

## PERFORMANCE INDICATOR PROGRAM

### 0608-01 PURPOSE

To provide guidance on the implementation of the operating Reactor Oversight Process (ROP) Performance Indicator Program. Additionally, this manual chapter provides guidance on the process for modifying existing performance indicators (PIs) and developing additional PIs for use in the oversight process.

### 0608-02 OBJECTIVE

02.01 To provide policy and guidance regarding implementation of the PI Program, including data submission, verification, and posting PI data and frequently asked questions (FAQs) on the internal and external web.

02.02 Establish a formal process for responding to questions related to interpretation of PI reporting guidance and developing and implementing changes to the PI Program including creating new PIs and making changes to existing PIs or thresholds.

### 0608-03 APPLICABILITY

This manual chapter applies to all operating commercial nuclear power reactors.

### 0608-04 DEFINITIONS

04.01 Extended Shutdown. For the purposes of the ROP PI Program, a plant is considered to be in an extended shutdown

condition when the reactor has been subcritical for at least two consecutive quarters.

04.02 Frequently Asked Question. Questions raised by either internal or external stakeholders regarding the PI Program or its implementation along with the approved response. FAQs are available for review on both the NRC's internal and external web sites. The web site is periodically updated to include draft FAQs (i.e., FAQs for which the response has not yet been approved), tentatively approved FAQs, and FAQs that have been approved for use. FAQs can be viewed by cornerstone, PI, posting date, or identification number.

#### 0608-05 RESPONSIBILITIES AND AUTHORITIES

##### 05.01 Director, Office of Nuclear Reactor Regulation (NRR)

- a. Provides overall policy direction for the PI Program.
- b. Directs the development and implementation of policies, programs, and procedures for the PI Program and oversight of program effectiveness and implementation.

05.02 Associate Director for Inspection and Programs. Directs development and implementation of the PI Program within the Office of Nuclear Reactor Regulation (NRR).

05.03 Director, Division of Inspection Program Management (DIPM). Manages PI Program development and implementation within NRR and oversees program implementation and effectiveness.

##### 05.04 Chief, Inspection Program Branch

- a. Develops policy, programs, and procedures for implementation of the PI Program.
- b. Receives PI data and posts PI data indicator values and FAQs on the internal and external web.
- c. Manages and implements the process for responding to questions related to interpretation of PI reporting guidance and developing and implementing changes to the PI Program, including creating new PIs and making changes to existing PIs or thresholds.

d. Assesses PI Program effectiveness and implementation.

05.05 Regional Administrator. Manages regional implementation of the PI Program in accordance with the requirements of this IMC, Management Directive (MD) 8.13, "Reactor Oversight Process," Inspection Procedure (IP) 71151, "Performance Indicator Verification," and IP 71150, "Discrepant or Unreported Performance Indicator Data."

0608-06 BACKGROUND

06.01 Framework

The ROP is built upon a framework directly linked to the Agency's mission. That framework includes cornerstones of safety that focus on the licensee's ability to (1) limit the frequency of initiating events; (2) ensure the availability, reliability, and capability of mitigating systems; (3) ensure the integrity of the fuel cladding, the reactor coolant system, and containment; (4) ensure the adequacy of the emergency preparedness functions; (5) protect the public from exposure to radioactive material releases; (6) protect nuclear plant workers from exposure to radiation; and (7) provide assurance that the physical protection system can protect against the design-basis threat of radiological sabotage.

Within each cornerstone, a broad sample of data on which to assess licensee performance in risk-significant areas is gathered from PI data submitted by licensees and from the NRC's risk-informed baseline inspections. The PIs are not intended to provide complete coverage of every aspect of plant design and operation, but are intended to be indicative of performance within the related cornerstone.

Data submitted by each licensee is used to calculate PI values. These values are then compared to generic, objective thresholds that establish color bands for the performance indicated by the PI. Plant data for a PI that falls within the "green" band indicates licensee performance is within the nominal, expected range. Performance in the "white" band indicates that performance is outside of the nominal, expected range. Changes in performance can be characterized as being low to moderate in safety significance, but performance remains within acceptable levels. Performance in the "yellow" band indicates a more significant decline in performance. Changes in performance can be characterized as being

of substantial significance. Performance is considered acceptable, but a reduction in safety margin exists. Performance in the “red” band indicates a very significant decline in performance. Changes can be characterized as being of high safety significance. Performance may be acceptable with a significant reduction in safety margin or may be unacceptable.

## 06.02 Performance Indicators

The PIs are a means of obtaining information related to the performance of certain key attributes in each of the cornerstone areas. They provide indication of problems that, if uncorrected, may increase the probability of risk or consequence of an event. Since not all aspects of licensee performance can be monitored by PIs, safety significant areas not covered by PIs will be assessed through inspection.

- a. For the reactor safety strategic performance area, the objectives of the cornerstones and PIs are as follows:

Initiating Events - this cornerstone is intended to limit the frequency of those events that upset plant stability and challenge critical safety functions during shutdown as well as power operations. Such events include reactor trips due to turbine trips, loss of feedwater, loss of off-site power, and other reactor transients. The following indicators are provided in this cornerstone:

- Unplanned scrams (automatic and manual) per 7,000 critical hours
- Scrams with loss of normal heat removal
- Unplanned power changes per 7,000 critical hours

Mitigating Systems - this cornerstone is intended to ensure the availability, reliability, and capability of systems that mitigate initiating events to prevent reactor accidents. Mitigating systems (both operating and shutdown events) include those systems associated with safety injection, residual heat removal, and their support systems, such as emergency AC power. The following indicators are provided in this cornerstone:

- Safety System Unavailability - this performance indicator is calculated separately for each of the following four systems for each reactor type:

BWRs

- emergency AC power systems
- high pressure injection systems (high pressure coolant injection, high pressure core spray, or feedwater coolant injection)
- residual heat removal systems
- heat removal systems

PWRs

- emergency AC power systems
- high pressure safety injection systems
- residual heat removal systems
- auxiliary feedwater systems

- Safety System Functional Failures

Barrier Integrity - this cornerstone is intended to ensure the integrity of the physical barriers designed to protect the public from radionuclide releases caused by accidents. These barriers are the fuel cladding, reactor coolant system boundary, and containment. The following indicators are provided in this cornerstone:

- Reactor Coolant System (RCS) Specific Activity
- RCS Identified (or total) Leak Rate

Emergency Preparedness - this cornerstone is intended to ensure that actions taken in accordance with the emergency plan provide adequate protection of the public health and safety during a radiological emergency. The cornerstone does not include off-site actions, which are covered by the Federal Emergency Management Agency. The following indicators are provided in this cornerstone:

- Drill/Exercise Performance
- Emergency Response Organization Drill Participation
- Alert and Notification System Reliability

- b. For the radiation safety area, the cornerstones and PIs are as follows:

Occupational Radiation Safety - this cornerstone is intended to ensure adequate protection of worker health and safety from exposure to radiation and radioactive materials during

routine civilian nuclear reactor operations. The following indicator is provided in this cornerstone:

- Occupational Exposure Control Effectiveness

Public Radiation Safety - this cornerstone is intended to ensure adequate protection of public health and safety from exposure to radioactive materials released into the public domain as a result of routine civilian nuclear reactor operations. These releases include routine gaseous and liquid radioactive effluent discharges, the inadvertent release of solid contaminated materials, and the offsite transport of radioactive materials and wastes. The following indicator is provided in this cornerstone:

- Radiological Effluent Technical Specifications (RETS)/Offsite Dose Calculation Manual (ODCM) Radiological Effluent Occurrences

c. For the safeguards area, the cornerstone and PIs are as follows:

Physical Protection - this cornerstone is intended to provide assurance that the physical protection system can protect against the design basis threat of radiological sabotage. The threat could come from either external or internal sources. The following indicators are provided in this cornerstone:

- Protected Area Security Equipment Performance Index
- Personnel Screening Program Performance
- Fitness-for-Duty (FFD)/Personnel Reliability Program Performance

#### 0608-07 PI DATA SUBMISSION

Reporting of PI data to the NRC is a voluntary program in which all licensees of operating reactor plants participate. In preparation for the start of implementation of the ROP, licensees were requested to submit historical PI data. This data was submitted on January 21, 2000, using NEI 99-02, "Regulatory Assessment Performance Indicator Guideline," Revision D. On March 29, 2000, the NRC issued Regulatory Issues Summary 2000-08, "Voluntary Submission of Performance Indicator Data." The purpose of this RIS

was to inform licensees of the start of initial implementation of the ROP and to provide direction on the process to be used by licensees to voluntarily submit PI data to the NRC as part of the ROP. The RIS indicated that PI data should be submitted quarterly and in accordance with NEI 99-02, "Regulatory Assessment Performance Indicator Guideline," Revision 0. Initial implementation of the ROP began on April 2, 2000. The first quarterly submission of PI data occurred on April 21, 2000.

To submit PI data, licensees send a delimited text file to a central NRC e-mail address - [pidata@nrc.gov](mailto:pidata@nrc.gov). Hard copy submissions, in accordance with 10 CFR 50.4 "Written Communications," are not required, except in the event that the email submission is unsuccessful. Within two business days of receipt of the PI data, the NRC will send each licensee a return email to confirm and authenticate receipt of the data. Licensees have four business days from receipt of the NRC's email to report any transmission problems to the NRC.

Once the data is confirmed by the NRC, it is entered into the Reactor Program System database to calculate the indicator values. Within five business days from receipt of the licensees' data transmissions, the NRC will post the data, the indicator values, and associated graphs on the NRC's internal web site. The regions will be notified when the PIs are available on the internal web site. This is to allow the regions an opportunity to become familiar with the PIs and to identify any obvious inconsistencies prior to public release. Within 10 business days of receipt of the licensees' data transmittals, the NRC will place the PIs on the NRC's external web site to make them available to external stakeholders.

#### 07.01 PI Submission For Plants In Extended Shutdown

An operating commercial nuclear power plant with performance or major equipment problems may be shut down for an extended period of time for a variety of reasons. Licensees may voluntarily or involuntarily shut down the plant due to significantly degraded performance, major equipment failures, or a significant plant event. In these cases, the NRC may make the decision to place the plant under the process described in Inspection Manual Chapter 0350, "Staff Guidelines For Assessment and Review Of Plants That Are Not Under The Routine Reactor Oversight Process."

Plants in an extended shutdown should report PIs in accordance with the guidance provided in the current version of NEI 99-02.

#### 0608-08 PI VERIFICATION

Because of the importance of PIs in the ROP as a source of information regarding performance upon which agency actions will be based, PI data must be reported accurately. Inspection Procedure 71151, "Performance Indicator Verification," shall be conducted to review licensees' PI data collection and reporting activities for adherence to pertinent guidance. It is expected that licensees will make reasonable, good faith efforts to comply with the guidance in NEI 99-02. This includes taking appropriate and timely action to identify and report performance issues captured by the indicators. It may be necessary for inspectors to exercise some judgement on the adequacy of licensee actions to make a reasonable, good faith effort to comply with the guidance.

Discrepancies with the performance indicator data collection and reporting or the actual data should be documented in accordance with IP 71151 and the requirements of Inspection Manual Chapter 0610\*, "Reactor Inspection Reports."

Enforcement action will be taken for inaccurate PI reporting in accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions." In preparation for initial implementation, licensees submitted a "best effort" collection of historical data. In recognition that some reporting errors would occur in this historical submission, the NRC elected to exercise enforcement discretion associated for PI reporting errors that were not the result of willful, inaccurate data submission in accordance with Section IX, "Inaccurate and Incomplete Information," of the "General Statement of Policy and Procedure for NRC Enforcement Actions."

#### 08.01 Discrepant or Unreported PIs

In the event the NRC determines that major discrepancies exist in the PI data submitted by a licensee that causes the Agency to lose confidence in the licensee's ability to collect and report PI data accurately, the subject PI(s) will be determined to be discrepant. Examples of situations in which a PI would be considered to be discrepant may include, but are not limited to; (1) recurring discrepancies in the reported data; (2) recurring instances of

incorrect interpretations of NEI 99-02; or (3) inadequate documentation of PI data.

When PI data has been determined to be discrepant or is not being reported by the licensee, IP 71150, "Discrepant or Unreported Performance Indicator Data," will be conducted. IP 71150 provides for the performance of selected inspection activity to compensate for the discrepant or unreported PI data. Regional management should coordinate activities in this area with IIPB. The selected inspections will be performed in addition to the baseline inspection. Once the licensee has corrected the root cause(s) of the discrepant or unreported data and the NRC has verified that the licensee can collect and report PI data accurately, oversight of PI reporting will be conducted in accordance with IP 71151.

Instances may occur in which a plant has been in an extended shutdown. In this situation, several PIs may not provide a meaningful indication of plant performance in the areas they are intended to monitor. In these situations, the guidance provided IP 71150 should be followed in order to obtain sufficient performance information via the inspection program until the plant has restarted and sufficient PI data has been collected.

#### 0608-09 QUESTIONS AND FEEDBACK

Numerous questions from internal and external stakeholders regarding the PI Program were raised during the first year of implementation of the ROP. Questions and feedback are anticipated well beyond the initial implementation of the ROP. Also, as NRC and industry gains experience with the PI Program and the ROP, changes to existing PIs and thresholds, as well as development of new PIs, are expected.

The NRC has established a formal process to (1) address questions and feedback from internal and external stakeholders, (2) make changes to existing PIs and thresholds based on lessons learned, and (3) develop new PIs and associated thresholds. This formal process is provided in Exhibit 1, "PI Process For Addressing Feedback and Questions." The process consists of four major components. These are: input, evaluation, resolution, and closure.

The remainder of this IMC describes the formal process. Exhibit 1, (flowchart) may be referred to at any point hereafter to gain an

understanding of the four phases of the formal process. The section numbers of this IMC are included at corresponding points in the flowchart to provide easy reference to the write-up of the respective section.

#### 09.01 Input

NRC staff, industry, or the public may raise questions or provide feedback regarding an individual PI. Questions raised by industry personnel should normally be submitted to an Industry ROP Working Group representative. These questions will be provided to the NRC at periodically conducted public meetings held between the NRC and Industry ROP Working Group. Questions raised by the public or other stakeholders should be submitted via email to the Office of Public Affairs at [opa@nrc.gov](mailto:opa@nrc.gov). Alternatively, questions can be submitted in writing to: United States Nuclear Regulatory Commission, Office of Public Affairs, Washington D.C. 20555. Regardless of their origin, questions raised will be processed in accordance with the process described below.

When an NRC staff member has a question regarding PIs, the FAQs on the internal and external web should be checked to determine if guidance which addresses the question already exists. If referring to the FAQs does not address the question or if the staff member desires to provide feedback, he or she should fill out a feedback form contained in IMC 0801, "Program Feedback." Additionally, the inspector may provide feedback on issues regarding PI guidance or implementation, including observed/perceived instances of unintended consequences. The PI Feedback Form can be downloaded from the internal ROP web page. Feedback forms will be forwarded to regional management for review and response, as appropriate. The purpose of the regional review is to allow regional management to be aware of questions/feedback being submitted and to provide an opportunity for the regions to resolve the question/feedback for those issues they believe do not warrant headquarters review. All forms, including those for which the region has responded, will then be forwarded to the PIPBCAL email mailbox or mailed to the Chief, IIPB (mail stop 07A-15).

Upon receipt, DIPM/IIPB will perform an initial screening of all questions and feedback. IIPB will assign a lead reviewer from the branch and/or the technical branch within DIPM with the responsibility in the area for which the issue is associated. The lead reviewer will forward a reply to the originator within 14 business days to acknowledge receipt of the form and to inform the

originator of the PI tracking number. Similarly, NRC will acknowledge receipt of questions and feedback provided directly to the NRC from members of the public or from members of industry. This response will be in the form of a written correspondence. All follow-up questions should be directed to the lead reviewer.

#### 09.02 Evaluation of Questions/Feedback

Those issues that require only explanation of the existing guidance will be immediately resolved. The lead reviewer will provide the originator with an explanation and the issue will be closed out in accordance with "Closure" (Section 09.05).

Questions or feedback that require modification to the guidance to clarify meaning or intent will be addressed in accordance with "Resolution of Questions and Feedback not Requiring a PI Change" (Section 09.03).

Questions or feedback in which the resolution would require a new PI or a change to an existing PI or threshold will be addressed in accordance with "Resolution of Questions and Feedback Requiring a PI Change" (Section 9.04) and subsequent steps.

#### 09.03 Resolution of Question/Feedback Not Requiring A Change

The following steps will be performed to resolve questions or feedback that do not require a PI or threshold change:

- a. The NRC and the Industry ROP Working Group will review the question, document it in the form of an FAQ, and develop a proposed response. DIPM will involve the regions and NRR technical staff when developing the proposed response.
- b. The issue will be discussed between the NRC and the Industry ROP Working Group at a public meeting in order to arrive at tentative approval for the question and its proposed response. Although it is desirable that a tentative approval be achieved by the close of the meeting in which the issue is first discussed, this portion of the process is iterative and could take several working meetings. In the event NRC and its stakeholders are unable to reach alignment on the issue being discussed, NRC will make the final decision. Also, in the event that the issue has been previously addressed, or no longer requires consideration, it may be withdrawn. Regardless of whether the tentative

approval is achieved by conclusion of the meeting, NEI will enter new FAQs into a running log that contains draft FAQs (both generated by NRC and external stakeholders) and provide a copy of the electronic file to the NRC. The NRC will make the FAQs available to the public, industry and other stakeholders on the ROP internal and external web pages.

- c. Following tentative approval, the FAQ will be held for a waiting period - normally until the next regularly scheduled meeting - to allow a final opportunity for internal stakeholders to review the proposed FAQ and provide any input. Stakeholders should forward any feedback that impacts the resolution of the issue to the lead reviewer assigned for resolution prior to the next scheduled public meeting. The schedule for upcoming meetings is posted on the ROP web-page.
- d. At the conclusion of the waiting period, the NRC and Industry ROP Working Group will consider any final input provided and will issue final approval. IIPB will then place the approved FAQs on the internal and external web pages. IIPB will notify appropriate internal stakeholders of the resolution. NEI will notify the licensee of the updated FAQ.
- e. NEI 99-02 will be updated periodically, as appropriate, to clarify the PI reporting guidance based on insights from the resolution of the FAQs.

#### 09.04 Resolution of Question/Feedback Requiring A Change

Questions or feedback that raise issues which require more than clarification of reporting guidance or policy will be addressed as described below. Resolution may involve creating a new PI, changing an existing PI, changing a threshold for an existing PI, or changing an existing PI to reflect a unique plant design features. Each of the processes share common steps, but will be discussed separately.

Activities associated with developing PIs or making changes to existing PIs or thresholds can require significant NRC resources. Prior to expending significant resources, DIPM will reach a determination as to whether a proposed change to address the issue appears to be feasible, and therefore justified. For those

changes that would clearly not be feasible, DIPM will conclude consideration of the change and provide a response to the originator that includes a rationale for not proceeding. The issue will subsequently be closed-out.

If the issue appears to be feasible, one of the four steps described below will be followed.

a. New PI

When an existing PI is not effective, is consistently difficult to report, or has the potential to be misleading or create unintended results, there may be a need to develop a new PI. The proposed PI should provide indication of licensee performance for the key attributes in the cornerstone(s) for which the existing PI was intended. These attributes were developed in the initial ROP conceptual stage and are documented in SECY 99-007, Recommendation for Reactor Oversight Process Improvements.”

Once the need for a new PI has been determined and the scope of information the PI will cover has been identified, NRC or the Industry ROP Working Group will propose a definition for the PI, including draft reporting criteria. NRC will consider previous lessons learned and any stakeholder feedback in developing the proposed definition. The proposed PI will be discussed at a public meeting between NRC and the Industry ROP Working Group to develop an agreed upon definition.

The proposed PI will be made available to internal and external stakeholders for comment via the NRC ROP web site. Following the comment period, NRC and the Industry ROP Working Group will review comments provided and make changes to the PI, as appropriate.

Early consideration should be given to the potential need for OMB Clearance for the new PI to ensure clearance processing will not adversely impact final PI implementation. The current OMB clearance for PI reporting expires on October 31, 2002, and allows additional PIs to be added when necessary. Thereafter, it is required to be updated by the Office of Chief Information Officer, Records Management Branch.

Following the development of the final proposed PI definition and reporting guidance, the NRC must determine the efficacy of the PI. The PI must be benchmarked against past industry performance data to determine whether the results obtained using the PI would be indicative of past plant performance concerns. If historical data is available, NRC and the Industry ROP Working Group will collect the data. Using this data, NRC and the Industry ROP Working Group will determine if the PI can identify declining performance in a timely manner so that increased regulatory attention can be applied before performance becomes unacceptable. In the event that historical data is not available, NRC and the Industry ROP Working Group will use best information available.

If the proposed PI cannot identify declining performance in a timely manner, the PI must be revised prior to proceeding or development efforts should be discontinued. Once the PI has been successfully benchmarked, NRC and the Industry ROP Working Group will consider whether the PI will provide information that is not currently being developed and adds benefit commensurate with the reporting burden. In the event the PI does not provide information that would make its continued development and implementation beneficial, it must be revised or it will be discontinued.

The NRC and the Industry ROP Working Group will conduct a pilot test using a representation sample of plants to collect data for the proposed PI(s) in addition to continuing to provide data on the existing PIs. The purpose of this pilot is to conduct a real-time test of the proposed guidance, establish thresholds, and determine the effectiveness of the proposed PIs. When the pilot has been completed, NRC will provide an opportunity for the industry, public, and other stakeholders to provide feedback. This feedback along with lessons learned from the pilot will be used to modify the proposed PI and its thresholds.

In conjunction with adding a PI, NRC will consider whether changes to the baseline Inspection Program are warranted to eliminate potential overlap or ensure coverage of key attributes.

After NRC has agreed on final changes to the proposed PI and thresholds, NEI will revise NEI 99-02 and IIPB will update the web page as appropriate to present reported PI data. The

NRC or the Industry ROP Working Group may conduct training, as deemed necessary. IIPB will issue a Regulatory Information Summary (RIS) to inform stakeholders of the new PI change and reporting criteria. Additionally, the RIS will be placed in NRC's Public Document Room and on the external web site, <http://nrr10.nrc.gov/NRR/OVERSIGHT/ASSESS/INDEX.html>, which can be accessed from the Inspection Manual of Agency Wide Applications. Additionally, IP 71151 will be revised to reflect the new PI. NRC will approve its use for industry-wide PI reporting through issuance of a RIS.

b. Changes To An Existing PI

The process for making a change to an existing PI is similar to creating a new PI. Like the initial steps in creating a new PI, NRC must ensure that the revised PI will provide indication of licensee performance for the key attributes in the cornerstone(s) for which the existing PI was intended.

The NRC will conduct public meetings with the Industry ROP Working Group and other stakeholders to discuss and reach agreement on the proposed change, including the PI definition and reporting criteria. The proposed PI change will be made available to internal and external stakeholders for comment via the NRC ROP web site. Following the comment period, NRC and NEI will review comments provided and make changes to the PI, as appropriate. This process is iterative and allows all stakeholders an opportunity to contribute to the resolution, and the NRC/NEI working group to consider other proposed alternatives.

Once the proposed change has been approved, the NRC and NEI will identify a representative sample of plants that are willing to pilot test the proposed change by collecting data using the modified PI(s), while continuing to provide data to the NRC on the existing PIs. The purpose of pilot reporting is to conduct a real-time test of the proposed guidance, review and revise the thresholds if needed, and ensure the effectiveness of the resultant PI. When the pilot has been completed, NRC will provide an opportunity for the industry, public, and other stakeholders to provide feedback. This feedback along with lessons learned from the pilot will be used to modify the proposed PI change.

After NRC and the Industry ROP Working Group have agreed on final changes to the PI, NEI will revise NEI 99-02 accordingly and IIPB will update the web page as appropriate to reflect the changes. NRC or the Industry ROP Working Group may conduct training, as deemed necessary. IIPB will issue a RIS to inform stakeholders of the new PI change and approve the use of the new PI. Additionally, the RIS will be placed in the NRC's Public Document Room and on the external web-site, <http://nrr10.nrc.gov/NRR/OVERSIGHT/ASSESS/INDEX.html>, which can be accessed from the Inspection Manual of Agency Wide Applications. Additionally, IP 71151 will be revised to reflected the new PI.

c. Change In Threshold(s)

As experience is gained in implementing the ROP, some thresholds may need to be adjusted based on lessons learned. This practice of threshold adjustment is not intended to establish continually rising licensee performance expectations, but rather to ensure that the initial thresholds, some of which were established without the benefit of actual industry performance data, are performing as intended.

When lessons learned from feedback indicates that a revision to an existing threshold is needed, NRC and the Industry ROP Working Group will review existing PI data and compare it to the criteria used to establish the initial set of the performance indicators. As described in SECY-99-007, the initial thresholds were established by considering risk and regulatory response to different levels of licensee performance. In deciding on the threshold values, several criteria were used. These include the (1) ability to provide sufficient differential to allow meaningful differentiation in performance and limit false positives (e.g. allow an order of magnitude in the risk differential between thresholds), and (2) ability to allow sufficient margin between nominal performance bands to allow for licensee initiatives to correct performance problems before reaching escalated regulatory involvement thresholds, and sufficient margin between thresholds that signify initial declining performance to allow for both NRC and licensee diagnostic and corrective actions to be effectuated.

The thresholds for several PIs were modified based on information obtained from the historical PI submission and described in SECY-00-0049. In cases where there was little or no historical experience (e.g. Physical Protection or Occupational Radiation Safety), data collected during the first year of implementation of the ROP will be evaluated in order for the staff to ensure the established thresholds are appropriate.

Once the need for a threshold change has been identified, the NRC and Industry ROP Working Group will meet in a public forum to discuss and reach agreement on the proposed threshold change. The proposed change will be made available to internal and external stakeholders for comment via the NRC ROP web site. Following the comment period, NRC and the Industry ROP Working Group will review comments provided and make changes, as appropriate. This process is iterative and allows all stakeholders an opportunity to contribute to the resolution, and an opportunity to consider other proposed alternatives. In the event NRC and its stakeholders are unable to reach alignment on the proposed threshold change, the NRC will make the final decision.

IIPB will issue a RIS to inform stakeholders of the threshold change and will modify the web page accordingly. The RIS will provide guidance on when the revised threshold will become effective. The RIS will be forwarded to the regional Directors of Reactor Projects, Reactor Safety, and Plant Support; inspectors; and NEI. Additionally, the RIS will be placed in NRC's Public Document Room and on the external web-site, <http://nrr10.nrc.gov/NRR/OVERSIGHT/ASSESS/INDEX.html>, which can be accessed from the Inspection Manual of Agency Wide Applications.

d. Unique PI

With multiple reactor designs, plants may have unique design features that make compliance with the data reporting criteria established in NEI 99-02 impossible, impractical, or ineffective.

In such cases, NRC and Industry ROP Working Group will form a working group that includes representatives of the affected licensees to develop unique criteria to accommodate plant type differences. If historical data is available, it will

be collected. When historical data is unavailable an expert panel will be assembled to identify appropriate thresholds based on experience. NRC and Industry ROP Working Group will establish new thresholds. The NRC will then follow the remainder of the guidance outlined in Section C, Change In Threshold(s), to complete this process.

09.05 Closure. Once the issue has been resolved, the lead reviewer will notify the originator of the final response. This notification will normally occur via email and within 14 business days after NRC has reached a resolution. The completion date will be entered into the PI tracking system and the issue will closed out.

#### 0608-10 PI REFERENCES

Management Directive 8.13, "Reactor Oversight Process"

SECY-99-007, "Recommendations For Reactor Oversight Process Improvements"

SECY-99-007A, "Recommendations For Reactor Oversight Process Improvements (Follow-up to SECY-99-007)"

SECY-00-049, "Results Of The Revised Reactor Oversight Process Pilot Program"

Temporary Instruction 2515/144, "Performance Indicator Data Collecting and Reporting Process Review"

Inspection Procedure 71151, "Performance Indicator Verification"

Inspection Procedure 71150, "Discrepant or Unreported Performance Indicator Data"

NEI 99-02, "Regulatory Assessment Performance Guideline," (Revision 0)

Regulatory Information Summary 99-06, "Voluntary Submission Of Performance Indicator Data" (collecting and reporting historical data)

Regulatory Information Summary 2000-08, "Voluntary Submission Of Performance Indicator Data" (collecting and reporting data)

reflecting plant performance during full implementation of revised reactor oversight process)

General Statement of Policy and Procedure for NRC Enforcement Actions

Manual Chapter 0350, "Staff Guidelines For Assessment and Review Of Plants That Are Not Under The Routine Reactor Oversight Process"

Web-site For Frequently Asked Questions:

[http://NRR/OVERSIGHT/ACCESS/FAQs\\_by\\_pi\\_pdf](http://NRR/OVERSIGHT/ACCESS/FAQs_by_pi_pdf)

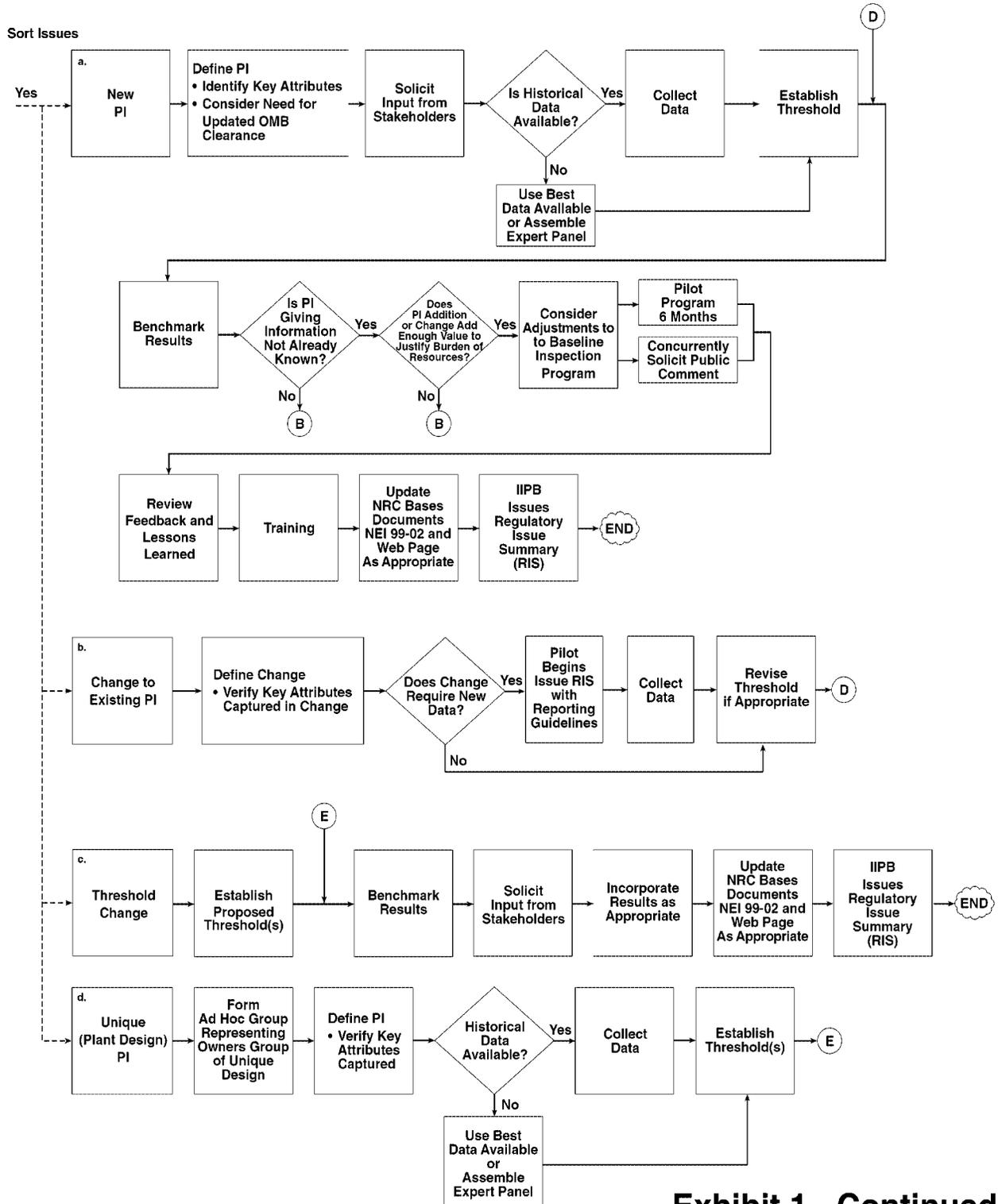
R O P W e b - s i t e :  
[http://nrr10.nrc.gov/NRR/ROP\\_DIGITAL\\_CITY/ROP\\_digital\\_city.html](http://nrr10.nrc.gov/NRR/ROP_DIGITAL_CITY/ROP_digital_city.html)

END



# PERFORMANCE INDICATORS

## Process for Addressing Questions and Feedback (Continued)



**Exhibit 1 - Continued  
Part 2**

