

February 14, 1997

MEMORANDUM TO: Hugh L. Thompson, Jr
Acting Executive Director for Operations

FROM: John C. Hoyle, Secretary /s/

SUBJECT: STAFF REQUIREMENTS - BRIEFING ON OPERATING
REACTORS AND FUEL FACILITIES, 10:00 A.M.,
WEDNESDAY, JANUARY 29, 1997, COMMISSIONERS'
CONFERENCE ROOM, ONE WHITE FLINT NORTH,
ROCKVILLE, MARYLAND (OPEN TO PUBLIC
ATTENDANCE)

The Commission was briefed by the NRC staff on status of operating reactors and fuel facilities.

The Commission encouraged the staff to continue its review of the processes used for the evaluation of plant performance, specifically the Senior Management Meeting (SMM) process including identifying objective, meaningful, leading performance indicators and monitoring licensee actions to ensure that safety performance problems have actually been corrected. The process should be made more readily transparent, especially to the public. As part of this review, the staff should conduct a detailed peer review of the Arthur Andersen methodology (both its use of performance indicators and its selection criteria), compare the results of the application of that methodology to the results of the recent SMM, and evaluate and describe the reasons for any differences. The staff should address whether the Arthur Andersen methodology is more appropriate at the screening meetings or the Senior Management Meetings themselves. The Commission recognizes that the studies and analyses requested here may involve a discussion or description of a significant portion of the internal, predecisional deliberations from the most recent Senior Management Meeting process which are normally (and properly) withheld from public disclosure. The staff's documentation of the analyses requested here should similarly be withheld from public disclosure if the staff requests withholding on that basis.

(EDO)

(SECY Suspense: 7/31/97)

The staff should evaluate the efficacy of defining and formalizing a unified licensee performance assessment program that integrates the various separate processes being utilized (i.e., SALP, plant performance reviews (PPRs), and SMMs). In

doing so, staff should reexamine the role of SALP as it is currently understood and implemented in light of periodic PPRs and SMMs to determine its value in representing accurate and current assessments of licensee performance, and examine the need for, and structure of, numerical categorization of plants. The staff should consider the advisability of reissuing adverse trend letters at each SMM for which they are left in effect as well as issuing trending letters between SMMs (or some other defined evaluation interval) in warranted situations. Staff should provide the Commission with the results of its evaluation; any recommended changes in policy should be brought to the Commission for approval.

(EDO)

(SECY Suspense: 7/31/97)

The Commission requested a briefing on the staff's evaluation of Commonwealth Edison's response to the 50.54(f) letter dated January 29, 1997, and specifically requested that Commonwealth Edison be invited to discuss their response with the Commission.

(EDO)

(SECY Suspense: 4/25/97)

The Commission requests that the staff examine the significance of the notable increase in the number of plants placed on the watch list, and the reason for some plants apparently being placed on the list with little prior indication of a decline in performance. Relevant questions include (1) whether the increased number of plants on the list is supported by declines in other industry performance indicators, (2) whether NRC evaluation processes are failing to identify early signs of declining performance, and (3) whether the current results of the Senior Management Meeting are due to changes in the evaluation process or criteria. In addition, since the purpose of the watch list categories 2 and 3 is to identify plants with weaknesses that warrant increased NRC attention, the Commission also requests that the staff examine past data on actual inspection hours expended at various licensee facilities to determine whether there has been a "de facto" watch list different from the announced watch list and determine whether the consideration that resulted in the increased inspection efforts for these facilities should be factored into the formal watch list deliberations.

(EDO)

(SECY Suspense: 5/30/97)

cc: Chairman Jackson
Commissioner Rogers
Commissioner Dicus
Commissioner Diaz
Commissioner McGaffigan
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OIG
Office Directors, Regions, ACRS, ACNW, ASLBP (via E-Mail)
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