MANUAL CHAPTER 0102

OVERSIGHT AND OBJECTIVITY OF INSPECTORS AND EXAMINERS AT REACTOR FACILITIES

0102-01 PURPOSE

Periodic industry feedback and internal reviews have identified the need for continued management involvement and oversight of NRC activities conducted at reactor facilities. This chapter describes the policy for management involvement and oversight of inspections, operator licensing examinations, audits, and other on-site inspection related activities at reactor facilities. This policy is intended to ensure the effective direction of activities, communication, and inspector objectivity at reactor facilities. Objectivity is the extent to which the inspector or examiner implements the NRC's programs, interfaces with the public and conducts both personal and work relationships in an unbiased manner, free from both partiality and antagonism toward a licensee or vendor, or the employees of a licensee or vendor, as evidenced by patterns of the inspector's or examiner's actions.

0102-02 POLICY

02.01 General

a. Every level of management must clearly communicate to its subordinates the Agency's expectations regarding the duties of inspectors and examiners and the principles to be applied in the performance of those duties.

b. Only trained and qualified individuals having the knowledge and aptitude to perform on-site activities in a manner consistent with Agency expectations should be assigned to perform independent on-site activities.

c. When on-site activities are initiated, line managers must oversee those activities to ensure that the Agency's expectations and principles regarding inspectors and examiners are satisfied.

d. There are no restrictions on the number of site assignments or total time in position for resident inspectors provided that the performance of the resident inspector remains acceptable as defined by Management Directive 10.67, "Non-SES Performance Appraisal System." Hence, resident inspectors and their managers should maintain the flexibility to make job assignments and career decisions in the best interest of both the NRC and the individual.

e. All resident inspectors have a 7-year maximum length of tour. This policy does not preclude resident inspectors from relocating for promotions, voluntary reassignments, or management-directed reassignments.

f. Throughout this manual chapter the term employee applies to all NRC technical staff who perform independent inspections or examinations at power reactor facilities. The term inspections applies to inspections, examinations, audits, and reviews conducted by NRC technical staff at power reactor facilities.

02.02 Observations. To assess the adequacy of program guidance (e.g., inspection procedures, tools, and resources) and verify the adequacy of employee performance, line managers must directly observe on-site activities. Those on-site observations should assess the adequacy of program guidance and the following individual performance attributes:

a. Safety perspective and the application of safety principles during on-site activities.

b. The adequacy of technical training and preparation for the on-site activity.

c. Knowledge of applicable regulatory requirements, procedures and guidelines (e.g., 10 CFR, NRC Inspection Manual, inspection procedures, updated final safety analysis reports (UFSAR), Operator Licensing Examination Standards, NUREGs, regulatory guides, and industry codes and standards).

d. Adherence to agency-wide regulatory positions and policies (e.g., backfit) and avoidance of personal interpretations and opinions.

e. Employee objectivity considering the employee's experience, technical expertise, site familiarity, industriousness, overall effectiveness, external and internal pressures, and differences of opinion based on valid technical merit.

f. Employee demeanor, professionalism, and interpersonal skills (e.g., ability to communicate accurately and effectively with licensees).

g. Effective on-site activity techniques, including in part, evidence of good preparation, a performance-based focus, selection of risk-informed samples, emphasis on direct observation of activities, use of in-depth probing where appropriate, and sufficient emphasis on independently verifying licensee provided information.

02.03 Other Oversight. Direct observation alone is not sufficient. Line managers must take an active role in the on-site activities that they oversee. They must engage their employees in open, two-way communication regarding their inspection or examination findings so that both parties fully understand the issues and the appropriate regulatory approach to those issues. By sharing their perceptions, opinions, and philosophies, employees will gain a better understanding of what their supervisors expect of them and supervisors will gain valuable insights to the capabilities and shortcomings of their employees and the inspection program. Similarly, reviews of inspection reports, peer reviews, involvement in enforcement actions, senior management debriefings, management self-assessments, involvement in developing mid-cycle and end-of-cycle assessment reports, and feedback from licensees can provide additional insights to the conduct, objectivity, and performance of employees and managers as well.

0102-03 DISCUSSION OF POLICY

Line management is responsible for overseeing employees that conduct on-site activities at reactor facilities by clearly establishing and communicating performance expectations, providing staff development opportunities, evaluating feedback from reactor licensees, and ensuring that on-site activities are performed as intended. Employees should be

considered for recognition when management finds them exhibiting outstanding performance, superior technical expertise, continuing sound judgment and professional behavior. Management is expected not only to hold the staff accountable for its actions when instances of performance or conduct inconsistent with Agency positions or supervisory expectations are detected, or an employee's objectivity is questioned, but also to address any staff developmental needs to prevent recurrence of the inappropriate action. Circumstances may arise which require greater management involvement above the levels described in these guidelines.

0102-04 OVERSIGHT AND OBJECTIVITY REQUIREMENTS AND GUIDANCE

04.01 General. The requirements and guidance provided in section 0102-04 are to be used by NRC managers to verify employee performance and objectivity by direct observation of on-site activities at power reactor facilities and through other available indirect methods as needed. On-site activities include individual or team inspections, examinations, audits, visits, and reviews. NRC employees should use the applicable guidance and requirements of this section in the performance of their on-site activities.

04.02 Individual Inspectors, Team Leaders, and Examiners

a. Inspectors, team leaders, chief examiners, and other staff who lead NRC on-site activities should develop an appropriate plan, brief and receive approval from the line supervisor responsible for the activity on their planned activities, and should provide a copy of the inspection, examination, or audit plan to the responsible regional office Division of Reactor Projects (DRP) supervisor before the on-site activities begin.

b. All NRC staff who lead NRC on-site activities will conduct an entrance meeting with the principal facility personnel before beginning on-site activities. The senior resident inspector (SRI), or the resident inspector in the SRI's absence, should be invited to all entrance briefings.

c. All NRC staff who lead NRC on-site activities should brief the immediate line supervisors responsible for the activity and the SRI regarding their findings before any exit meeting with the facility licensee takes place.

d. Inspectors, team leaders, chief examiners, and other staff who lead or participate in NRC on-site activities shall maintain a professional, objective relationship with licensee management and staff.

04.03 Senior Resident Inspectors (SRIs)

a. SRIs should routinely brief their immediate supervisor on resident inspection issues and findings and should keep their supervisor informed of scheduled exit meetings.

b. SRIs should keep abreast of all NRC on-site activities at the facility to which they are assigned.

c. SRIs should attend entrance and exit meetings. If the SRI is unavailable, other resident inspectors should attend in their place. For economy of time, meetings for multiple on-site activities should be combined whenever possible.

d. To enhance objectivity, SRIs and resident inspectors shall spend a minimum of one week each year inspecting at another site. This inspection may be

accomplished by participating in a team inspection at another site, or by visiting their backup site for familiarization.

04.04 Line Managers

a. Line managers should keep abreast of on-site activities conducted by employees over whom they have supervisory authority.

1. Line managers should discuss on-site activity plans with their employees before on-site activities begin to ensure the employee's activities are properly scheduled, coordinated and focused.

2. Regional DRP line managers should talk with their resident inspectors at each of their sites several times a week.

3. Line managers responsible for an on-site activity should discuss the findings and concerns with the employees assigned to the activity before the facility exit meeting is held. Discussions should focus on potential safety and regulatory approaches to issues to ensure mixed messages are not sent to the licensee.

4. Line managers will oversee significance determinations of inspection findings and any enforcement decisions involving facilities or activities for which they are responsible.

5. Line managers should attend the exit meeting for their subordinate resident and specialist inspectors if significant inspection or examination findings (e.g., potentially greater than green significance, possible escalated enforcement or unsatisfactory requalification examination) will be discussed. A cognizant line manager shall attend team inspection exit meetings as directed by their division directors and should supplement the discussion at the meeting, as necessary.

6. Line managers responsible for an on-site activity should promptly and thoroughly debrief the assigned employees after the employees leave the site. Line managers must promptly intervene and communicate any changes in findings or conclusions to DRP management, and shall promptly contact the licensee to discuss the changes if necessary.

7. DRP line managers shall ensure the resident inspectors conduct inspections to maintain access to and familiarity with their backup sites or, if not assigned a backup site, are annually assigned to an inspection at another site. These efforts should be coordinated to ensure adequate site coverage is maintained at all reactor sites.

b. Line managers should ensure that their division director and the regional DRP division director are promptly informed of significant safety and regulatory issues identified by employees whom they supervise.

c. Line managers shall accompany each of their employees during an on-site activity (including an entrance or exit meeting) at least once a year. During their site visits, line managers may accompany any or all of their employees who are on site at the time of their visit. In addition, DRP line managers should visit one of the sites they are responsible for each month. DRP line managers shall maintain unescorted access authorization at each of their sites.

Regional operator licensing managers should alternate their field observations between examination and inspection activities for their employees who are certified in both areas. When observing an examination, the manager should accompany the examiner during a complete operating test. Part-time (i.e., reserve) examiners are also subject to periodic observation and evaluation while administering operating tests. These observations shall:

1. be performed at least every 24 months by the regional operating licensing branch chief or a certified chief examiner, and

2. cover at least half of a walk-through (i.e., 5 system job performance measures and 2 administrative topics) and at least one simulator scenario.

These observations are in addition to and do not replace the annual accompaniments required by the part-time examiner's supervisor.

d. Line managers should continuously assess the performance of their assigned employees using a combination of direct observation of the employees' activities during site visits and the review of their performance as portrayed in inspection or examination reports, telephone conversations, and other indirect methods. A line manager's site visit should be of sufficient duration to supplement the indirect methods of assessing the performance of their subordinate employees. Line managers should focus on the following applicable areas related to assessing their subordinate employees:

1. Does the employee independently verify information from the licensee when appropriate?

2. Does the employee adhere to NRC regulatory positions and policies when discussing issues with licensee or NRC management, avoiding personal interpretations and opinions?

3. Does the employee maintain a professional relationship with the licensee using good interpersonal relationship skills?

4. Has the employee provided an accurate and balanced account of licensee performance and plant conditions in communications with NRC regional management via inspection reports, telephone calls, or other means?

5. How do licensee staff and managers respond to the employee's questions or concerns?

6. Is the employee focused on safety significant concerns, applying significance determination and enforcement guidance appropriately?

7. Does the employee develop issues without biased interpretation of facts?

8. Are findings adequately supported by the facts?

9. Does the employee conduct exit interviews in accordance with NRC policies and practices?

e. Line managers should tour the facility during their site visits. Facility tours should include those areas the employees would normally tour on a routine basis. DRP line manager tours should include an overview of control room activities and inspector interactions with control room staff. The tour should be used to provide

the line manager with insights regarding how well the licensee performs and how well the employee has characterized the licensee performance in communication with NRC regional management.

f. During site visits, line managers should make every effort to have discussions with maintenance, operations, radiological controls, engineering and technical support, quality control, and senior site managers as applicable. These discussions should include quality of licensee interactions with NRC employees or team inspections. Have there been significant conflicts or concerns with findings or the manner in which findings were communicated to the licensee?

g. Line managers should meet individually with their employees to discuss on-site activity-related performance and objectivity issues observed during each site visit.

h. Line managers shall annually document the objectivity of their assigned employees. The documentation should address each item of 02.02 a through g that is applicable to the employee and activity reviewed. When patterns tend to indicate a loss of objectivity, corrective measures should be immediately implemented by regional management.

04.05 Division Directors

a. Division directors should meet with their subordinate line managers on a regular basis (e.g., weekly) to discuss on-site activities, including significant findings, trends, and potentially generic issues. Their level of involvement should be proportional to the significance of the findings. They shall ensure that a cognizant NRC manager is present at those on-site activity exit meetings where findings have resulted in an apparent significant finding.

b. Division directors or their deputies should average one site visit a month to monitor on-site activities for which they are responsible. The DRP division director or deputy should make every effort to visit each site at least once every two years. During site visits, division directors and their deputies should overtly solicit feedback from their licensee counterparts regarding implementation of the NRC regulatory programs at their facility. Division directors must evaluate the validity of the licensee's adverse comments and initiate appropriate action to correct the problem. See section 0102-05, below.

c. Division directors shall ensure that the regional administrator is informed of all significant issues, including those related to NRC employee performance, identified by or resulting from NRC on-site activities.

d. Division directors and their deputies should periodically assess their activities to confirm that oversight activities are being performed.

04.06 Regional Administrators

a. Regional administrators, or their deputies, are responsible to ensure sufficient routine management communication with each employee to maintain oversight and monitor objectivity of the employees when they are on site.

b. Regional administrators or their deputies are responsible for monitoring regional management activities and visiting sites to ensure that all sites receive adequate attention and that all on-site activities receive adequate oversight.

c. The regional administrators shall ensure that the appropriate NRR manager is informed of all significant issues.

d. Regional administrators or their deputies should average one power reactor site visit a month. During their site visits, regional administrators should overtly solicit feedback from their licensee counterparts regarding implementation of the NRC regulatory program at their facility. Regional administrators must ensure that adverse comments are validated and appropriate corrective actions are initiated. See section 0102-05, below.

0102-05 REGULATORY IMPACT FEEDBACK

NRR regularly reports to the Commission the results of feedback from licensees on the impact of our activities.[1] An important part of the report is an analysis of the feedback solicited by regional mangers during periodic visits (sections 04.05.b and 04.06.b, above). The feedback obtained from licensees by regional managers must be forwarded to the NRR Division of Inspection Program Management (DIPM), Inspection Program Branch (IIPB). The feedback should be reported to IIPB on NRC Form 649, "Regulatory Impact Report," which is available through the agency's Informs Electronic Forms List.

END

[1] SRM, "SECY-91-172—Regulatory Impact Survey Report—Final," dated December 20, 1991, required the staff to implement a process to gather feedback from licensees and to annually report the results of the process to the Commission.