D. Hooper, Acting Chairman
STARS Integrated Regulatory Affairs Group
P.O. Box 411, Burlington, Kansas 66839

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STARS-06021

December 12, 2006

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



**STRATEGIC TEAMING AND RESOURCE SHARING (STARS)**
**COMMENTS on the IMPLEMENTATION of the REACTOR OVERSIGHT PROCESS**
(71 FR 59539)

Dear Mr. Lesar,

Attached are comments from the Strategic Teaming and Resource Sharing (STARS)[1] nuclear power plants on the implementation of the Reactor Oversight Process (ROP). The STARS plants appreciate this opportunity to provide comments on the ROP. The STARS plants have been working with NEI and RUG IV in the development of industry comments. STARS endorses the comments submitted by NEI and RUG IV.

Since implementation in April 2000, the ROP has exhibited marked improvement over the former inspection and enforcement process. The continued improvement by way of the routine ROP public meetings and the periodic solicitation of public feedback has assisted the ROP in effectively meeting the intended objectives, i.e., to provide tools for inspecting and assessing licensee performance in a manner that was more risk-informed, objective, predictable, and understandable than the previous oversight processes and provides for regulatory actions that are open, effective, efficient, realistic, and timely.

[1] STARS is an alliance of six plants (eleven nuclear units) operated by TXU Power, AmerenUE, Wolf Creek Nuclear Operating Corporation, Pacific Gas and Electric Company, STP Nuclear Operating Company and Arizona Public Service Company.

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Reassessment of performance indicators and adopting more effective indicators (e.g., Mitigating Systems Performance Index and Unplanned Scrams with Complications) is applauded. STARS supports and looks forward to assisting in the continuing efforts to further develop and improve the ROP. Attached please find the STARS response to the "Solicitation of Public Comments on the Implementation of the Reactor Oversight Process" as published in the Federal Register on October 10, 2006.

The STARS plants appreciate the opportunity to comment on the implementation of the reactor oversight process. If there are any questions regarding these comments, please contact me at (364) 620-4041/ dihooper@wcnoc.com or M. A. Reidmeyer at (573) 676-4306/ mareidmeyer@cal.ameren.com.

Sincerely,

Diane M. Hooper

D. Hooper, Acting Chairman
Integrated Regulatory Affairs Group
STARS

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Attachment: 2006 Survey Form on Reactor Oversight Process

# 2006 Survey Form on Reactor Oversight Process

Contact Information:

| | |
|---|---|
| Participant Name: | Mark Reidmeyer |
| Company: | STARS Regulatory Affairs |
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Shade in the circle that most applies to your experiences:

If there are experiences that are rated as unsatisfactory, or if you have specific thoughts or concerns, please elaborate in the "Comments" section that follows the question and offer your opinion for possible improvements. If there are experiences or opinions that you would like to express that cannot be directly captured by the questions, document that in the last question of the survey.

**Questions related to specific Reactor Oversight (ROP) program areas**
(As appropriate, please provide specific examples and suggestions for improvement.)

(1) The Performance Indicator Program provides useful insights to help ensure plant safety.

| Strongly Agree | Agree | Neutral | Disagree | Strongly Disagree |
|---|---|---|---|---|
| ☐ | ☒ | ☐ | ☐ | ☐ |

Comments:

The performance indicators have developed into performance standards that the industry strives to meet. Since the performance indicators are based on NRC defined acceptable limits, they reinforce industry and licensee safety performance.

(2) Appropriate overlap exists between the Performance Indicator Program and the Inspection Program.

| Strongly Agree | Agree | Neutral | | Disagree | Strongly Disagree |
|---|---|---|---|---|---|
| ☒ | ☐ | ☐ | ☐ | ☐ | |

Comments:

Performance Indicators look at the areas where clear performance thresholds can be developed. This allows the inspection program to spend more time looking at those areas that require evaluation and investigation. The process is well integrated and, while overlap exists, the overlap seems appropriate.

(3) NEI 9902, "Regulatory Assessment Performance Indicator Guideline" provides clear guidance regarding Performance Indicators.

| Strongly Agree | Agree | Neutral | | Disagree | Strongly Disagree |
|---|---|---|---|---|---|
| ☐ | ☒ | ☐ | ☐ | ☐ | |

Comments:

While questions on the guidance do arise, the FAQ process is responsive to those questions. Periodic updates based on the FAQs are incorporated to enhance the guidance in an ongoing process.

(4) The Performance Indicator Program, including the Mitigating Systems Performance Index, can effectively identify performance outliers based on risk informed, objective, and predictable indicators.

| Strongly Agree | Agree | Neutral | | Disagree | Strongly Disagree |
|---|---|---|---|---|---|
| ☐ | ☒ | ☐ | ☐ | ☐ | |

Comments:

The MSPI is the first risk-based indicator and does identify conditions based on risk implications. Because the other indicators have limited risk insights, they may inaccurately identify risk significant conditions. The industry and NRC staff should continue to risk inform the remaining indicators.

(5) The Inspection Program adequately covers areas important to safety, and is effective in identifying and ensuring the prompt correction of any performance deficiencies.

| Strongly Agree | Agree | Neutral | | Disagree | Strongly Disagree |
|---|---|---|---|---|---|
| ☐ | ☐ | ☒ | ☐ | ☐ | |

Comments:

In particular, the resident inspectors ensure areas important to safety are appropriately addressed. The NRC should consider enhancing the use of generic communications for inspection trends. Examples include manual actions for response to fires, assessment of post-fire safe shut down equipment, and technical questions identified during inspections that involve development of new regulatory positions. Enhanced use of generic communications would also promote consistency between the NRC regions.

(6) The information contained in inspection reports is relevant, useful, and written in plain English.

| Strongly Agree | Agree | Neutral | Disagree | Strongly Disagree |
|---|---|---|---|---|
| ☒ | ☐ | ☐ | ☐ | ☐ |

Comments:

Generally, the reports are relevant, useful and well written. Preliminary experience with the NRC's Safety Culture initiative, indicates cross cutting aspects associated with inspection findings are appropriately documented.

(7) The Significance Determination Process yields an appropriate and consistent regulatory response across all ROP cornerstones.

| Strongly Agree | Agree | Neutral | Disagree | Strongly Disagree |
|---|---|---|---|---|
| ☐ | ☐ | ☐ | ☒ | ☐ |

Comments:

There are too many SDPs that are not based on risk or actual effect thresholds. The Radiation Protection, Security, and Emergency Preparedness SDPs are subjective and deterministic. They do not produce consistent results because of the dependence on the subjective views of the individuals applying the SDP guidance, especially in the case of the Security SDP. The industry and NRC staff should strive to improve these SDPs by including more risk-based elements, thus limiting the subjectivity and promoting more consistent significance determinations between cornerstone areas.

(8) The NRC takes appropriate actions to address performance issues for those plants outside of the Licensee Response Column of the Action Matrix.

| Strongly Agree | Agree | Neutral | | Disagree | Strongly Disagree |
|---|---|---|---|---|---|
| ☐ | ☒ | ☐ | ☐ | ☐ | |

Comments:

The NRC action in accordance with the Action Matrix is clear and consitent for single White findings, but is less clear for more complex issues.

(9) The information contained in assessment reports is relevant, useful, and written in plain English.

| Strongly Agree | Agree | Neutral | | Disagree | Strongly Disagree |
|---|---|---|---|---|---|
| ☐ | ☒ | ☐ | ☐ | ☐ | |

Comments:

The recent work by the NRC staff to clarify the exit process for a Substantive Cross Cutting Issue was very effective. The documented analysis of cross cutting aspect inputs to the assessment process could be improved. The current assessment guidance permits the cross cutting aspect to be changed if additional insights are available following publication of the associated inspection report. Given the regulatory principles that guided the development of the ROP (that overall assessments of licensee performance remain transparent, understandable, objective, predictable, risk-informed, and performance-based), any change in the assigned aspect should be readily available to the licensee as well as other stakeholders.

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

(10) The ROP oversight activities are predictable (i.e., controlled by the process) and reasonably objective (i.e., based on supported facts, rather than relying on subjective judgment).

| Strongly Agree | Agree | Neutral | Disagree | Strongly Disagree |
|---|---|---|---|---|
| ☐ | ☒ | ☐ | ☐ | ☐ |

Comments:

The most recent revision to the Performance Deficiency definition (IMC 0612, dated 11/02/2006) is an improvement. However, additional improvements could be realized (e.g., defining the scope of "self imposed"). We recommend this definition include a condition the self imposed standard must have been incorporated into plant procedures prior to being considered for a performance deficiency.

A number of findings default to "affects the cornerstone objective" as the reason for the issue being greater than minor. Additional examples in IMC 0612 Appendix E are needed to improve the objectivity in this area.

(11) The ROP is risk-informed, in that the NRC's actions and outcomes are appropriately graduated on the basis of increased significance.

| Strongly Agree | Agree | Neutral | Disagree | Strongly Disagree |
|---|---|---|---|---|
| ☐ | ☐ | ☐ | ☒ | ☐ |

Comments:

We agree that the Action Matrix is graduated based on increased significance.

While also true for findings in the Initiating Events, Mitigating Systems, and Barrier Integrity cornerstones, it is not true for findings in the other cornerstones since the outcomes are not risk informed. For example, findings in the Radiation Protection cornerstone that should be considered minor are often conservatively treated as Green due to the limited number of applicable examples of minor violations available in IMC 0612, Appendix E.

When an applicable example is not found, the application of the screening questions is not consistent with the principles used in developing the examples.

(12) The ROP is understandable and the processes, procedures and products are clear and written in plain English.

| Strongly Agree | Agree | Neutral | | Disagree | Strongly Disagree |
|---|---|---|---|---|---|
| ☐ | ☒ | ☐ | ☐ | ☐ | |

Comments:

The ROP procedures and products are generally clear and understandable. The ROP process is complex and does require significant licensee resources to maintain a working level understanding.

(13) The ROP provides adequate regulatory assurance, when combined with other NRC regulatory processes, that plants are being operated and maintained safely.

| Strongly Agree | Agree | Neutral | | Disagree | Strongly Disagree |
|---|---|---|---|---|---|
| ☒ | ☐ | ☐ | ☐ | ☐ | |

Comments:

None.

(14) The ROP safety culture enhancements help identify licensee safety culture weaknesses and focus licensee and NRC attention appropriately.

| Strongly Agree | Agree | Neutral | Disagree | Strongly Disagree |
|---|---|---|---|---|
| ☐ | ☐ | ☐ | ☒ | ☐ |

Comments:

It is too soon to make a conclusion. Early impressions are the NRC staff and licensees are spending an inappropriate amount of time in this effort when compared to direct inspection of plant activities. Continued monitoring and oversight by NRC mangement and licensees is required to ensure the intended enhancements are realized. Consistent application of the cross cutting aspects is critical. We do appreciate the NRC's continued support of industry communication forums to promote understanding and successful implemetation of the safety culture enhancements.

(15) The ROP is effective, efficient, realistic, and timely.

| Strongly Agree | Agree | Neutral | Disagree | Strongly Disagree |
|---|---|---|---|---|
| ☐ | ☒ | ☐ | ☐ | ☐ |

Comments:

Overall we are in general agreement. However, the current CDBI inspections are consuming substantial licensee resources. There appears to be a significant opportunity to improve the efficiency of this process by applying more discipline to maintianing the schedule. The number and significance of the findings to date do not seem to support the level of resource the inspection requires. We suggest the scope and periodicity of the CDBI be reevaluated based on results of the first round of inspections.

Occasionally, exits are significantly delayed in time from close of inspection activities onsite, resulting in additional inefficiencies in the process.

(16) The ROP ensures openness in the regulatory process.

| Strongly Agree | Agree | Neutral | | Disagree | Strongly Disagree |
|---|---|---|---|---|---|
| ☒ | ☐ | ☐ | ☐ | ☐ | |

Comments:

The ROP process, with its many public meetings and opportunities for involvment, ensures openness not available in the previous process.

(17) The public has been afforded adequate opportunity to participate in the ROP and to provide inputs and comments.

| Strongly Agree | Agree | Neutral | | Disagree | Strongly Disagree |
|---|---|---|---|---|---|
| ☒ | ☐ | ☐ | ☐ | ☐ | |

Comments:

Members of the public and media are frequently present at the monthly ROP meeting.

(18) The NRC has been responsive to public inputs and comments on the ROP.

| Strongly Agree | Agree | Neutral | | Disagree | Strongly Disagree |
|---|---|---|---|---|---|
| ☒ | ☐ | ☐ | ☐ | ☐ | |

Comments:

The safety culture public meetings are a good example of this. The outside stakeholders played a large part in developing the safety culture initiative program guidance. We also appreciate the NRC staff's consideration of feedback provided in the 2005 ROP survey.

(19) The NRC has implemented the ROP as defined by program documents.

| Strongly Agree | Agree | Neutral | | Disagree | Strongly Disagree |
|---|---|---|---|---|---|
| ☒ | ☐ | ☐ | ☐ | ☐ | |

Comments:

None.

(20) The ROP minimizes unintended consequences.

| Strongly Agree | Agree | Neutral | | Disagree | Strongly Disagree |
|---|---|---|---|---|---|
| ☐ | ☐ | ☒ | ☐ | ☐ | |

Comments:

Current licensee experience finds significant time is expended on minor issues. Improved discipline in this area is needed to reduce the unnecessary regulatory burden that can occur when efforts are not well focused.

Press releases are typically made in advance of NRC special inspections. However, the NRC does not always issue a press release or other followup upon closure of the inspection, informing the public of the results. This has the potential unintended consequence of raising an issue to public attention without resolving the issue in the same public arena.

(21) You would support a change in frequency of the ROP external survey from annually to every other year, consistent with the internal survey, as proposed in SECY-06-0074.

| Strongly Agree | Agree | Neutral | | Disagree | Strongly Disagree |
|---|---|---|---|---|---|
| ☐ | ☐ | ☐ | ☐ | ☒ | |

Comments:

Significant changes in the ROP were introduced in 2006; specifically MSPI and safety culture enhancements. There is a need for the continued stakeholder involvment this survey affords. Allowing changes to go for two years without collecting feedback is not consisent with the continued success of the ROP, fostered in part by this feedback.

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

Comments:

The NRC staff and external stakeholders should develop a multi-year project plan to review the ROP. This review should look at all areas and seek areas for improvement in resource utilization. Some specific areas to review include:

- An effectiveness review of the Component Design Basis Inspection.
- A review of overall inspection hour utilization. An effectiveness review of each inspection area should be considered.
- A review of consistency between NRC regions should be performed that considers 1) the number of findings, 2) the percent of findings with cross cutting aspects assigned, 3) inspection issues that appear to be confined to one region.
- Consider an improved process for more timely sharing of inspection issues with potential generic interest. Current process tends to develop the communication after several licensees have been inspected. Recent use of the NRC Morning Report is an excellent venue to communicate a potentially emerging issue.
- A review of the deterministically based SDPs to make them more risk-informed.
- A review of current performance indicators for effectiveness and possible improvement or elimination.
- A review for crediting self assessments and external assessments as an alternative to performance of direct inspection.

A new oversight process should be developed to address new plant construction, utilizing a similar process for stakeholder involvement that was successfully used for the current ROP.

Discussions need to be held to define the interactions between the various NRC staff organizations and the licensee when the licensee has both an operating plant and plants under licensing/construction at the same site.