

June 15, 2000

The Honorable Frank A. LoBiondo
United States House of Representatives
Washington, D.C. 20515-3002

Dear Congressman LoBiondo:

I am writing in response to your letter dated May 30, 2000, in which you requested: (1) a detailed update on actions taken in response to staff concerns about risk-informed regulation which were outlined in the Government Accounting Office (GAO) survey; and (2) information on whether a benchmark has been established for evaluating the new system (i.e., the risk-informed regulatory initiative). I am pleased to have this opportunity to inform you of the progress we have made in communicating this new process.

The primary focus of the GAO survey was the agency's revised reactor oversight process (RROP). The enclosure to this letter provides a detailed update of our communication actions with regard to this risk-informed regulatory initiative. The agency has an aggressive approach to ensuring that the staff's concerns are addressed and they understand how the RROP provides an effective and objective approach to regulatory oversight so that nuclear power plant safety is maintained. The staff is establishing metrics to monitor the performance of the RROP against the agency's outcome goals (maintain safety, increase public confidence, be more effective, efficient and realistic and reduce unnecessary regulatory burden), as well as against certain process objectives (predictability, objectivity, risk-informed). The staff will monitor the results of the RROP against these metrics and provide a report back to the Commission in June 2001.

The RROP is one of several risk-informed initiatives currently underway. Accordingly, communication among our staff about RROP activities is just part of the overall communication efforts ongoing within the NRC. In a March 1999 report, GAO recommended that we develop a plan to better guide and articulate our plans for accomplishing risk-informed regulation and for measuring our success. Consequently, we are developing a Risk-Informed Regulation Implementation Plan which will include our plan to communicate, solicit and consider staff input and feedback on the agency's plans and progress on all of its risk-informed initiatives. It will also describe how we intend to measure our success in implementing risk-informed regulation.

In summary, I believe that the agency has established effective mechanisms for communicating, soliciting, and considering input from the NRC's talented and dedicated staff on our risk-informed regulation initiatives. I thank you for your interest and I hope that this

information about our communication efforts has assured you of the NRC's commitment in this regard. I would be pleased to discuss this matter with you further, if you so desire.

Sincerely,

/RA/

Greta Joy Dicus
Acting Chairman

Enclosure: As stated

Detailed Update on NRC'S Internal Communications Regarding the Revised Reactor Oversight Process

The NRC recognizes the importance of an open dialogue and the contribution of diverse mechanisms to informing and involving our staff in agency initiatives. Since beginning the pilot program for the Revised Reactor Oversight Process (RROP), the agency has accomplished a variety of communication and training activities, especially for the staff directly involved with the RROP, to solicit feedback from them as the process was being developed and tested. We also have made information about the new program more widely available to agency employees through normal agency communication vehicles such as newsletters, WEB pages, and meetings. For example, our in-house newsletter *NR&C* has included short, plain-language articles designed to maintain employee understanding and interest in the new process, and our in-house *Inspector Newsletter* also has carried articles about the new process. In addition, The Reactor Oversight Process, a plain-language booklet describing the new process, was distributed to all employees.

In addition to the communication mechanisms described above, we have conducted employee workshops, formal training courses, all-hands meetings, small group presentations, and regularly scheduled conference calls which were designed to keep employees current on RROP implementation and to provide an opportunity for meaningful dialogue. For example, since November 1999, a training course on the new oversight process has been presented several times to different groups of internal stakeholders. In January 2000, we conducted a "lessons learned" workshop, which provided key regional and headquarters staff the opportunity to share information and discuss lessons learned from the pilot program. This two-day workshop provided the staff an opportunity to prioritize major concerns and to further coordinate ongoing intra-office activities. The staff plans to conduct another "lessons learned" workshop toward the end of the initial implementation period. Also, since the initial implementation of the RROP, which began in April 2000, headquarters managers and staff have participated in regional inspector "counter-part" meetings, during which updates to the process were explained and regional staff were provided an opportunity to ask questions. In May 2000, all-hands meetings were held for staff in the Office of Nuclear Reactor Regulation and other interested employees during which the staff was guided through the new process and had an opportunity to ask questions of those who developed the RROP.

Frequent dialogue concerning the RROP occurs during a weekly telephone conference call that provides key managers and staff in the regions and headquarters with an opportunity to share information about the progress of implementation. These conference calls have been found to be invaluable in maintaining coordination of overall NRC efforts. In addition, conference calls are scheduled to discuss particular topic areas such as the significance determination process, inspection procedures, and program implementation. Special meetings, training sessions, and workshops will be continued on an as-needed basis.

To provide the staff in other Headquarters offices with information about the new process, meetings have been conducted with various managers and technical staff specialists in the agency's major program offices. These meetings are designed to share insights among the offices in our efforts to provide risk-informed oversight.

We recognize the importance of up-to-date information to engendering stakeholder confidence and have established a RROP WEB site (at www.nrc.gov/NRR/OVERSIGHT/index.html). In

addition to our external web page, we have developed an internal WEB page, making available to all employees current information regarding technical and non-technical matters. This WEB site is updated frequently. Among the items included on the internal WEB site are current copies of inspection manual chapters and procedures, an overview description explaining the process, a listing of frequently asked questions and answers, a schedule of specific courses and workshops related to the new process, and a feedback form which employees may utilize to communicate directly with appropriate managers and staff members on the development team. Management and key program office staff will continue to emphasize open, continuous dialogue among all internal stakeholders designed to improve understanding and support of ongoing change efforts.

At the conclusion of the pilot program, in November and December of 1999, we conducted an internal survey of regional staff and managers involved with the process. This survey was designed to gain feedback from internal stakeholders regarding eight areas: overall process, inspection program, performance indicators, effectiveness and efficiency, assessment and enforcement, stakeholder confidence, significance determination process, and training. In general, the survey results indicated that the new oversight process was viewed positively. The survey results also provided insights for enhancing the process. We are considering conducting a survey toward the end of initial program implementation in order to gain an appreciation of current internal stakeholder views.