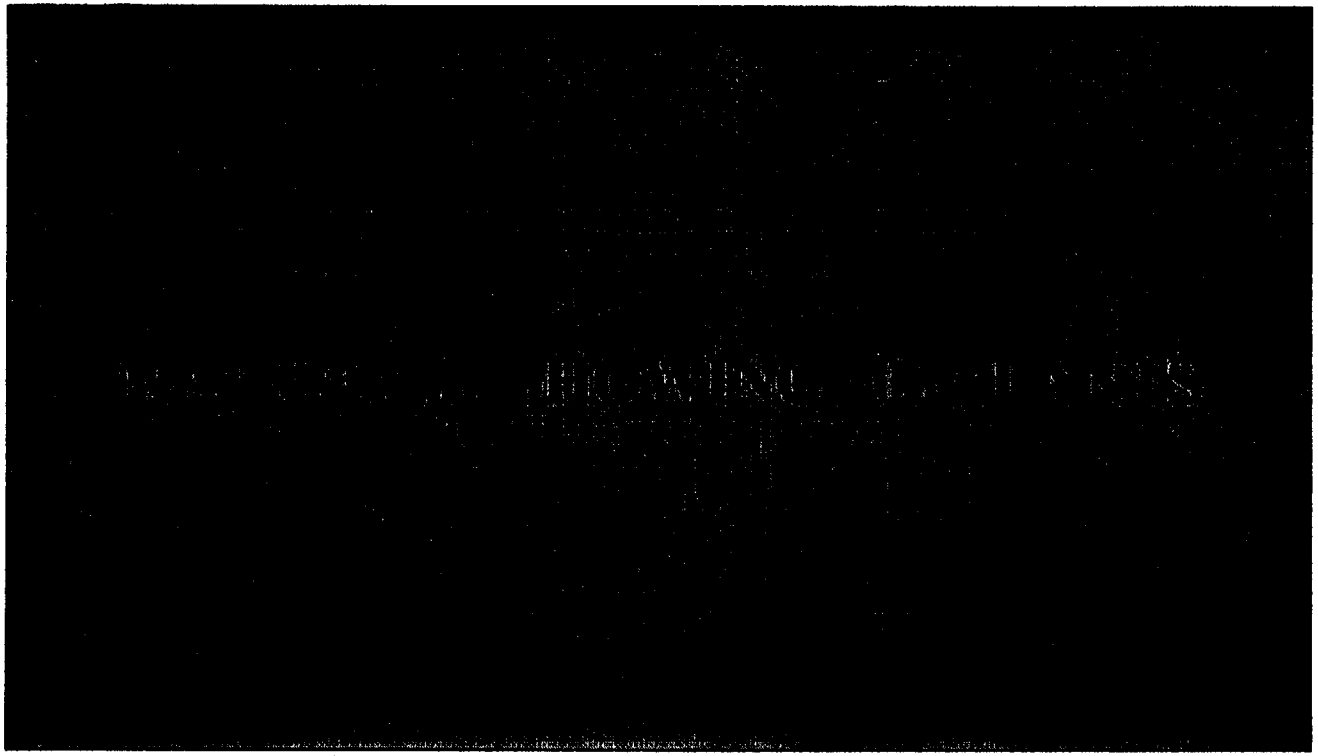
Overview for this evening

- Who we are
- Why we are here
- Overview of new program
- Key benefits of the new program
- What's in it for you
- Your questions

Overall NRC Activities

- Ensure nuclear plants are designed, constructed, and operated safely
- Issue licenses for the peaceful use of nuclear materials in the U. S.
- Ensure licensees use nuclear materials and operate plants safely, and are prepared to respond to emergencies

NRC Reactor Licensees



FOUR KEY NRC OBJECTIVES

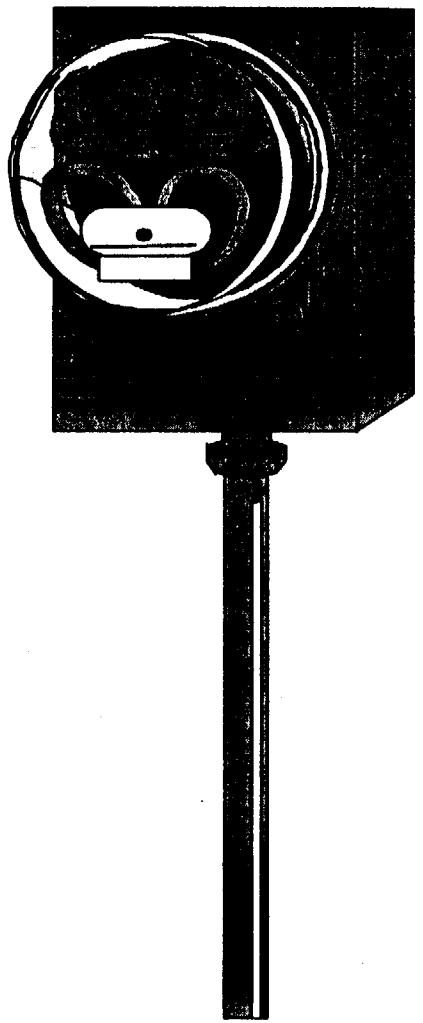
- ***Maintain safety and protect the environment***
- ***Enhance public confidence***
- ***Improve effectiveness, efficiency, and realism of processes and decision making***
- ***Reduce unnecessary regulatory burden***

Our previous program . . .

- Modified periodically to reflect lessons learned
- Utilized resident NRC inspectors and Regional inspectors to inspect each plant
- Assessed plant performance based on inspection results
- Primarily compliance oriented

Forces Influencing Transition

- Maturing industry and technology
- Improved plant performance
- Improved regulatory tools
- External Factors
- Internal Factors



Our revised process . . .

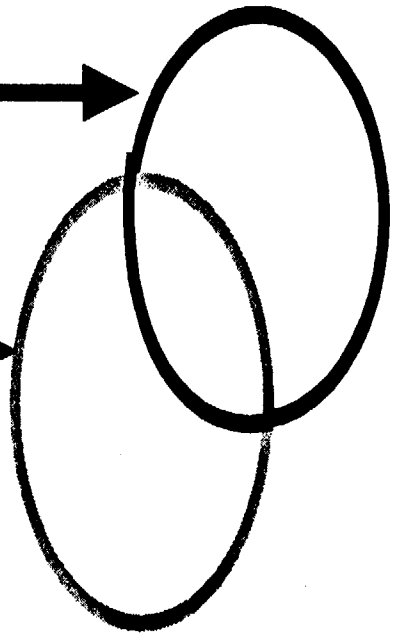
- Based upon a logical and sound framework
- Utilizes objective indicators of performance
- Utilizes inspections focused on key safety areas
- Provides for a more consistent and objective process

KEY ASPECTS OF THE NEW PROCESS

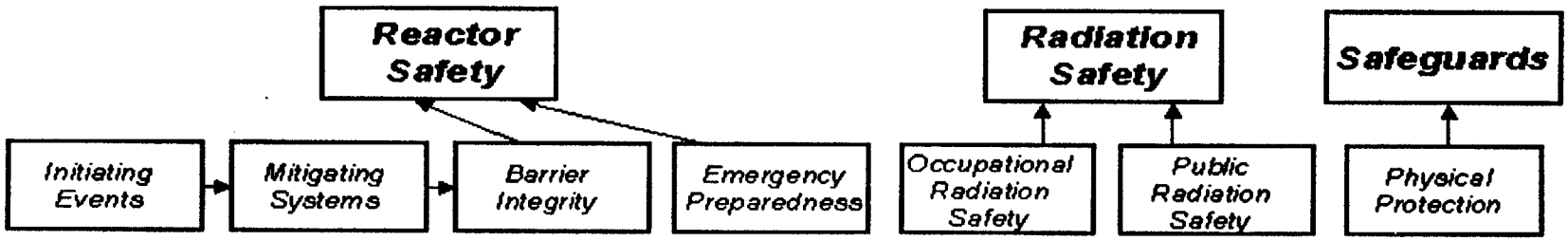
- Baseline Inspection Program
- Performance Indicators
- Thresholds for Action
- Action Matrix
- Enforcement outcome

ASSESSING PERFORMANCE

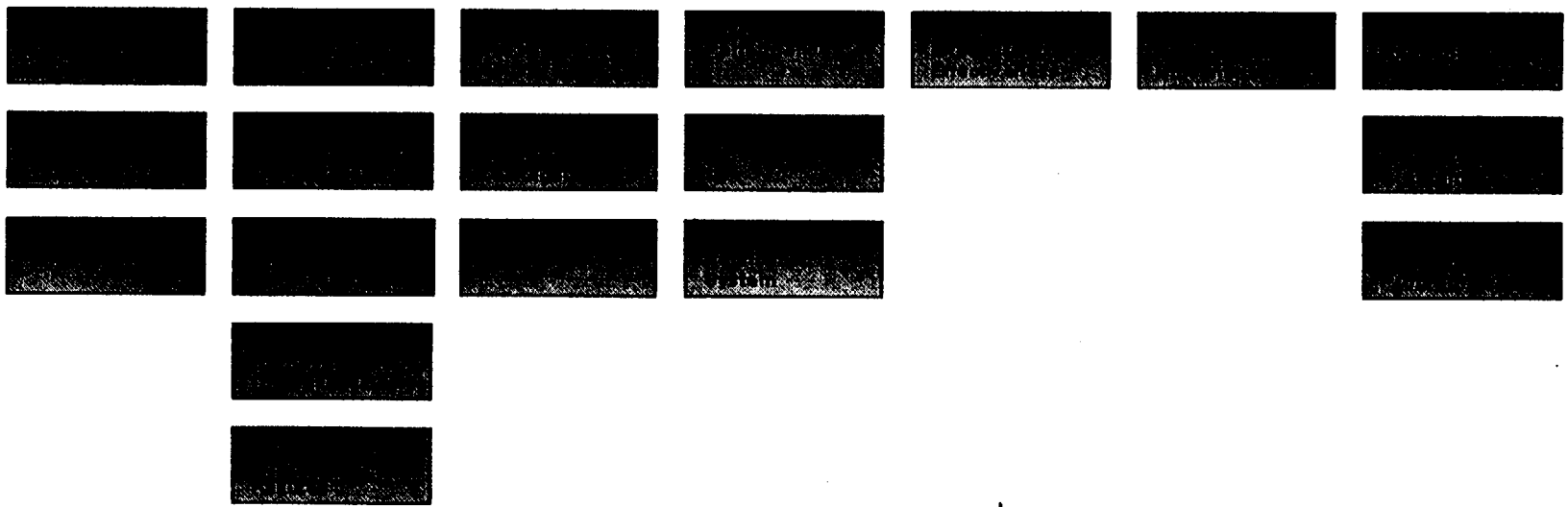
- Objective Indicators
- Inspection Program



The three Strategic Performance Areas are subdivided into seven Cornerstones which are subdivided into 18 Performance Indicators



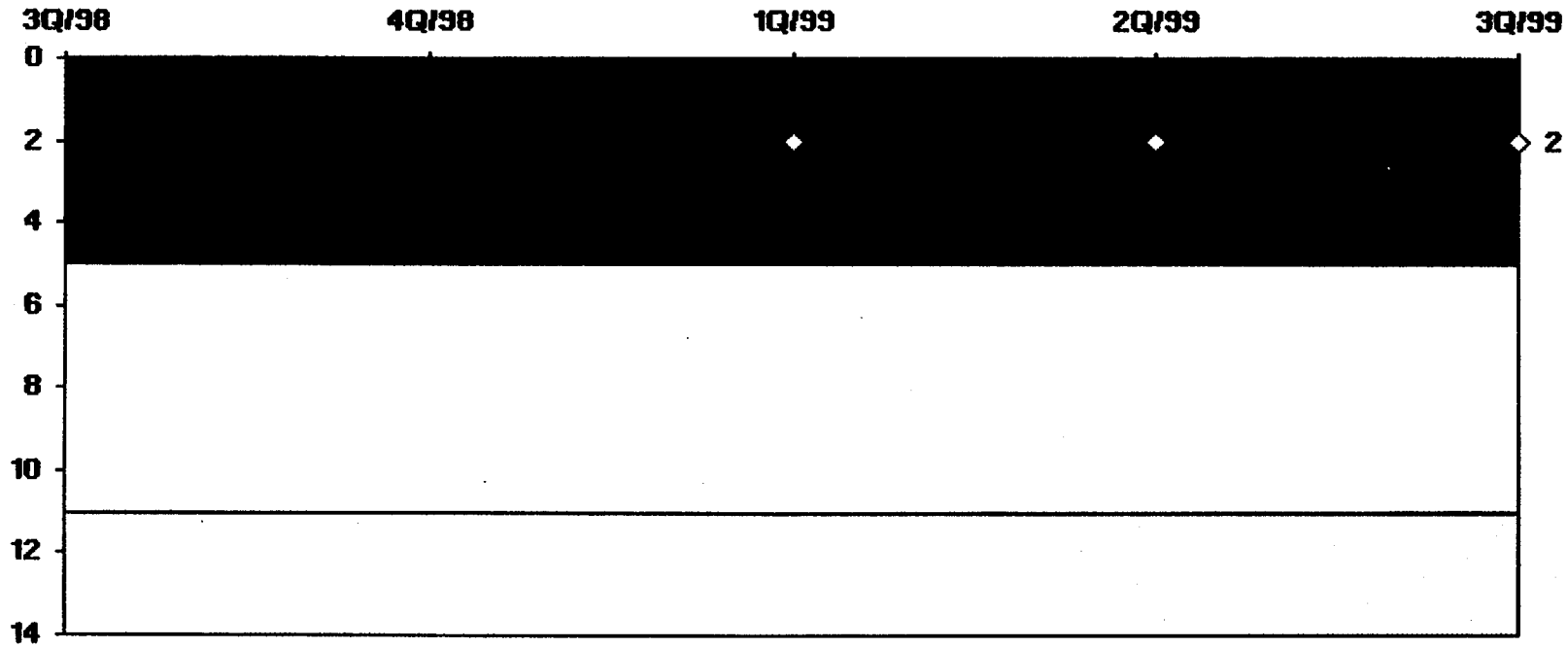
Performance Indicators
Based on data through August 31, 1999



"Add in inspection reports"

A Performance Indicator uses objective data to monitor performance in each Cornerstone area

Occupational Exposure Control Effectiveness



NRC Conducts Safety Inspections

NRC resident and regional inspectors conduct a Baseline Inspection Program to monitor plant safety performance in each of the Strategic Performance Areas

Add in picture of inspector

An Action Matrix is used to assess overall plant safety performance and specify thresholds for NRC Enforcement Actions

Action Matrix

		Licensee Response Column	Regulatory Response Column	Degraded Cornerstone Column	Multiple Repetitive Degraded Cornerstone Column	Unacceptable Performance Column
Results		All Assessment Inputs (Performance Indicators (PIs) and Inspection Findings) Green; cornerstone Objectives Fully Met	One or Two White inputs (in different cornerstones) in a Strategic Performance area; Cornerstone Objectives Fully Met	One Degraded Cornerstone (2 White inputs or 1 Yellow input) or any 3 White inputs in a Strategic Performance area; Cornerstone Objectives Met with Minimal Reduction in Safety Margin	Repetitive Degraded Cornerstone, Multiple Degraded Cornerstones, Multiple Yellow inputs, or 1 Red input'; Cornerstone Objectives Met with longstanding issues or Significant Reduction in Safety Margin	Overall Unacceptable Performance; plants not permitted to operate within this band, Unacceptable Margin to Safety
Response	Regulatory Conference	Routine Senior Resident Inspector (SRI) interaction	Branch Chief (BC) or Division Director (DD) meet with Licensee	DD or Regional Administrator (RA) meet with Licensee	EDO (or Commission) meet with Senior Licensee Management	Commission meeting with Senior Licensee Management
	Licensee Action	Licensee Corrective Action	Licensee corrective action with NRC oversight	Licensee self assessment with NRC oversight	Licensee performance improvement plan with NRC oversight	
	NRC Inspection	Risk-informed baseline inspection program	Baseline and supplemental inspection procedure 95001	Baseline and supplemental inspection procedure 95002	Baseline and supplemental inspection Procedure 95003	
	Regulatory Actions	None	Document response to degrading area in assessment letter	Document response to degrading condition in assessment letter	10 CFR 2.204 DFI 10 CFR 50.54(f) letter CAL/Order	Order to modify, suspend, or revoke licensed activities
Communications	Assessment Reports	BC or DD review / sign assessment report (w/ inspection plan)	DD review / sign assessment report (w/ inspection plan)	RA review / sign assessment report (w/ inspection plan)	RA review / sign assessment report (w/ inspection plan) Commission informed	
	Annual Public Meeting	SRI or BC meet with Licensee	BC or DD meet with Licensee	RA (or designee) discuss performance with Licensee	EDO (or Commission) discuss performance with Senior Licensee Management	Commission meeting with Senior Licensee Management
	Increasing Safety Significance →					

Continued emphasis on safety

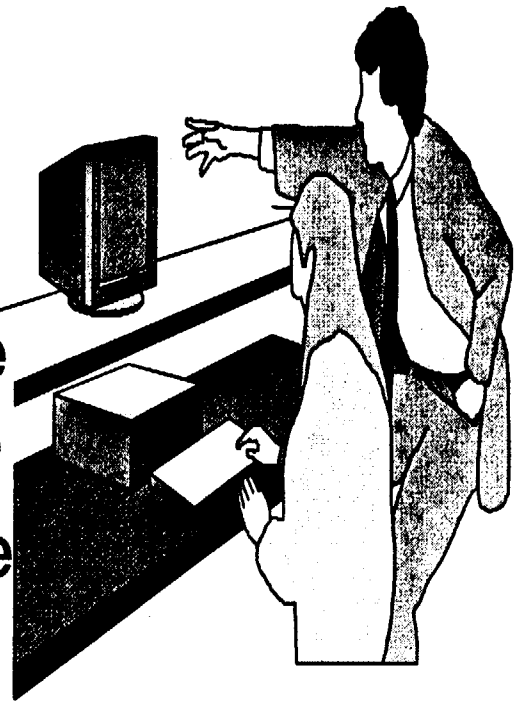
- Strict standards, daily monitoring will continue
- Clear, consistent objectives, focused on safety
- NRC monitoring results easier for public to understand and more readily available

How the Public Benefits

- More information, more often, more readily available, more understandable
- Predictable and consistent actions by the regulator based on plant performance
- Focus on most significant issues enhancing safety

What will the public see?

- Public meetings to provide direct information and opportunity to provide input
- Performance Indicator data will be available on NRC public WEB site
- Periodic reports on NRC WEB site
- WEB ADDRESS:
  - **www.nrc.gov/NRR/OVERSIGHT/index.html**



NRC's REACTOR OVERSIGHT PROCESS

NRC seal

Nuclear Regulatory Commission