



REQUEST REPLY BY 12/29/99

UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

COMSECY-99-038

December 9, 1999

1999 DEC 14 PM 3:14

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

*Approved with the
attached comments*

Joy Dicus

FROM: Jesse L. Funches
Chief Financial Officer

Jesse Funches

January 24, 2000

SUBJECT: DRAFT NUCLEAR MATERIALS SAFETY CHAPTER OF THE
STRATEGIC PLAN

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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

sent to AS ✓

Contact: Daryl Kade, OCFO/DPBA
415-7326

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

**COMMISSIONER DICUS' COMMENTS REGARDING:
COMSECY-99-038 (DRAFT NUCLEAR MATERIALS SAFETY CHAPTER)
COMSECY-99-042 (DRAFT NUCLEAR REACTOR SAFETY CHAPTER)**

Part of the reason for the development of the various Safety Chapters of the Strategic Plan is to better communicate to our stakeholders what the Commission's performance goals, strategies, measures and metrics are in the various strategic arenas in which the Commission is responsible. After reviewing several of these Safety Chapters, I find that while the information contained therein is informative, it is not presented in a manner that is concise and direct to its intended readers. To address this, I would encourage the staff to write an executive summary for each arena, no more than two pages in length, consisting of the major performance goals, measures and metrics for that strategic arena. In this way, we might be more assured that the intended audience of these Chapters can more easily understand what it is we do, and how we intend to measure our effectiveness or success in each of the arenas.

In regards to the survey that is being considered for measuring the public's confidence, I believe it poses significant challenges to the staff, such as: determining who the survey should be sent to; addressing outside factors that may influence survey results; and determining how to measure survey results against the Performance Goal Measures. I think considerable thought should be given to this effort, including probable benefits and drawbacks to conducting the survey, prior to moving forward.

As a general comment for both Safety Chapters, I would recommend that the text following each of the Tables of *Performance Goal Measures* (pages 2, 9, 14, 20 and 23 of the Materials Safety Chapter, and pages 3, 7, 10, 14 and 16 of the Reactor Safety Chapter) be placed immediately before each of the Tables. This would help the reader understand what they are about to read before delving into the Table.

Specific Materials Arena Comments

1. I wholeheartedly concur in the staff's recommendation to use risk assessment technology where the subject matter is amenable to risk assessment and where the greatest benefit could be derived. Due the extreme diversity and subject matter of the materials program, this is the best approach available.
2. I would caution the staff in the use of the metric of "2 reductions per year" for the fourth performance goal, measure #4 (see page 20), in that this value appears to be too high, and that perhaps a more realistic goal of 1 reduction per year would be better. At some point in the future, there will be not an ability to reduce the decision-making authority further, since presumably the process will eventually decrease to just one process. Only if the metric is changed at a later date will the staff not continuously fail this metric.
3. I commend the staff for using a statistically-significant approach (see page 10) in monitoring the success or failure of measures for events that result in public or worker overexposures, releases to the environment, or other vulnerabilities related to radiological sabotage, theft, or

diversion. There may be cases in the future where trending analyses could potentially see a change in the metric, but it may not be statistically significant, and should not be deemed as such if it is not really a measurable effect.

4. Additional, specific comments on the Nuclear Materials Safety Chapter are contained in the attached pages for the staff's consideration and incorporation, if necessary.

Specific Reactor Arena Comments

1. The staff should clarify whether the following Performance Goal Measures reflect a target for the strategic plan period or whether they reflect a specific target for each fiscal year within the strategic plan period.

Performance Goal 2 - Measure #5 - The "100%" metric should be clarified. Is the intent "per year" or "per strategic plan period." In addition, I suggest adding ON TIME to the following Performance Goal Measure: "Percentage of milestones completed on time in the plan to evaluate and improve the allegations program."

Performance Goal 3 - Measure #1 - The "95%" metric should be clarified. Is the intent "per year" or "per strategic plan period."

2. Performance Goal 1 - Measure #2 - "No statistically significant adverse trends." - If not already done, the staff should identify and document the reactor oversight program and accident sequence precursor parameters that will be evaluated for this metric. This should be completed within a reasonable timeframe related to the strategic plan period.
3. October 21, 1999 Memo from the CFO to Commissioners on "Stakeholder Comments on the Nuclear Reactor Safety Chapter of the Strategic Plan" - On Page 2 (Issue #5) of the staff's responses to External Stakeholders issues, an external stakeholder questioned whether all Strategies should have a Performance Goal Measure and NRC responded in the negative. The staff's expectations and basis in this regard should be clearly stated in the final Strategic Plan for informational purposes.