



REQUEST REPLY BY 1/12/2000

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

COMSECY-99-042

December 22, 1999

RECEIVED
2000 FEB 22 PM 1:40
PUBLIC DOCUMENT ROOM

MEMORANDUM TO: Chairman Meserve
Commissioner Dicus
Commissioner Diaz
Commissioner McGaffigan
Commissioner Merrifield

FROM: Jesse L. Funches *Jesse Funches*
Chief Financial Officer

SUBJECT: DRAFT NUCLEAR REACTOR SAFETY CHAPTER OF THE
STRATEGIC PLAN

On July 7, 1999, I provided the Commission with the draft Nuclear Reactor Safety chapter of the Strategic Plan and asked approval to release the document to stakeholders for public comment and in preparation for the August stakeholder's workshop (COMSECY-99-024). The August 2, 1999, Staff Requirements Memorandum (SRM) on COMSECY-99-024 approved seeking stakeholder comments and directed the staff to address a number of issues concerning that draft chapter.

On October 21, 1999, I provided the Commission with a summary of the stakeholder comments on the draft Nuclear Reactor Safety chapter and the staff responses to those comments as well as to the items in the August 2, 1999, SRM. At that time, I had indicated that we planned to provide the revised draft Nuclear Reactor Safety chapter along with the complete draft strategic plan to the Commission in February 2000. However, we are able to provide the revised draft Nuclear Reactor Safety chapter of the Strategic Plan (Attachment 1) earlier than anticipated. This draft reflects revisions made to respond to stakeholder comments and items in the August 2, 1999, SRM. In developing this revised draft, the staff also considered progress on the Nuclear Waste Safety and Nuclear Materials Safety chapters in further refining strategies and measures for all four performance goals.

The Executive Council has reviewed the draft Nuclear Reactor Safety chapter and has approved its transmittal to the Commission. As with the Nuclear Waste Safety and Nuclear Materials Safety chapters, the Commission need not formally endorse the Nuclear Reactor Safety chapter until it is provided as part of the formal update of the entire strategic plan.

Contact: Daryl Kade, OCFO/DPBA
415-7326

RELEASED TO THE PDR
2/22/00 *DKW*
date Initials

DF03

However, since the staff will continue to improve the Nuclear Reactor Safety chapter and harmonize it with the mission chapters, we would appreciate early Commission feedback on significant issues of concern.

SECY please track.

Attachment: As stated

cc: EDO
(A)CIO
OGC
SECY

DRAFT

REACTOR ARENA CHAPTER

OF THE

FY 2000 - 2005 STRATEGIC PLAN

NUCLEAR REACTOR SAFETY

STATUTORY AUTHORITY

The Nuclear Reactor Safety arena encompasses all NRC efforts to ensure that civilian nuclear power reactor facilities, as well as non-power reactors, are operating in a manner that adequately protects public health and safety and the environment, and provides safeguards of special nuclear materials used in reactors. The following table illustrates some of the agency's regulatory responsibilities and statutory authority to accomplish this mission:

Nuclear Reactor Safety Statutory Authority
<ul style="list-style-type: none">- Atomic Energy Act of 1954, as amended- Energy Reorganization Act of 1974, as amended- National Environmental Policy Act (NEPA) and other environmental legislation- Historic Preservation Act- Endangered Species Act- Clean Water Act- Clean Air Act- Nuclear Non-Proliferation Act of 1978

STRATEGIC GOAL: Prevent radiation-related deaths and illnesses, promote the common defense and security, and protect the environment in the use of civilian nuclear reactors.

This strategic goal represents the principal focus of the Nuclear Reactor Safety arena. The goal is to achieve our statutory mission to ensure that civilian nuclear power reactors, as well as non-power reactors, are operating in a manner that adequately protects public health and safety and the environment, and provides safeguards of special nuclear material used in reactors.

Under AEC and NRC case law, reasonable assurance of adequate protection of public health and safety is, as a general matter, defined by the Commission's health and safety regulations themselves. That is, unless otherwise provided, there is reasonable assurance of adequate protection of public health and safety when the applicant or licensee demonstrates compliance with the Commission's regulations. The regulations were established using defense-in-depth principles and conservative practices which provide a degree of margin to unsafe levels.

The collective efforts of the NRC and the nuclear industry are needed to maintain safety. NRC licensees¹ have the responsibility to safely design, construct, and operate civilian nuclear reactors. Regulatory oversight of licensee safety is the responsibility of the NRC. Thus, safe performance reflects the results of the collective efforts of the NRC and the nuclear industry.

STRATEGIC GOAL MEASURES	METRICS
1. Number of nuclear reactor accidents. ²	Zero
2. Number of deaths resulting from radiation or radioactivity releases from nuclear reactors. ³	Zero
3. Number of significant radiation exposures resulting from nuclear reactors. ⁴	Zero
4. Number of radiological sabotages at nuclear reactors.	Zero
5. Number of significant releases of radioactive material from nuclear reactors that have an adverse impact on the environment. ⁵	Zero

¹"Licensees" as used in this strategic plan include persons required to be licensed (as defined in section 11s of the Atomic Energy Act) as well as, where appropriate, applicants for licenses; certificate holders and applicants for certificates; contractors (including suppliers and consultants), subcontractors, and vendors of licensees or certificate holders; and all persons subject to the NRC's jurisdiction.

²"Nuclear reactor accidents" is defined in the NRC Severe Accident Policy Statement (50 Federal Register 32138, August 8, 1985) as those accidents which result in substantial damage to the reactor core, whether or not serious offsite consequences occur.

³This measure addresses actual deaths resulting from acute radiation exposure.

⁴"Significant radiation exposures" are defined as those that result in unintended permanent functional damage to an organ or a physiological system as determined by a physician in accordance with Abnormal Occurrence Criteria I.A.3.

⁵ "Significant offsite releases" are defined as those that exceed the limits for reporting abnormal occurrences as given by Abnormal Occurrence criteria 1.B.1 [normally 5,000 times Table 2 (air and water) of Appendix B, Part 20].

These measures represent abnormal occurrences that are reported to Congress and that are critical indicators of whether the strategic goal has been realized. Any occurrence would trigger a self-assessment to determine if the strategic goal has been achieved.

The Commission recognizes the risks to the public from nuclear power plant operation. As such, it promulgated the Safety Goal Policy in 1986 which defines an acceptable level of radiological risk. Notwithstanding that risk is inherent in reactor operations, the first three measures are being used as indications of whether we are achieving the strategic goal of preventing radiation-related deaths or illnesses. The fourth measure indicates whether radiological sabotages have occurred since such acts could result in core damage, radioactive releases, and significant radiation exposures. Lastly, we will measure how well the environment is protected by whether offsite releases have occurred that could have an adverse impact on the environment.

PERFORMANCE GOAL 1: Maintain safety, protection of the environment, and the common defense and security.

Maintaining safety is the preeminent performance goal and takes precedence over all other performance goals.

The safety performance of the nuclear power industry has improved substantially over the past ten years and nuclear reactors, collectively, are operating above acceptable safety levels consistent with the agency's Safety Goal Policy (51 FR 28044). NRC believes this level should be maintained. If significant safety improvements are identified, additional requirements should only be imposed consistent with the Commission's Backfit Rule (10 CFR 50.109). It may be acceptable to allow small risk increases, when there is sufficient conservatism and reasonable assurance that sufficient defense-in-depth and safety margins are present. Small risk changes that reduce unnecessary burden will allow more efficient use of licensee and NRC resources as well as bring into focus those areas that are more critical to the safety of the public and environment. The NRC will pursue risk-informed and performance-based approaches, where appropriate, and focus our attention on those areas of highest safety priority.

NRC licensees will continue to have the primary role in maintaining safety and are expected to identify, through mechanisms such as operating experience feedback and integrated risk assessments, design and operational aspects of their plants that should be enhanced to maintain acceptable safety levels.

To remain operating, the safety performance of nuclear power plants must be at or above acceptable levels. NRC will take action to improve the safety performance of plants prior to falling below acceptable levels, and will require the shutdown of plants when their safety performance is identified as falling to unacceptable levels.

STRATEGIES:

- *We will sharpen our focus on safety to include transitioning to a revised NRC reactor oversight program for our inspection, assessment, and enforcement activities.*

We will increase the focus of inspections on those activities with the greatest potential impact on safety through the new reactor oversight program. Inspection results will routinely be evaluated to determine the risk importance of the findings. These inspection results will be used along with pre-defined performance indicators, (e.g., safety system unavailability) to provide an assessment of a licensee's safety performance. This assessment process is expected to be more objective, predictable, and risk-informed than the method previously in place. Allegations regarding licensee performance will be appropriately and objectively addressed in a timely manner. Allegations of potential wrongdoing will be thoroughly and objectively investigated in a timely manner. Enforcement sanctions for violations of regulatory requirements will be used if appropriate. The enforcement program is also being changed to be better linked to the safety significance of inspection findings and to emphasize the importance of the licensee's corrective action program.

- *We will respond to operational events involving potential safety consequences.*

We will provide timely, accurate, and complete assessments of events by evaluating recommendations of the licensees for actions to protect the public, and by coordinating with other federal agencies, state and local governments, and the licensee. We will maintain and operate a continuously staffed Incident Response Operations Center to support the agency in responding to operational events. We will conduct periodic exercises to ensure response organizations are proficient and experienced staff are trained to respond to operational events according to their safety significance. We will also maintain incident investigation capabilities.

- *We will evaluate operating experience and the results of risk assessments for safety implications.*

We will evaluate the risk significance of operational events and trends in data in conjunction with risk assessments so that safety vulnerabilities can be identified, prioritized, communicated, and resolved on a timely basis. Operational experience will also be used by the staff to improve our regulatory activities including licensing, inspection, and risk assessments. We will monitor for potential adverse effects on nuclear safety of deregulation and restructuring of the electric power industry.

- *We will identify, evaluate, and resolve safety issues, including aging degradation, and ensure that an independent technical basis exists to review licensee submittals to ensure that safety is maintained.*

We will conduct research to improve our knowledge in areas where uncertainties in our knowledge exist and may be significant to risk and where safety margins are not well characterized. For example, we will evaluate potential degradation of plant systems as they age and ensure that data and methods are available to evaluate this degradation and the effectiveness of corrective strategies. We will conduct research to ensure that an adequate independent technical basis, as well as related codes and standards, exists to review and approve licensee or industry proposals. For complex technical issues, we will develop a better understanding of the existing safety margins which will result in more informed our regulatory decisions. We will maintain our program for generic safety issue prioritization based on consideration of potential risk reduction and cost.

- *We will ensure that changes to operating licenses and exemptions to regulations maintain safety and meet regulatory requirements.*

We will issue license amendments and approve license transfers for nuclear reactors only after safety and environmental regulations have been adequately addressed. This includes emergency planning, physical protection, quality assurance, training, financial assurance, and other requirements. We will give priority to those licensing actions and exemptions that provide the greatest safety benefit to the public. We will encourage applicants, vendors, and others to inform the NRC at the earliest opportunity of planned future reactor activities so that we will be prepared to respond.

- *We will ensure that safety is maintained as licenses are renewed by ensuring that aging effects will be adequately managed and that the licensing basis related to the present plant design and operation will be maintained.*

We will authorize license renewal only after we have determined that aging effects have been and are being adequately managed. We will ensure that the licensing basis related to the present plant design and operation will be maintained throughout the period of extended operation. We will perform inspections to support the review of license renewal applications by verifying the acceptability of licensee aging management control processes.

- *We will maintain safety by ensuring that operator licenses are issued and renewed only to qualified individuals.*

We will maintain an operator licensing program for the issuance and renewal of licenses to operators and senior operators of nuclear reactors. Licenses will only be issued to individuals following a finding of adequate health and successful demonstration of their ability to operate a facility competently and safely, and additionally, in the case of senior operators, whether they have learned to direct the licensed activities of licensed operators competently and safely.

- *We will continue to develop and incrementally use risk-informed and, where appropriate, less prescriptive performance-based regulatory approaches to maintain safety.*

As part of our agency-wide Probabilistic Risk Assessment Implementation Plan for risk-informing our regulatory processes, we will implement an incremental approach to risk-informing the reactor oversight process and risk-informing the scope of 10 CFR Part 50. We will also assess the technical requirements associated with 10 CFR Part 50 and make changes to ensure that safety is maintained by sustaining our regulatory focus on plant equipment and technical requirements that contribute to nuclear reactor safety. Mindful of the limitations in risk assessment methods, we will improve these methods and tools in areas where there needs to be a better understanding of contribution to plant risk.

PERFORMANCE GOAL MEASURES		METRICS
1.	Number of events which are a significant precursor of a nuclear accident. ⁶	No more than one per year
2.	Industry trends in performance as measured by the reactor oversight program and accident sequence precursors.	No statistically significant adverse trends

⁶ Such events have a 1/1000 (10⁻³) or greater probability of leading to a reactor accident.

PERFORMANCE GOAL MEASURES		METRICS
3.	Number of radiation overexposures ⁷ resulting from nuclear reactors.	Zero
4.	Number of offsite releases of radioactive material from nuclear reactors that exceed the limits referenced in 10 CFR 20.2203.	No more than three per year
5.	Number of substantial breakdowns of physical security that significantly weaken the protection against radiological sabotage or theft or diversion of special nuclear materials in accordance with abnormal occurrence criteria.	Zero

These measures represent lower thresholds than the strategic measures. Accidents that involve substantial core damage or a release of radionuclides can be minimized by maintaining a low frequency of events that have the potential to lead to a nuclear reactor accident or large early release; therefore, we will measure such precursor events. To ensure that the nuclear industry as a whole is maintaining safety, we will monitor industry performance to identify any adverse trends. To prevent radiation-related deaths and illnesses, we will measure the number of unintended radiation overexposures. We can measure our effectiveness in protecting the environment by monitoring radiological releases, and by preventing radiological sabotage or theft or diversion of nuclear materials. If the metrics are not met, the agency will review its regulatory practices and licensee actions to determine whether corrective action is necessary to maintain safety.

⁷ "Radiation overexposures" are defined as those that meet the dose criteria of the Abnormal Occurrence Criteria I.A.1 and 1.A.2, normally 25 rem to an adult or 5 rem to a minor.

PERFORMANCE GOAL 2: Increase public confidence.

Building and maintaining the public trust is critical to carrying out the NRC mission of ensuring adequate protection of public health and safety and the environment in the use of nuclear material. In order to reach this goal, NRC must be viewed as an independent, open, clear and reliable regulator. This will be accomplished by providing the general public, Congress, NRC licensees, other federal agencies, States, Indian Tribes, local governments, industry, industry workers, and the international community with clear and accurate information about, and a meaningful role in, our regulatory program.

Public concern about nuclear safety has at times been high, particularly for the public who live near nuclear facilities. NRC has not consistently provided means that are viewed by the public as acceptable to express their concerns and have them considered, and to explain NRC's role, responsibilities, and actions. This goal reflects NRC's desire to improve in this area.

This performance goal recognizes that NRC must candidly inform the public about nuclear safety incidents and issues, provide means for meaningful input and dialogue, and demonstrate through our performance that we are capable, independent, and objective regulators. It also recognizes that while the public may not always agree with NRC actions, public confidence in the NRC is enhanced when the agency consistently carries out its mission in a thorough, disciplined, and timely manner.

STRATEGIES:

- *We will make public participation in the regulatory process more accessible. We will listen to the public's concerns and involve them in the regulatory process.*

One of the attributes of strong, fair regulation of the nuclear industry involves consistent and timely public involvement. The agency recognizes the public interest and concern in the proper regulation of nuclear activities, and recognizes its responsibility to provide opportunities for meaningful public interaction and involvement. We will listen to, and be responsive to, requests, inquiries, and concerns from the public. We will consider public views in planning changes and making decisions relating to our practices, rules, and processes through holding open meetings in the vicinity of the nuclear facilities; providing adequate notice of meetings; developing communications plans for major regulatory activities; and, holding workshops.

- *We will communicate more clearly. We will add more focus, clarity, and consistency to our message, be timely, and present information in the proper context with respect to the risk of the activity.*

Public confidence in the NRC will be enhanced if information is presented in a manner that is easily understood and placed in its proper safety context. We will respond to the requests, inquiries, and concerns of our stakeholders in a timely, courteous, and professional manner. Whenever possible, we will use quick, personalized forms of contact with our stakeholders. Our communications with the public will be designed to foster greater understanding of the NRC's role in protecting public health and safety and thereby enhancing public confidence in our regulatory program. The information we

disseminate will be clear, technically sound, accurate, reliable, objective, and timely. We will take full advantage of the Internet and new technology for information dissemination. We will protect the privacy, as well as the proprietary and classified nature, of information. All stakeholders should be able to rely on our statements and information.

- *We will report on the performance of nuclear power facilities in an objective manner.*

Public confidence is influenced by information about the operation of nuclear facilities. NRC will collect information about the safety performance of nuclear reactors and report that information objectively to the public. Where licensee performance is outside established criteria, the appropriate remedial action will be communicated to the public. NRC will communicate to the public the resolution of generic safety issues.

- *We will foster an environment where safety issues can be openly identified without fear of retribution.*

Public confidence is enhanced in an environment where safety issues can be raised and addressed without fear of retribution. Examples of how this strategy will be implemented include: conducting the 10 CFR 2.206 petition process, responding to allegations and safety conscious work environment concerns, investigating alleged wrongdoing, and implementing NRC's programs for Differing Professional Opinions and Generic Safety Issues. We will conduct a pilot program to solicit feedback from individuals raising safety issues to assess the effectiveness of NRC's handling of allegations.

- *We will demonstrate that NRC is a well-managed independent regulatory agency by meeting our goals and commitments .*

The public's confidence that nuclear power is safe is influenced by the public's perception of NRC as a well-managed, independent regulator. As part of implementing a Planning, Budgeting, and Performance Management (PBPM) process, we will prepare a Strategic Plan that focuses on desired outcomes and provides visibility to our goals and measures. We will manage to outcome and establish goals to measure and report on our performance. We will use performance feedback in our planning process, and identify the work necessary to produce the desired outcomes. We will meet our commitments in a predictable and timely manner.

PERFORMANCE GOAL MEASURES		METRICS
1.	Percentage of improvement in the public's confidence that they are safe now and in the future.	TBD (Increase)
2.	Percentage of improvement in public confidence that the environment is protected now and in the future.	TBD (Increase)
3.	Percentage of improvement in public confidence that the common defense and security is maintained.	TBD (Increase)

PERFORMANCE GOAL MEASURES		METRICS
4.	Percentage of improvement in public confidence that the NRC is an independent, open, clear and reliable, and efficient regulator.	TBD (Increase)
5.	Percentage of milestones completed in the plan to evaluate and improve the allegations program.	100%
6.	Percentage of significant regulatory issues for which outreach activities were conducted with the public in the vicinity of nuclear facilities.	100%
7.	A Director's Decision for Petitions filed to modify, suspend, or revoke a license under 10 CFR 2.206 will be issued in a timely manner.	120 days on average

The NRC is assessing the feasibility of conducting a survey to benchmark its *Public Confidence* goal. This activity was recommended by our external Stakeholders. The first four measures will be replaced by actual measures, after decisions are made whether to carry out the survey, how to conduct it, and how to interpret the initial results. We will provide revisions to the Strategic Plan when the actual measures and metrics are available. During the interim, we will use the remaining measures, which reflect the specific areas where the agency will focus and specific initiatives that will be implemented, to judge its performance and report out efforts to increase public confidence in our annual performance plan and performance report.

PERFORMANCE GOAL 3: Make NRC activities and decisions more effective, efficient, and realistic.

By maintaining the quality and enhancing the realism of the technical basis for our decisions and by optimizing our regulatory activities, while maintaining safety and increasing public confidence, the NRC will ensure adequate protection of public health and safety and the environment in the use of nuclear materials. In working toward this goal, the NRC will apply its principles of good regulation for being an efficient, clear, and reliable regulator.

The costs of most NRC activities and decisions contribute to our licensees' operating and maintenance costs. As the electric utility industry transitions from a rate-regulated to a market-based business environment, it is incumbent upon NRC to keep its costs reasonable and predictable by being effective, efficient and realistic in our activities and decision-making while maintaining safety, which is our primary performance goal.

Feedback from our stakeholders, our own self assessments, and availability of research suggest that we should capitalize on advances in technology and implement efficiencies to improve our internal processes and improve the quality and bases for decision making. Feedback and our own analyses suggest that we should improve the consistency and predictability of our regulatory decisions by evolving to a more risk-informed and performance-based approach.

Effectiveness means performing the work necessary to support NRC missions and goals in a thorough, disciplined and timely manner. We must periodically challenge the value of NRC programs and activities based on how they contribute to the achievement of goals. Our business processes and regulatory decisions should reflect high standards of quality and be technically sound. Specific challenges in this regard involve (1) risk-informing NRC's regulatory programs, (2) preparing to address evolving technologies and a changing regulatory environment, and (3) improving predictability and consistency of agency decisions.

Efficiency involves performing the agency work in a thorough, disciplined and timely manner. Efficiency can be enhanced by close examination of internal processes to learn from past experiences, reduce costs and become more timely and predictable in delivery of services and decisions.

NRC decisions can be made more realistic by eliminating excessive conservatism. Realism is supported by the analysis and use of risk information, research results, and operational experience, and by improving the timeliness, consistency, and predictability of regulatory decisions and actions.

STRATEGIES:

- *We will use risk information to improve the effectiveness and efficiency of our activities and decisions.*

As part of our agency-wide Probabilistic Risk Assessment Implementation Plan, we will conduct an integrated evaluation of risk information, inspection findings, operating experience, research results, and cost data to identify ways to improve the effectiveness

of NRC regulatory requirements, guidance, and processes. We will improve our ability to conduct effective plant safety assessments by employing risk-informed methods and data which allows for early identification of changes in plant risk. We will develop the tools and information needed to support realistic (versus overly conservative) decision making. We will ensure that our regulatory focus is on those activities that pose the greatest risk to the public by using PRA techniques and other approaches for differentiating between high- and low-risk activities. To improve efficiency in our use of risk information in our activities and decisions, we will leverage our knowledge of risk information through participation in international cooperative research programs. We will improve predictability and stability in our use of risk assessment methods through participation in national standards activities. Likewise, we will develop guidance to ensure that the applications of risk assessment methods are suitable and that there is consistency in their use in our decision-making process.

- *We will make agency decisions based on technically sound and realistic information.*

We will focus resources in those areas where important gaps in information still exist, where uncertainties exist about the significance to risk, and where the degree of conservatism in safety margins has not been quantified. Insights gained from the maturity of the nuclear industry will be recognized. We will maintain tools and methods used for decision-making which reflect recent scientific information and consider remaining uncertainties. We will ensure that our decisions on significant safety issues are supported by high quality expertise, experiments, data, tools, and methods.

- *We will anticipate challenges posed by the introduction of new technologies and changing regulatory demands.*

We will seek information about new technologies and will develop the knowledge and tools to evaluate the implications of these new technologies on the safety of nuclear reactors. In addition, we will participate in international cooperative research programs and will exchange information with universities to leverage knowledge from others. Mindful of our respective roles, we will seek opportunities to interact with and where appropriate initiate cooperative programs with industry to minimize duplication. We will take these steps to ensure that our regulatory process does not impede use of new technology to improve safety, increase productivity, or reduce costs.

- *We will identify, prioritize, modify, and implement processes that allow for the most improvement.*

We will explore opportunities to prioritize work. We also will systematically review key business processes and will document, standardize, measure and track, and then analyze and improve the core processes that are critical to achieving our outcomes. We will seek opportunities for improvement and continue to apply lessons learned. We will modify our regulatory processes to keep pace with the challenges associated with the economic deregulation of the electric power industry.

- *We will increase our effectiveness and efficiency by implementing a disciplined planning, budgeting and performance management process to achieve desired outcomes.*

Through this process, our activities will be identified and prioritized based on the significance of the work to the achievement of our performance goals. These activities will be planned, scheduled, managed, monitored, and assessed through this process. When issues emerge, we will readjust our plans, schedules, and resource allocations, if necessary, to ensure attention is focused on the highest priority activities and conducted efficiently.

PERFORMANCE GOAL MEASURES	METRICS
1. Percentage of reactor milestones completed on time for implementing risk-informing activities in the Probabilistic Risk Assessment Implementation Plan.	95%
2. Number of key processes reviewed each year to identify improvements which increase efficiency, effectiveness, and realism.	Three per year
3. Complete license renewal applications within 30 months.	100%

These measures are intended to help us assess our progress in improving the efficiency of the NRC's operations, improving the effectiveness of our regulations and our regulatory decisions and actions, and improving realism in our regulatory decisions and regulations. Since risk-informed regulation will help improve both our efficiency and effectiveness, the first measure is intended to measure our success in moving toward risk-informed regulation in a timely and integrated manner. The second measure addresses improvements that simplify, streamline or improve the timeliness of regulatory products. The third measure addresses efficiency and effectiveness of our license renewal process which is a major agency initiative.

PERFORMANCE GOAL 4: Reduce unnecessary regulatory burden.

By reducing unnecessary regulatory burden, both NRC and licensee resources become available to more effectively focus on safety issues. This supports the NRC mission of ensuring adequate protection of public health and safety and the environment in the use of nuclear material. In working toward this goal, the NRC will apply its principles of good regulation for being an independent, open, efficient, clear, and reliable regulator.

During the past 30 years, an ever increasing body of technical knowledge and operational experience has been accumulated that allows for refinements and enhancements in NRC requirements and programs that can reduce unnecessary regulatory burden, while assuring maintenance of safety. NRC believes there are some areas where the burden of NRC regulations and practices is not commensurate with the safety benefit. Not all of our requirements and programs have been updated to take into account these advancements, and as such, may not be as efficient and effective as possible.

While regulation, by its nature, is a burden, we will ensure that only the necessary level of burden which is required to maintain safety is imposed on licensees. While our current performance goal is to reduce unnecessary regulatory burden, our long range plans are to eliminate unnecessary regulatory burden to the extent feasible and cost effective. Again, we will pursue risk-informed and performance-based approaches, where justified, so we can focus our attention on those areas of highest safety priority. We will make more realistic decisions through reducing excessive conservatism.

STRATEGIES :

- *We will utilize risk information and performance-based approaches to reduce unnecessary regulatory burden.*

As part of our agency-wide Probabilistic Risk Assessment Implementation Plan, we will modify or delete regulations that provide little or no safety benefit. We will focus on less prescriptive and more risk-informed and performance-based regulatory approaches to provide licensees with flexibility in meeting regulatory requirements. The scope and priority of changes in our regulatory processes will consider lessons learned from the revised reactor oversight program, stakeholder initiatives, and the cumulative effect on agency and licensee burden reduction.

- *We will improve our programs and processes in ways that reduce unnecessary regulatory burden.*

As we execute our programs, we will make improvements to those aspects of our regulatory processes that had resulted in unnecessary regulatory burden to our stakeholders. In particular, we will evaluate the timeliness of actions, and the necessity for multiple rounds of requests for additional information. As we make licensing decisions, conduct inspections, and take enforcement actions, we will take into account the necessity of any additional burdens imposed on licensees.

- *We will improve our reactor oversight program by redirecting resources from those areas not important to safety.*

In recognition that NRC oversight imposes a regulatory burden, we are implementing a revised reactor oversight program. This program focuses NRC inspection resources on licensees with performance problems, reduces regulatory attention on licensees that perform well, evaluates violations of regulations in a predictable and consistent manner that reflects the safety impact of the violations, and provides the nuclear industry and public timely, objective, and understandable assessments of plant performance. NRC involvement in plant shut-downs will only extend to that required to maintain safety and comply with the regulations.

- *We will actively seek input to identify opportunities for reducing unnecessarily burdensome regulatory requirements.*

We will encourage stakeholders to identify for NRC consideration concerns with NRC's regulatory programs, such as untimely, inadequate, or inappropriate staff actions, that have resulted in unnecessary cost. In addition, we will continue initiatives to interact with stakeholders to ensure a mutual understanding of existing regulatory requirements, guidance or licensing decisions. Such interactions will provide opportunities for stakeholders to identify problems or suggest improvements. NRC will also be able to clarify or explain the basis for requirements, guidance, or licensing decisions, and why we believe they are necessary and sufficient. Where guidance is being developed or used for the first time, we will invite stakeholder feedback to identify aspects of the guidance that might be unclear, unnecessary, inflexible, or otherwise considered excessively burdensome by the licensee. Where licensees are using new requirements or guidance for the first time to prepare specific submittals, we will be available to interact with them upon request, consistent with our other initiatives to be open to the public, during the development of the submittals to resolve implementation questions or technical issues they identify that might help them prepare acceptable submittals.

PERFORMANCE GOAL MEASURES		METRICS
1.	Complete reactor projects identified in an agency-wide plan to reduce unnecessary regulatory burden.	95% on schedule
	Interim Milestones:	
A.	Develop a plan with specific projects that will reduce unnecessary regulatory burden.	December 2000
B.	Conduct a stakeholders meeting to solicit input on project priorities for reducing unnecessary burden.	Annually

These measures are intended to integrate the concept of reducing unnecessary regulatory burden into our work planning process and evaluate the effectiveness of these efforts.

EXTERNAL FACTORS

We have identified several external factors that could significantly affect achievement of our Strategic or Performance Goals . We view performance goal 1 as our preeminent performance goal that supercedes the three other performance goals. As such, we will devote sufficient resources to maintain safety, at the expense of the other performance goals. External factors which could impact achievement of our goals are:

1. A reactor accident or significant adverse trend in performance at numerous facilities.
2. A major change in our understanding of issues affecting reactor safety, the environment, or the perceived threat of radiological sabotage or theft or diversion of special nuclear material.
3. An unexpected significant increase in workload from activities such as, an application for a new nuclear power reactor or an early site permit.
4. The lack of nuclear energy-related skills, experimental facilities or other resources needed to accomplish the planned activities.