NRC INSPECTION MANUAL

MANUAL CHAPTER 0307

REACTOR OVERSIGHT PROCESS SELF-ASSESSMENT PROGRAM

0307-01   PURPOSE

The Reactor Oversight Process (ROP) is a regulatory framework that includes licensee performance indicator data, NRC inspection activity and determination of inspection finding significance, and assessment with the goals of being objective, risk-informed, understandable, and predictable. The ROP self-assessment program evaluates the overall success of the ROP in meeting these objectives as well as meeting the agency's performance goals of 1) maintaining safety, protection of the environment, and the common defense and security, 2) increasing public confidence, 3) making NRC activities and decisions more effective, efficient, and realistic, and 4) reducing unnecessary regulatory burden on stakeholders.   The outcomes of the ROP include adjustment/enhancement of inspection activities, communication activities such as reports and regulatory conferences, regulatory actions such as confirmatory action letters and orders, and enforcement.

On a periodic basis, the self-assessment program collects information from various sources, including the Reactor Program System (RPS), the inspection program, the ROP performance indicator (PI) program, additional industry level PIs, periodic independent audits, stakeholder surveys, and public comment. Based on this information, an assessment of ROP success in the programmatic areas of PIs, inspection program, significance determination process, and assessment will be performed.   In addition, an assessment of overall ROP efficacy will be made and recommendations for improvement will be developed.

As part of implementing a Planning, Budgeting, and Performance Management (PBPM) process, the agency has developed program-level operating plans, which include performance measures and targets.

The ROP self-assessment program is not meant to replicate or replace this activity, however, many of the same or similar measures and criteria will be used.

0307-02   OBJECTIVES

02.01 To establish the processes for collecting information and data to support the ROP self-assessment program.

02.02 To establish an objective process for evaluating the effectiveness of the ROP in achieving the goals of being objective, risk-informed, understandable, and predictable as well as the agency performance goals of 1) maintaining safety, 2) enhancing public confidence, 3) increasing effectiveness, efficiency and realism of NRC activities and decisions, and 4) reducing unnecessary regulatory burden.

02.03 To provide a process for developing recommended improvements to the ROP.

02.04 To provide for a method for informing the Commission, NRC senior management and the public on the results of the ROP self-assessment program, including any conclusions and resultant improvement actions.

0307-03   DEFINITIONS

03.01 <u>Audit</u>.   A formal, periodic examination and checking of selected records or activities to verify their correctness or compliance with pre-determined standards.

03.02 <u>Survey</u>.   A detailed study by gathering information through questionnaires and analyzing it.

0307-04   RESPONSIBILITIES AND AUTHORITIES

04.01 <u>Director, Office of Nuclear Reactor Regulation (NRR)</u>

  a.   Oversees the activities described in this manual chapter.

b. Reviews annual report and presents findings to the Commission.

04.02 <u>Director, Office of Research (RES)</u>

a. Provides support as requested by the Director, NRR.

04.03 <u>Regional Administrators</u>

a. Provide data to support the ROP self-assessment program as requested by the Director, NRR.

04.04 <u>Director, Division of Systems Safety and Analysis (DSSA)</u>

a. Provides data to support the ROP self-assessment program as directed by the Director, NRR.

04.05 <u>Director, Division of Inspection Program Management (DIPM)</u>

a. Oversees the implementation of the ROP self-assessment program.

b. Develops ROP self-assessment program policies and procedures.

c. Issues ROP Self-Assessment Annual Report.

04.06 <u>Chief, Inspection Program Branch (IIPB)</u>

a. Develops program guidance.

b. Collects and consolidates data from all sources to facilitate analysis.

c. Recommends and implements improvements to the Reactor Oversight Process self-assessment program.

d. Monitors the effectiveness of corrective actions and improvements that are developed in response to assessment findings.

e. Issues quarterly status reports to Director, NRR.

f. Develops ROP Self-Assessment Annual Report.

0307-05   DISCUSSION

The NRC uses the ROP as the primary means of assuring that commercial nuclear power plants are operated safely and in accordance with the regulations. It is important that the ROP be periodically evaluated and improvements made as appropriate to ensure continued achievement of its specified goals and objectives. These goals and objectives include being objective, risk-informed, understandable, and predictable as well as meeting the agency performance goals of 1) maintaining safety, 2) increasing public confidence, 3) improving effectiveness, efficiency, and realism of NRC activities and decisions, and 4) reducing unnecessary regulatory burden. The ROP consists of inspection activities, performance indicators, significance determination processes, assessment and enforcement.

On a periodic basis, the self-assessment program will collect information from various sources, including the Reactor Program System (RPS), the inspection program, the ROP performance indicator (PI) program, additional industry level PIs, periodic independent audits, stakeholder surveys, and public comment. Based on this information, an assessment of ROP success in the programmatic areas of PIs, inspection program, significance determination process, and assessment will be performed. In addition, an assessment of overall ROP efficacy will be made and recommendations for improvement will be developed.

05.01 Performance Metrics. A set of performance metrics associated with each of the components of the ROP has been developed to assess performance with respect to the eight criteria mentioned above. In addition, metrics of a more general nature have been developed, utilizing stakeholder feedback to gauge overall performance. A detailed description of these performance metrics is contained in Attachment 1. Industry level performance metrics are also being developed and will be described in a separate manual chapter when development is complete.

05.02 Data Collection. The Chief, IIPB will have the overall responsibility for data collection. A variety of methods will be used to collect data regarding the performance of the ROP. These include data from the RPS, internal and external stakeholder surveys, independent audits, responses to federal register notices, and information collected via program document reviews.   In

addition, RES, the regional offices, DSSA, and other DIPM branches will be tasked to provide data via memorandum. To the extent possible, data collection will come from agency databases and the need for manually developed data will be minimized.

With the exception of stakeholder surveys and federal register notice responses, data will be collected quarterly. Data reporting will be completed within 45 calendar days of the end of the quarter under review. Internal and external stakeholder surveys and federal register notices to collect stakeholder feedback will be issued at least annually. Also, periodic equipment trending reports issued by RES will be reviewed to identify additional insights into ROP performance.

05.03 <u>Data Analysis and Recommendation Development</u>. The Chief, IIPB will have the overall responsibility for data analysis and development of recommended improvements to the ROP. Data analysis will consist of a comparison of performance metric data with pre-established criteria and a written determination of its meaning or programmatic impact. For example, for each performance metric in Attachment 1, criteria for acceptable ROP performance has been identified. Thus a favorable comparison of data to criteria would indicate the ROP met the process goals and objectives, and likely, no programmatic changes would be recommended. However, in the event of an unfavorable comparison, more analysis would be required to determine causal factors and develop recommended process improvements.

05.04 <u>ROP Self-Assessment Reports</u>. Two types of reports will be issued. All reports will be made available on the ROP internal and external web sites.

   a. <u>Quarterly</u>. Brief quarterly status reports will be issued by the Chief, IIPB to the Director, NRR. These reports will consist of a summary of self-assessment performance metric outcomes, highlighting any areas of concern and recommended corrective actions. Graphical presentations of all performance metrics, including current data and comparison with established criteria, will be included as an attachment.

   b. <u>Annual</u>. IIPB will develop an annual ROP self-assessment report to be issued by the Director, NRR prior to the annual Agency Action Review Meeting described in IMC 0305, "Operating Reactor Assessment Program." The overall summary report shall have the following sections:

1. <u>Efficacy of The Reactor Oversight Process</u>. A summary of all individual area (Attachments 1 through 4) and overall (Attachment 5) self-assessment performance metric outcomes and their analyses. In addition, a determination of overall ROP performance will be discussed along with any areas of concern and recommended corrective actions or improvements.

2. <u>Industry Performance Measures</u>. A summary of industry-level performance measure (Attachment 6) outcomes and an analysis of their meaning or programmatic impact along with any recommended corrective actions or improvements. A discussion of any significant equipment performance trending reports issued by RES and their impact on the ROP will be included in this section.

3. <u>Resource Expenditures</u>. An analysis of resource expenditures for the previous year and any recommended changes or improvements. For the first report in CY2001, a comparison of the ROP to the previous program will be made utilizing available data. Since there is not a direct correlation between the two inspection programs and due to inaccuracies in older RPS data, an exact comparison will not be possible.

4. <u>Public Interaction</u>. A graphical presentation and a discussion of the opportunities for the public to understand, participate in the development of, and comment on the ROP. This section should include a discussion of future plans to involve or inform the public in the ROP.

5. <u>Overall Process Timeliness</u>. A discussion of the overall timeliness of NRC and licensee actions taken for identified licensee performance problems and any identified concerns and recommended corrective actions or improvements.

6. <u>Other Considerations</u>. A discussion of insights gained from other significant process assessment efforts such as the annual Regulatory Impact Report, Staff Actions resulting from Incident Investigation Team (IIT) reports, lessons learned from inspections performed in accordance with Inspection Procedure 95003, "Supplemental Inspection for Repetitive Degraded Cornerstones, Multiple Degraded

Cornerstones, Multiple Yellow Inputs, or One Red Input,"
or other lessons learned reviews and white papers.

END