

December 9, 2002

MEMORANDUM TO: David L. Gamberoni, Acting Chief
Performance Assessment Section
Inspection Program Branch
Division of Inspection Program Management
Office of Nuclear Reactor Regulation

FROM: Jeffrey B. Jacobson, Program Manager */RA/*
Performance Assessment Section
Inspection Program Branch
Division of Inspection Program Management
Office of Nuclear Reactor Regulation

SUBJECT: SUMMARY OF PUBLIC MEETING HELD NOVEMBER 14, 2002, ON
ALLOWING CREDIT FOR LICENSEE SELF-ASSESSMENTS

On November 14, 2002, a public meeting was held at One White Flint North, Room 7B4 to discuss an industry proposal to allow credit (reduced Nuclear Regulatory Commission (NRC) inspection) for licensee self-assessments. Attachment 1 lists the attendees and Attachment 2 contains the agenda for the public meeting.

Background

Currently, the NRC's Reactor Oversight Process (ROP) requires that a minimum "baseline" level of inspection be completed at each operating reactor site. This level of NRC inspection is essentially fixed¹ and is independent of any licensee or industry assessments that might also be conducted in the same subject areas. Prior to the adoption of the ROP, the NRC allowed licensee's to take credit for certain specific self-assessments, in lieu of NRC inspection. NRC's experience with this was mixed, likely due to the variability in the approaches used by each licensee to conduct their self-assessments.

Over the last two years, the nuclear industry, as represented by the Nuclear Energy Institute (NEI) has proposed again allowing credit to be given for licensee self-assessments. Examples of inspections for which the industry proposed credit be given were those in the engineering design, fire protection, plant support, and problem identification and resolution areas. The Inspection Program Branch (IIPB) of the office of Nuclear Reactor Regulation (NRR) has broached the subject of licensee self-assessments with NEI periodically at regularly scheduled NEI/NRC public meetings. NEI has also submitted to IIPB proprietary copies of a Combustion Engineering Owners Group Generic Assessment Plan for conducting

¹While all baseline inspection procedures are required to be implemented at each operating reactor site, the actual inspection hours that it takes to accomplish the inspection can vary. One factor that can influence the inspection hours is the degree of licensee preparation for the inspection, including any self-assessments that may have been performed.

Safety System Functional self-assessments, as well as a copy of the resulting self-assessment that was conducted at the Palo Verde Nuclear Generating Station in June of 2002. Non-proprietary versions of the documents are due to be submitted prior to the end of the current calendar year.

Prior to the November 14, 2002, public meeting, IIPB developed an outline of a high level self-assessment plan that detailed key issues that would need to be addressed in moving forward with this effort. This self assessment plan was discussed with the regions and changes were made based upon regional comment.

Meeting Discussion Items

The following items were discussed at the November 14, 2002, public meeting:

- The need for NEI/Industry to develop an assessment guidance document and create a process for managing the self-assessments.
- The need for the self-assessments to be staffed with a significant percentage of individuals from outside the licensee's organization.
- The need for the NRC to develop a document that will contain guidance regarding NRC oversight of the licensee's self-assessment. Included in this document will be eligibility requirements, request process, oversight inspection guidance, and treatment of self-assessment findings.
- The recommendation to limit any initial self-assessment pilots to the Safety System Design Inspection that is currently conducted biennially as part of the baseline inspection program.
- The need for NRC oversight during the self-assessment.
- The need to conduct a pilot program with success criteria for evaluating the feasibility of adapting the self-assessment approach.
- The need for enhanced NRC oversight during the pilot self-assessments with assessment plan review, continuous oversight by at least one inspector during the assessment, and attendance by regional management and/or IIPB representative at assessment exit.
- The need to have the self-assessment reports publically available and the need for pilot self-assessment exits to be open to the public.

Among the meeting participants, there was general agreement with most of the topics. Two areas that will require additional work are stipulations regarding the self-assessment team make-up and the need to have the self-assessment reports publicly available. Some of the industry attendees expressed concern regarding the need to staff the self-assessments with off-site personnel. Also, there was concern expressed that the self-assessments could contain

non-safety related business issues that licensees might not want to make publically available. NEI agreed that they would take the lead and develop an industry self assessment guideline that would be submitted for NRC review, prior to a future meeting, in the January/February 2003 time-frame.

Attachments:

1. Meeting Attendees
2. Development of Industry Sponsored Self-assessment Guidance - Agenda

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OFFICE	DIPM/IIPB
NAME	JJacobson:kig
DATE	12/09/02

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Meeting Attendees

<u>Name</u>	<u>Organization</u>
Petteri Tiipana	NRC/NRR
Jeffrey Jacobson	NRC/NRR
Cindy Pederson	NRC/Region III
Wayne Lanning	NRC/Region I
Tom Houghton	NEI
Dale Ambler	Exelon
Ken Hefner	Progress Energy
Mike Winsor	APS
Brian O'Donnell	INPO
Guido Forte	Westinghouse
David Gamberoni	NRC/NRR
Spyros Traiforos	SAT Consultants, INC.
Robin Ritzman	PSEG
Jenny Weil	McGraw-Hill
Nathan Haskell	NMC
Rick Plasse	Entergy
Jack Stringfellow	Southern Nuclear
Jeff Defebo	PSEG Nuclear
Deborah Towler	STP Operating Company & STARS
T. R. Coill	Duke Power
Ralph Phelps	OPPD and USA plants
Deann Raleigh	LIS, Scientech
Frank Ferraraccio	Westinghouse
Cindi Carpenter	NRC/NRR

**DEVELOPMENT OF INDUSTRY SPONSORED SELF-
ASSESSMENT GUIDANCE**

AGENDA

OWFN 07B4

November 4, 2002

01:00 p.m. Introduction and Overview of Current Status of Industry Initiative

01:30 p.m. Discussion of Current Industry Guidance and Recent Results

2:30 p.m. NRC/Industry/Public Discussion on Key Issues

4:00 p.m. Discussion of Going Forward Approach With Milestones

5:00 p.m. Adjourn