

January 5, 2007

MEMORANDUM TO: Luis A. Reyes
Executive Director for Operations

FROM: Stephen D. Dingbaum **/RA/**
Assistant Inspector General for Audits

SUBJECT: STATUS OF RECOMMENDATIONS: AUDIT OF NRC'S
BASELINE INSPECTION PROGRAM (OIG-05-A-06)

REFERENCE: MEMORANDUM FROM THE DIRECTOR, OFFICE OF
NUCLEAR REACTOR REGULATION DATED
OCTOBER 27, 2006

Attached is the Office of the Inspector General's analysis and status of recommendations as discussed in the agency's response dated October 27, 2006. The response from the Director, Office of Nuclear Reactor Regulation (NRR) identifies actions taken to close recommendation 2. Based on our analysis of this updated response and on additional discussion with NRR staff, recommendation 2 is now closed. The closure of this final recommendation completes agency actions and this report is now closed.

If you have any questions or concerns, please call me at 415-5915.

Attachment: Status of Recommendations

cc: M. Johnson, OEDO
M. Malloy, OEDO
P. Tressler, OEDO

Audit Report
Audit of NRC Baseline Inspection Program
OIG-05-A-06

Status of Recommendation

Recommendation 2: Develop guidance on how to identify human performance trends and how that information should be integrated into the reactor oversight process (ROP).

Agency's Response of
October 27, 2006:

The staff has made enhancements to the ROP treatment of cross-cutting issues to more fully address safety culture as a result of the Staff Requirements Memorandum (SRM) /SECY-04-0111, "Recommended Staff Action Regarding Agency Guidance in the Areas of Safety Conscious Work Environment and Safety Culture," dated August 30, 2004. On June 22, 2006, Change Notice 06-15 (ML061560454) was issued to amend the following ROP Inspection Manual Chapters (IMCs) and Inspection Procedures (IPs) to implement the safety culture enhancements:

1. IMC 0305 (Operating Reactor Assessment Program) ML061520397
2. IMC 0612 (Power Reactor Inspection Reports) ML061300434
3. IMC 0612, App D (Guidance for Documenting Inspection Procedure 71152, Identification and Resolution of Problems) ML061560471
4. IMC 0612, App E (Examples of Minor Issues) ML061310176
5. IMC 0612, App F (Examples of Cross-Cutting Aspects) ML060730204
6. IP 71152 (Identification and Resolution of Problems) ML061560498
7. IP 71153 (Event Followup) ML061560504
8. IP 93800 (Augmented Inspection Team) ML061560511
9. IP 93812 (Special Inspection) ML061560514
10. IP 95001 (Inspection For One Or Two White Inputs In A Strategic Performance Area) ML061560516
11. IP 95002 (Inspection For One Degraded Cornerstone Or Any Three White Inputs In a Strategic Performance Area) ML061560517

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Status of Recommendation

The above safety culture enhancements to the ROP were formally implemented on July 1, 2006. In addition, Regulatory Issues Summary (RIS) 2006-13, "Information on the Changes Made to the Reactor Oversight Process to More Fully Address Safety Culture" was issued on July 31, 2006. The RIS described the ROP changes and how the NRC staff intends to handle transition implementation aspects for the revised ROP.

Furthermore, on October 26, 2006, Change Notice 06-31 (ML063000177) was issued to amend IP 95003 (Supplemental Inspection for Repetitive Degraded Cornerstones, Multiple Degraded Cornerstones, Multiple Yellow Inputs, or One Red Input) (ML062970393) to implement the remaining safety culture enhancements. With IP 95003 being issued, the staff has completed all its actions to address this recommendation.

The staff is awaiting OIG's decision on closure of this recommendation.

OIG Analysis: Based on our review of the supporting documents referenced in the agency's response, as well as additional discussion with NRR staff, OIG concludes that the agency's actions satisfy the intent of this recommendation. Therefore, recommendation 2 is now closed.

Status: **Closed.**