

**From:** Glenn Tracy  
**To:** Art Howell, Charles Casto, John Grobe, Wayne Lammings, RI  
**Date:** Wed, Aug 23, 2000 10:47 AM  
**Subject:** OSRE Oversight

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 NR → RII

Stakeholder attention on OSRE is ramping at a feverish pace (it was already high). Commissioners have concerns regarding the adversary characteristics and the OSRE program, and numerous complaints have been voiced by NEI and the industry regarding the conduct of certain inspections and impact of certain staff actions. A balanced view of the complaints would demonstrate that there are issues to be addressed on both sides. We need to squarely address those on our side and oversee the resolution of those the controlled by the licensees.

While the staff is cognizant of the issues and addressing them via its processes, there is much to do. Several policy-level issues are under review: SPA, ACD, OSRE Characteristics, legitimacy of operator actions, PPSDP, enforcement policies, insider knowledge, target set development, scenario development, controller skills, ultimate core damage upon target set achievement, etc, etc.

**Status:**

The regions have taken the lead for OSRE.

The OSRE characteristics document is making its way the Commission for information.

The OSRE guidance is being finalized and will be sent to the regions for chop.

Issues with the SPA are working and we will have a meeting on September 6 to discuss further.

The ACD is with sister federal agencies for review and comment.

We are busily reviewing detailed time-lines (Quad Cities) on mock operator actions in order to see if their was actual core damage despite the target set being achieved (extremely time consuming).

An SDP Comm paper has been written and is being chopped, proposing interim SDP methodology.

An open formal PPSDP revision will be initiated.

Enforcement should currently be considered if necessary and appropriate.

**THE POINT: EXTREMELY CLOSE OVERSIGHT OF SAFEGUARDS AND FORCE-ON-FORCE (OSRE) INSPECTIONS IS REQUIRED. WHILE CERTAIN ANECDOTAL INCONSISTENCIES HAVE BEEN RAISED, IT IS IMPERATIVE THAT WE MAINTAIN CLOSE COMMS AND TIES IN THE APPROACH TAKEN IN THESE INSPECTIONS, THE TARGET SETS, THE ADVERSARY CHARACTERISTICS, THE FINDINGS AND DOCUMENTATION. PLEASE FOLLOW 81110 AS WELL AS THE ADDITIONAL GUIDANCE. PLEASE REVIEW THE INSPECTION PLAN AND ITS FINDINGS CLOSELY. PLEASE CHECK WITH THE PROGRAM OFFICE FOR GUIDANCE IN ANY CIRCUMSTANCE REQUIRING ANY CLARIFICATION.**

Dick will be discussing the issues in detail with the safeguards staff and the regional personnel during his conversations. Thanks, Glenn

**CC:** Bruce Boger, Frank Gillespie, Jon Johnson, Rich...

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