



REQUEST REPLY BY 12/29/99

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

COMSECY-99-038

December 9, 1999

Approved with comments.

[Signature]
Richard A. Meserve
1/18/00

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

FROM: Jesse L. Funches *[Signature]*
Chief Financial Officer

SUBJECT: DRAFT NUCLEAR MATERIALS SAFETY CHAPTER OF THE
STRATEGIC PLAN

On October 21, 1999, I provided the Commission with our revised schedule for the development of the FY 2000-2005 Strategic Plan. Attachment 1 is the draft Nuclear Materials Safety chapter of the Strategic Plan. This chapter reflects the results of facilitated sessions with senior executives responsible for the conduct of the Nuclear Materials Safety programs to identify performance goals, strategies, measures and metrics. In developing this draft chapter, the staff also considered stakeholder comments on the draft Nuclear Reactor Safety chapter and progress to date on the Nuclear Waste Safety chapter in further refining strategies and measures for all four performance goals. The group which developed the Nuclear Materials Safety chapter, led by Carl Paperiello, will be scheduling a briefing for commissioner assistants to provide an overview of the staff's efforts and answer questions.

The Executive Council has reviewed the draft Nuclear Materials Safety chapter and has approved its transmittal to the Commission. As with the Nuclear Reactor Safety and Nuclear Waste Safety chapters, the Commission need not formally endorse the Nuclear Materials Safety chapter until it is provided as part of the formal update of the entire strategic plan. However, since the staff will continue to improve the Nuclear Materials Safety chapter and harmonize it with the mission chapters, we would appreciate early Commission feedback on significant issues of concern.

As indicated in my November 23, 1999, memorandum to you, we will also involve the Agreement States in the development of the Nuclear Materials Safety chapter. Unless directed otherwise, the Office of State Programs will provide the attached draft to the Agreement States on

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RELEASSED TO THE PDR
2/22/00 DKW
date initials

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COMMENTS OF CHAIRMAN MESERVE REGARDING:

COMSECY-99-036 (Draft Nuclear Waste Safety chapter)
COMSECY-99-038 (Draft Nuclear Materials Safety chapter)
COMSECY-99-042 (Draft Nuclear Reactor Safety chapter)

The draft chapters reflect the significant effort that staff has invested in developing a strategic plan that will fulfill our planning obligation. Much has been accomplished. However, in continuing to refine the strategic plan, staff should undertake the following steps:

1. Where possible, and there is benefit to the agency, the plan should include more specificity and examples. This would ensure a better understanding of our efforts. Additional concreteness will also enable clearer policy guidance for the development of agency budgets over the time frame of the strategic plan.
2. Staff should strive for a portfolio of measures and metrics that will enable an on-going assessment of performance and progress. I share Commissioner Merrifield's concerns about the binary nature of some of the measures - a random event could define failure. Continuous measures would better enable assessment of progress toward the accomplishment of the goals. Also, as reflected in the stakeholders comment document on the draft reactor safety chapter, staff should consider creating measures which relate to assessing the quality of various products. In short, the type and balance of measures and metrics should continue to be evaluated.
3. Each measure/metric will create obligations for data collection, analysis, and quality control. The staff should seek to achieve a balance; there should be sufficient number and diversity of measures and metrics to enable an informed assessment of progress but not so many that a needless burden is created.
4. There currently are a number of inconsistencies among the chapters (e.g., performance goal definitions, strategy development and content, linkage, etc.). The integration of the chapters into a common document should be undertaken with a focus on achieving the necessary consistency. Where there are necessary differences, including differences in the priorities of the performance goals, the plan should clearly articulate the context so that the reader can understand the reasons for those differences.
5. Specific arena comments:

Reactor arena: This chapter reflects progress made in the transition to a results-oriented environment. It reflects improvements in the measures and the improved clarity of those measures, and in the identification of key areas and priorities for the arena. It is unclear why the performance goal measure relating to the completion of a comprehensive evaluation of the effectiveness of the revised reactor oversight program in FY 2001(#6) was eliminated. Staff should also consider the role and contribution of the regions in the achievement of the goals.

Materials arena: The safety performance goal measures, metrics, and the narrative concerning the communication of materials risk to the public can be improved. For example, the narrative may imply that the agency is basing its performance on statistical significance and not on the health and safety of individuals. There also is not a clear articulation of the role and contribution of the Agreement States and the regions in the achievement of the goals.

Waste arena: The arena does not explicitly address the long-term impacts of decommissioning and waste disposal or the issues relating to intergenerational equity. Although intergenerational equity of health risks is inferred in the strategic goal, the chapter does not include discussion or measures. As is the case in the materials chapter, there should be a clear articulation of the role and contribution of the Agreement States in the achievement of the goals.