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# RUG IV

REGION IV UTILITY GROUP

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Ref: ROP 69 FR 63411

December 14, 2004

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(15)

U.S. Nuclear Regulatory Commission
Attention: Mr. Michael T. Lesar
Chief, Rules and Directives Branch, Office of Administration
Mail Stop T-6D59
Washington, D.C. 20555-0001

SUBJECT: Solicitation of Public Comments on the Implementation of the Reactor Oversight Process

REFERENCE: *Federal Register* Vol. 69 No. 210, Pages 63411 – 63413, Dated November 1, 2004

Dear Mr. Lesar:

The Region IV Utility Group (RUG IV) is pleased to submit our comments regarding the implementation of the Reactor Oversight Process (ROP). The RUG IV Licensing Managers collectively developed the response to this federal register request.

In general, we believe the ROP is meeting the established performance goals. We appreciate the opportunity to meet on a monthly basis with the NRC and the public to provide direct input to revisions and enhancements of the ROP and look forward to ongoing discussions in the coming year. Our more detailed comments to the Federal Register request are contained in the Attachment 2 to this letter.

The Utilities participating in this comment letter are listed in Attachment 1. If there are any questions regarding these comments, please contact me at 361-972-7274 or wemookhoek@stpegs.com.

Sincerely

W. E. Mookhoek
Chairman, RUG IV

Attachment 1 – List of Participating Utilities
Attachment 2 – RUG IV Comments on the Fifth Year of Implementation of the Reactor Oversight Process

Cc: Dr. Bruce Mallott, NRC Region IV Regional Administrator

E-RIDS=ADM-03
Add=S. Sanders (SXS5)
S.M. Anderson (SMA1)

STSP Review Complete
Template=ADM-013

# Attachment 1

## List of Participating Utilities

Ameren UE – Callaway Plant
Energy Northwest – Columbia Generating Station
Entergy Operations, Inc. – ANO
Entergy Operations, Inc. – Grand Gulf
Entergy Operations, Inc. – River Bend
Entergy Operations, Inc. – Waterford 3
Nebraska Public Power District – Cooper Nuclear Station
Omaha Public Power District – Ft. Calhoun Station
Pacific Gas & Electric – Diablo Canyon
STP Nuclear Operating Co. – South Texas Project
TXU Electric – Comanche Peak SES
Wolf Creek Nuclear Operating Company – Wolf Creek Generating Station

# Attachment 2

# RUG IV Comments on the Fifth Year of Implementation of the Reactor Oversight Process

RUG IV

# Questions Related to Specific ROP Program Areas

**(1) Does the Performance Indicator Program promote plant safety?**

| | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| Initial ROP Implementation | ☐ | ☑ | ☐ | ☐ | ☐ |
| Current ROP ..... | ☐ | ☑ | ☐ | ☐ | ☐ |

*Comments:*

In most cases, but not all, the data elements that make up the Performance Indicators (PI) reflect that appropriate actions are being taken in support of safe plant operation. The Emergency Preparedness indicators are a good example of this. Industry performance has improved over the period that the performance indicators have been used. The Mitigating Systems Cornerstone System Unavailability PIs have potential to cause Licensees to take actions that can adversely impact plant safety. The System Unavailability PIs are not risk informed and are not consistent with Maintenance Rule Program goals in most cases. Planned maintenance schedules are managed in order to maintain plant performance in the "GREEN band". A significant effort has been made by the industry and the NRC to aggressively address the problems associated with the System Unavailability PIs by better risk-informing them. The Mitigating Systems Performance Index (MSPI) has been piloted and accepted as a replacement for the System Unavailability PIs. We continue to support the implementation of the MSPI and are supportive of the scheduled implementation in January of 2006.

**(2) Does appropriate overlap exist between the Performance Indicator Program and the Inspection Program?**

| | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| Initial ROP Implementation | ☐ | ☑ | ☐ | ☐ | ☐ |
| Current ROP ..... | ☐ | ☑ | ☐ | ☐ | ☐ |

*Comments:*

In most cases appropriate overlap exists between the Performance Indicator Program and the Inspection Program. There are, however, a few exceptions to this. For example, NRC performs an SDP for each occurrence of single equipment failure, even though the safety system unavailability PI covers the equipment. Another example of excessive overlap is the Scrams with Loss of Normal Heat Removal. NRC performs a risk assessment of every scram to determine the need for additional inspection; therefore, there is no need to have a redundant PI.

**(3) Is the reporting of PI data efficient?**

| | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| Initial ROP Implementation | ☐ | ☐ | ☐ | ☑ | ☐ |
| Current ROP ..... | ☐ | ☐ | ☑ | ☐ | ☐ |

*Comments:*

Yes, reporting conflicts continue to exist between the ROP, INPO, WANO, and the Maintenance Rule. Maintenance Rule monitors performance with one set of goals while ROP monitors system performance using another set of goals. In most cases, the guidance for the ROP, INPO, WANO, and the Maintenance Rule differ slightly. However, of equal concern is the continuing amount of duplicated effort by the plant support staff to develop and maintain, "customized" indicators. We recognize that INPO is working with the industry and the NRC to reduce the conflicts and duplication of effort that currently exists. Implementation of MSPI will solve some of these conflicts. We encourage continued industry and NRC support of INPO's work with the Consolidated Data Entry program.

**(4) Does NEI 99–02, "Regulatory Assessment Performance Indicator Guideline" provide clear guidance regarding Performance Indicators?**

| | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| Initial ROP Implementation | ☐ | ☑ | ☐ | ☐ | ☐ |
| Current ROP ..... | ☐ | ☑ | ☐ | ☐ | ☐ |

*Comments:*

NEI 99-02 provides adequate guidance regarding Performance Indicators. The current revision of NEI 99-02 does contain some confusing verbiage. For example, the clarifying notes in the Scrams with Loss of Normal Heat Removal PI include several special considerations, which have complicated the PI. Considerable efforts by the NRC and Industry to resolve issues with this indicator have failed; we support the recommendation by NEI to eliminate or modify this Performance Indicator.

**(5) Is the information in the inspection reports useful to you?**

| | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| Initial ROP Implementation | ☐ | ☐ | ☑ | ☐ | ☐ |
| Current ROP ..... | ☐ | ☐ | ☑ | ☐ | ☐ |

*Comments:*

The organization of the inspection reports with the ties to cornerstones help in providing better definition and focus in problem areas. The listing in the reports of inspection scope is duplicative of the Inspection Procedures and should be eliminated.

**(6) Does the Significance Determination Process yield equivalent results for issues of similar significance in all ROP cornerstones?**

| | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| Initial ROP Implementation | ☐ | ☐ | ☐ | ☑ | ☐ |
| Current ROP ..... | ☐ | ☐ | ☐ | ☑ | ☐ |

*Comments:*

No, the Significance Determination Process (SDP) does not apply the same risk significance to issues across the seven cornerstones. Some SDPs are still deterministic in nature and do not characterize the appropriate risk insights – especially in the areas of security and emergency preparedness and to a lesser degree, public radiation protection. Deterministic thresholds have the effect of aggregating lesser items of minor risk significance to create findings with a final significance out of proportion to the risk presented by any credible situation. We recognize that both the industry and the NRC have worked over the past year to better risk-inform the Emergency Preparedness and the Public Radiation Safety SDPs.

**(7) Does the NRC take appropriate actions to address performance issues for those licensees outside of the Licensee Response Column of the Action Matrix?**

| | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| Initial ROP Implementation | ☐ | ☐ | ☑ | ☐ | ☐ |
| Current ROP ..... | ☐ | ☐ | ☐ | ☑ | ☐ |

*Comments:*

The NRC follows the Action Matrix and takes prescribed actions to address performance issues. The NRC actions in the Regulatory Response Column are appropriate, however the NRC engages at too low a level for column 3. Two low level White inputs to the Action Matrix currently create an unnecessary regulatory response based on the risk significance. A change to the Action Matrix should be considered such that three white findings are required to transition to the Degraded Cornerstone column. The additional effort required to prepare for and implement a 95002 inspection is rarely warranted for two low safety significance issues. A threshold of three white findings to change from the Regulatory Response column to the Degraded Cornerstone column in the Action Matrix would be a better use of available resources.
We continue to believe an improvement that should be considered is limiting the length of time a finding is reflected against licensee performance. A graduated approach should be considered correlating the length of time a finding remains visible (or effective in the action matrix) to the severity of the finding (e.g., a green finding stays for one quarter, a white finding stays for 2 quarters, etc.) Rather than retaining all findings for four quarters, this approach results in retaining the finding for a period of time commensurate with its significance. Of course, those findings should continue to be retained until the NRC is satisfied that the issue has been satisfactorily resolved.

**(8) Is the information contained in assessment reports relevant, useful, and written in plain English?**

| | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| Initial ROP Implementation | ☐ | ☑ | ☐ | ☐ | ☐ |
| Current ROP ..... | ☐ | ☑ | ☐ | ☐ | ☐ |

*Comments:*

Yes, the information contained in the assessment reports is relevant, useful, and written in plain English. There are, however, continued questions about the basis and closure process for Substantive Crosscutting Issues identified in the assessment letters.

Questions related to the efficacy of the overall Reactor Oversight Process (ROP) (As appropriate, please provide specific examples and suggestions for improvement.)

**(9) Are the ROP oversight activities predictable (*i.e.*, controlled by the process) and reasonably objective (*i.e.*, based on supported facts, rather than relying on subjective judgment)?**

| | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| Initial ROP Implementation | ☐ | ☑ | ☐ | ☐ | ☐ |
| Current ROP ..... | ☐ | ☐ | ☑ | ☐ | ☐ |

*Comments:*

For the majority of the normal baseline inspections, the ROP oversight activities are predictable and objective as reported in the end product (i.e. the inspection report). During the course of the actual inspection activities this is not always the case. Most inspectors follow the guidance but a few still appear to use aggregation and "reverse SDP" techniques. (Reverse SDP means predetermining significance of an issue based on subjective judgment then developing the supporting arguments.) The subjective nature of some of the SDP screening questions reduces the predictability of the ROP oversight activities.
There are not clear criteria for the documentation of crosscutting aspects. What guidance does exits is not definitive or consistently applied, and relies on individual subjectivity. There are also continued questions about the basis and closure process for Substantive Crosscutting Issues identified in the assessment letters. There do not seem to be established criteria for identification and resolution of these Substantive Crosscutting Issues and the process appears to be very subjective.

**(10) Is the ROP risk-informed, in that the NRC's actions are graduated on the basis of increased significance?**

| | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| Initial ROP Implementation | ☑ | ☐ | ☐ | ☐ | ☐ |
| Current ROP ..... | ☐ | ☑ | ☐ | ☐ | ☐ |

*Comments:*

The majority of the ROP is risk-informed due to actions taken over the past three years of implementation to further risk-inform the process. Actions that result from findings that are classified using the Reactor Safety SDP, IMC 0609 App A, are the most risk-informed and are the ones most graduated on the basis of an actual increased significance. Actions resulting from findings that are classified based on SDPs that are still deterministic in nature are not as likely to be graduated consistent with actual significance. For example, the number of occurrences does not equate readily to the "significance" of an issue. It would seem that the "significance" of each occurrence would have to be the overriding consideration, rather than the aggregation of a few "minor" items or the sheer number of insignificant occurrences. We believe that a degraded cornerstone should result from three, rather than two, white inputs (inspection findings and PIs), and the period of time findings remain in the action matrix should be graduated based on safety significance.

**(11) Is the ROP understandable and are the processes, procedures and products clear and written in plain English?**

| | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| Initial ROP Implementation | ☐ | ☑ | ☐ | ☐ | ☐ |
| Current ROP ..... | ☐ | ☐ | ☑ | ☐ | ☐ |

*Comments:*

In general the ROP is understandable and the processes, procedures, and products are clear and written in plain English. There is no guidance or established process for the closing of a Substantive Crosscutting Issue. Additionally, some of the newer SDPs do require a technical background to understand. The Fire Protection, Shutdown, and Steam Generator SDPs have been particularly difficult to follow.

**(12) Does the ROP provide adequate regulatory assurance when combined with other NRC regulatory processes that plants are being operated and maintained safely?**

| | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| Initial ROP Implementation | ☑ | ☐ | ☐ | ☐ | ☐ |
| Current ROP ..... | ☑ | ☐ | ☐ | ☐ | ☐ |

*Comments:*

Yes, the ROP provides adequate assurance that plants are being operated and maintained safely as indicated by the continuously improving industry trends.

**(13) Does the ROP improve the efficiency, effectiveness, and realism of the regulatory process?**

| | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| Initial ROP Implementation | ☑ | ☐ | ☐ | ☐ | ☐ |
| Current ROP ..... | ☐ | ☑ | ☐ | ☐ | ☐ |

*Comments:*

Yes, in comparison to the SALP process the ROP improves the efficiency, effectiveness, and realism of the regulatory process. However, in some cases the efficiency and effectiveness are decreasing in the existing ROP process. The scope and resources needed for the baseline Radiation Protection Cornerstone inspections seem excessive relative to overall industry performance. The NRC should consider reevaluating the frequency of these inspections. Many new and specialized SDPs are being added to the program without a complete evaluation of the adequacy of the existing SDPs. The development of many SDPs are complicating the ROP process and causing significant training issues for the NRC inspection staff as well as licensees. The NRC has provided routine opportunities for the industry and the public to participate in monthly task force meetings designed to improve the ROP. The NRC has been receptive to industry and public comments made during these meetings.

**(14) Does the ROP ensure openness in the regulatory process?**

| | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| Initial ROP Implementation | ☑ | ☐ | ☐ | ☐ | ☐ |
| Current ROP ..... | ☑ | ☐ | ☐ | ☐ | ☐ |

*Comments:*

Yes. The ROP provides an objective, repeatable process for assessing plant performance. PIs and inspection results are readily available for public review and scrutiny. The public has participated in the development and revisions to the process.

**(15) Has the public been afforded adequate opportunity to participate in the ROP and to provide inputs and comments?**

| | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| Initial ROP Implementation | ☑ | ☐ | ☐ | ☐ | ☐ |
| Current ROP ..... | ☑ | ☐ | ☐ | ☐ | ☐ |

*Comments:*

Yes, the public is afforded adequate opportunity to participate and provide inputs and comments. Public representatives attend the monthly ROP Task Force meeting.

**(16) Has the NRC been responsive to public inputs and comments on the ROP?**

| | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| Initial ROP Implementation | ☑ | ☐ | ☐ | ☐ | ☐ |
| Current ROP ..... | ☑ | ☐ | ☐ | ☐ | ☐ |

*Comments:*

Yes, the NRC makes special efforts to recognize the public representatives at public ROP meetings and allows the public to have an opportunity to voice their opinion on the issues discussed. Public comments are received, evaluated, and dispositioned in a professional manner.

**(17) Has the NRC implemented the ROP as defined by program documents?**

| | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| Initial ROP Implementation | ☐ | ☑ | ☐ | ☐ | ☐ |
| Current ROP ..... | ☑ | ☐ | ☐ | ☐ | ☐ |

*Comments:*

Yes, where adequate guidance exists. The NRC as a whole has implemented the ROP as defined by the program documents. More program definition is needed in the area of cross cutting issues and how to document and close these issues.

**(18) Does the ROP reduce unnecessary regulatory burden on licensees?**

| | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| Initial ROP Implementation | ☑ | ☐ | ☐ | ☐ | ☐ |
| Current ROP ..... | ☐ | ☑ | ☐ | ☐ | ☐ |

*Comments:*

Yes, the ROP has reduced unnecessary regulatory burden on licensees. While we have not seen a marked reduction in baseline inspection hours, we have realized reduced burden in the area of resolving minor violations. We appreciate the opportunity to use our Corrective Action Program to resolve the problems that used to be characterized as level IV violations, which required formal written responses.

**(19) Does the ROP minimize unintended consequences?**

| | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| Initial ROP Implementation | ☐ | ☑ | ☐ | ☐ | ☐ |
| Current ROP ..... | ☐ | ☑ | ☐ | ☐ | ☐ |

*Comments:*

Some Performance Indicators could cause unintended consequences as discussed earlier in question # 1 above. In addition, the trend towards lower regulatory threshold in documentation of very low safety significance issues based on items identified by licensee employees could have a chilling effect on the willingness of employees to bring forth minor issues for trending.

**(20) Please provide any additional information or comments related to the Reactor Oversight Process.**

- There seems to be a rush to develop specific SDPs that are not very risk informed. This complicates the ROP and should be minimized. A better change management process to determine the regulatory benefit, cost effectiveness and test for consistent valid output of proposed SDPs should be implemented.
- The changes in the security oversight programs are being developed and implemented in a near vacuum. The input from stakeholders is not being widely sought. When stakeholders provide comments or proposals they are not received well.