

May 29, 2008

MEMORANDUM TO: James W. Andersen, Chief  
Performance Assessment Branch  
Division of Inspection and Regional Support  
Office of Nuclear Reactor Regulation

FROM: Nathan Sanfilippo, Reactor Operations Engineer /RA/  
Performance Assessment Branch  
Division of Inspection and Regional Support  
Office of Nuclear Reactor Regulation

SUBJECT: SUMMARY OF THE REACTOR OVERSIGHT PROCESS WORKING  
GROUP PUBLIC MEETING HELD ON MAY 14, 2008

On May 14, 2008, the staff hosted the monthly Reactor Oversight Process (ROP) Working Group public meeting. The attendance list for the meeting is contained in Enclosure 1 and the agenda is contained in Enclosure 2.

Discussions by the meeting attendees included: potential non-safety culture related changes to Inspection Manual Chapter (IMC) 0305, "Operating Reactor Assessment Program;" potential changes to IMC 0608, "Performance Indicator Program," an update on the Task Interface Agreement (TIA) process; an update on NRC actions regarding RIS 2007-21, "Adherence to Licensed Power Limits;" potential changes to IMC 0612, "Power Reactor Inspection Reports;" and various proposed changes to Nuclear Energy Institute (NEI) 99-02, "Regulatory Assessment Performance Indicator Guidance."

Continuing previous months' dialogue on non-safety culture related changes to IMC 0305, the staff presented more specific details on the upcoming revision. These included double counting in the action matrix, closing parallel white performance indicator and greater than green findings, the timing of findings leading to the repetitive degraded cornerstone column, and the timing of supplemental inspections. The staff is looking to make these changes in the August/September timeframe. Additional detail on these proposals will be distributed during the June ROP Monthly Meeting.

The staff also discussed some longer-term considerations for IMC 0305. These considerations, which are currently not addressed in the upcoming revision to IMC 0305, included: whether substantive cross cutting issues be accounted for in the action matrix; whether precursors should be used in the assessment process; the definition of column 4; whether greater than green PIs that go in and out should be held open until the supplemental inspection is completed; whether greater than green PIs can be closed after the supplemental inspection is complete; and the link between traditional enforcement and the action matrix.

CONTACT: Nathan Sanfilippo, DIRS/NRR  
301-415-3951

NEI provided Enclosure 3 to propose changes to IMC 0305 addressing protracted performance indicator results. The staff will consider this information as it moves forward with draft changes to IMC 0305.

NRC staff from the Division of Policy and Rulemaking discussed with the industry the Office of Nuclear Reactor Regulation's (NRR) new Task Interface Agreement (TIA) process, NRR Office Instruction COM-106, Revision 3. Staff informed the industry that from a regulatory standpoint, a TIA is roughly equivalent to inspection guidance, and the focus of the NRR review is to add value by finding the applicable regulatory position that is within durable regulatory documents. The goal of the NRR TIA review is not to develop an NRC staff position that backfits new requirements upon the industry.

Furthermore, the DPR staff informed the industry that enhancements to the COM-106 process were developed within Revision 3. These enhancements included a single point of contact for all TIAs (the TIA PM), a single management chain, new TIA metrics, and an innovative, streamlined method for accomplishing TIAs. Given these changes, and the year-long piloting process, the NRR staff has improved overall TIA effectiveness by focusing upon the applicable regulatory position and by improving timeliness from one-year reviews to reviews only encompassing a few days. In the conclusion of the DPR presentation, the two most recent TIAs completed by the NRC staff were shared with industry. These TIAs were completed within two weeks and one week, respectively, and are attached as Enclosure 4 and 5.

NRC staff provided a status update of activities surrounding RIS 2007-21. The staff has reviewed draft guidance for plants that go above the maximum thermal power limits submitted by NEI, and has formally responded to NEI. The staff will conduct a public meeting on June 12, 2008, to further discuss its proposed guidance.

The staff then discussed a path forward to make changes and enhancements to IMC 0612. NRC markup of draft changes will be presented during a public meeting in August, with the intent to issue the revision by the end of 2008. IMC 0612 items which NEI has previously sought NRC consideration for revision will be addressed during the afternoon of the June ROP Monthly Meeting.

The NRC staff presented potential changes to IMC 0608, "Performance Indicator Program," which are attached as Enclosure 6. These changes are being developed to address how a plant coming out of extended shutdown – or a newly constructed plant – is transitioned into the performance indicator program. The changes to IMC 0608 were based on recent staff actions to incorporate Browns Ferry Unit 1 into the performance indicator program. The staff asked for working group comments on this proposal.

Staff and industry then discussed various changes to NEI 99-02. The NRC staff introduced a whitepaper on proposed changes to the Alert and Notification System (ANS) performance indicator, which is included as Enclosure 7. This whitepaper addresses situations where the ANS could be preconditioned by conducting maintenance tests just prior to performance indicator reliability tests. The NEI emergency preparedness task group will review the NRC's proposal and report back to the working group at the June ROP monthly meeting.

Staff and industry then discussed clarifications to NEI 99-02 relating to the definition of "time of discovery" for the Mitigating Systems Performance Index (MSPI). The NRC proposed resolution

that was included as part of the April ROP Monthly Meeting summary was agreed upon by NEI. In June, this guidance change will be incorporated as an FAQ.

The next topic involved the status of a proposed revision to the MSPI diesel generator mission time measurement. The industry continues to research what they feel is an appropriate algorithm to allow licensees to reduce their mission time from 24 hours. Once this algorithm is created, industry will bring this issue back to the ROP working group.

NEI provided Enclosures 8 and 9 to propose clarifications to NEI 99-02 relating to MSPI failures due to human error, and maintenance-induced damage/issues found during post-maintenance testing prior to returning the component to functional status. Discussion ensued and the staff expressed concern over the overlap of these two proposals. Further investigation into the impacts of each of these proposals will be pursued by NRC and industry. These issues will be discussed at future ROP Monthly Meetings.

NEI provided Enclosure 10 to introduce a proposed change to guidance on monitored components for the MSPI – specifically, whether control switches are counting within the component boundary in various situations. The staff will consider these changes and respond during the June ROP Monthly Meeting.

NRC staff inquired about NEI plans for issuance of a revision to NEI 99-02. NEI responded that they plan to begin work on such a revision with a target to publish by the end of 2008.

The attendees then discussed open performance indicator FAQs as provided by NEI in Enclosure 11. FAQs 76.0, 77.0, 78.1, 79.0, 79.2, 79.3, 81.0, and 81.1 were given final approval. FAQ 80.1 was discussed and no decision was made. FAQs 81.3 and 81.4 were introduced and discussed; however, no decision was made.

The status of the open draft FAQs are as follows:

<b>TempNo.</b>	<b>PI</b>	<b>Topic</b>	<b>Status</b>	<b>Plant/ Co.</b>
76.0	IE03	Discovery of an Off-normal condition	Final Approval	Quad Cities
77.0	IE03	Grassing Event	Final Approval	Salem
78.1	IE03	Storm Induced Marine/Biological Intrusion	Final Approval	Diablo Canyon
79.0	IE03	Over-Voltage due to Lightening	Final Approval	Robinson
79.2	IE03	Threadfin Shad Run	Final Approval	Browns Ferry
79.3	IE03	Historical Downpowers	Final Approval	Browns Ferry
80.1	IE01	Reactor Power Indication	Discussed	Columbia
81.0	EP01	ERO Assignment	Final Approval	Generic
81.1	MS04	Run Hours	Final Approval	Generic
81.3	IE03	Raccoon Intrusion	Introduced and Discussed	Grand Gulf
81.4	IE03	Environmental FAQ	Introduced and	Generic

TempNo.	PI	Topic	Status	Plant/ Co.
			Discussed	

The date for the next meeting of the ROP Working Group is June 18, 2008. Future ROP monthly meeting dates include July 16, 2008, August 27, 2008, and September 24, 2008.

The purpose of the meeting's afternoon session was for the staff to provide draft changes in safety culture related Reactor Oversight Process (ROP) guidance documents and to obtain initial external stakeholder questions and comments. The presentation slides for this portion of the meeting are attached as Enclosure 12. The staff provided working drafts of IMC 0612, "Power Reactor Inspection Reports", IMC 0612 Appendix B, "Issue Screening" and Inspection Procedure (IP) 71152, "Identification and Resolution of Problems." The draft changes and the reasons for proposing the changes were discussed with the external stakeholders. These documents are attached as Enclosures 13, 14, and 15, respectively.

The staff explained that contrary to the meeting agenda, that IP 95001, "Inspection of One or Two White Inputs In A Strategic Performance Area" and IP 95002, "Inspection for One Degraded Cornerstone Or Any Three White Inputs In a Strategic Performance Area" would not need to be discussed as the staff currently believes no safety culture related changes are necessary for those IPs to provide guidance on performing follow-up inspections of licensee safety culture assessments. The current staff thinking is that the follow-up inspection guidance can all be located in another IP, such as IP 71152. The staff additionally explained that the effort to re-write the safety culture components and aspects is still ongoing, and they were not ready to be shared with external stakeholders. The meeting date to share the component and aspect re-write is to be determined.

The staff discussed draft safety culture related changes in IMC 0612 which were identified during an NRC audit of inspection report cross-cutting aspect documentation. The staff noted that the draft IMC 0612 changes will need to be aligned with any related changes that could result from the ongoing re-write of the cross-cutting components and aspects for IMC 0305, "Operating Reactor Assessment Program." The staff outlined that the IMC 0612 draft changes are intended to provide amplified guidance for inspectors: to promote consistent documentation of the cross-cutting aspects throughout the inspection report sections; to make decisions on whether cross-cutting aspects are reflective of current performance or not; to clarify the distinction between performance deficiencies and cross-cutting aspects; to clarify that for Green findings with multiple examples, the examples share the same cross-cutting aspect; to briefly describe a decision to not assign a cross-cutting aspect to a finding; and to ensure that multiple cross-cutting aspects are only assigned in rare situations.

The industry noted that a very high percentage of inspection findings are assigned cross-cutting aspects. The staff responded that the proposed guidance will assist in the determination of whether a cross-cutting aspect is reflective of current performance, which should help the staff make more consistent decisions. The staff also commented that the intent is not for all findings to have cross-cutting aspects assigned to them.

Some of the initial stakeholder comments on the IMC 0612 draft changes included: 1) that the guidance for determining whether a cross-cutting aspect is reflective of current performance include that it has occurred within approximately two years; 2) questioned whether greater than Green findings could also have multiple examples that share the same cross-cutting aspect; 3)

that requiring inspectors to describe why they didn't assign a cross-cutting aspect could lead the inspectors to defaulting to assigning cross-cutting aspects to essentially all findings; instead the inspector should simply document that cross-cutting aspects were considered and were determined not to be applicable (reason why does not need to be provided); 4) that the industry will provide a mark-up to improve the proposed wording for the cross-cutting aspect and performance deficiency definitions; 5) that the sample inspection report under development by the staff should include multiple examples of situations where performance deficiencies do not warrant assignment of cross-cutting aspects, particularly in cases where the cross-cutting aspect is reflective of current performance; and 6) that the draft guidance for documenting changes in assignment of cross-cutting aspects in section 11.06.b should be comparable in level of detail as that in section 06.01.f.

The staff presented an overview of the various types of licensee safety culture assessments ranging from the periodic self-initiated assessments, to NRC requests for licensees to perform self-assessments or independent assessments, and finally an NRC request that a licensee perform a third party safety culture assessment. The staff provided an overview of the associated inspection procedure that would be utilized to perform follow-up inspections of the various types of licensee safety culture assessments. The staff explained that for periodic licensee self-initiated assessments that the NRC inspection focus in IP 71152 is on how the licensee handled the issues identified during the assessment. For self- and independent assessments the draft IP 71152 provides guidance referenced from IP 95003, "Supplemental Inspection for Repetitive Degraded Cornerstones, Multiple Degraded Cornerstones, Multiple Yellow Inputs or One Red Input," for the staff to perform a limited sample review of how the licensee conducted the safety culture assessment. The main focus of the staff's review would be on the licensee handling of the issues identified by the assessment. The staff was asked if another utility not part of the licensee's organization could conduct the third party safety culture assessment, and the staff agreed. [Additional note, staff clarification following the meeting: However in this situation, it is expected that the assessors from the other utility are appropriately qualified and this should be guided by the IP 95003 guidance on evaluating the qualifications of the safety culture assessment team.]

For the draft IP 71152, the staff noted that options are still being considered to provide the safety culture follow-up inspection guidance in another IP, such as a new IP that could be included in IMC 2515, "Light-Water Reactor Inspection Program -- Operations Phase" Appendix C, "Special and Infrequently Performed Inspections." In addition, the level of inspection resources to perform the safety culture follow-up inspection has not yet been determined.

The staff reviewed proposed changes to IP 71152 not related to performing follow-up inspection of NRC requested licensee safety culture assessments. Draft changes are proposed to clarify that the biennial team inspection review of licensee self-initiated safety culture assessments is from the problem identification and resolution perspective. That is, evaluating the licensee's handling of issues identified by the assessment. The staff was questioned whether it is considered necessary for all issues from the licensee's safety culture assessment to be input into the 10 CFR 50, Appendix B quality assurance corrective action program. The staff agreed with the commenter that not all issues identified by a safety culture assessment are appropriate to be handled by the Appendix B corrective action program. The staff agreed that sensitive personnel issues for example could be handled through alternative site processes (e.g. an Employee Concerns Program). In general, the staff would be focusing on if the licensee took appropriate actions, which will vary depending on the circumstances, to address the issues

identified by the assessment. The staff also discussed proposed guidance that the bi-ennial team inspection assessment of licensee performance in the Safety Conscious Work Environment (SCWE) area is developed through both insights from the staff's SCWE interviews along with the staff's review of the licensee's safety culture assessment.

The staff then explained the proposed changes to IP 71152 to include new guidance on how a follow-up inspection would be performed of NRC requested licensee self or independent safety culture assessments. This guidance references selected sections in IP 95003 that would be used. The staff would perform a limited review of the licensee safety culture assessment scope, methodology, and assessment tools. The primary focus of the staff's evaluation would be on the results of the licensee's safety culture assessment, the licensee's evaluation of the results, the licensee's plans to address any identified weaknesses, and the licensee's progress to address the noted weaknesses.

Some of the initial comments on the IP 71152 draft changes included: 1) the need for describing in a greater level of detail what the NRC inspectors would actually evaluate when performing a follow-up on a licensee self-assessment or independent assessment, 2) the need for a better understanding of what the NRC expectations are for a licensee self- or independent safety culture assessment and whether the IP 95003 expectations are appropriate for the different types of assessments, 3) that having the follow-up guidance in IP 71152 for self and independent licensee assessments could be confusing to inspectors when they are evaluating licensee self-initiated safety culture assessments during biennial team inspections, and 4) that better wording could be used to describe the added tools for following up on a substantive cross-cutting issue.

The staff explained that at the current time, the major variable between a self, independent, and third party safety culture assessment is the degree of separation of the assessors from the site activities they are assessing. The staff indicated that the protocol for the licensee conducting the various assessments is thought to be very similar in terms of scope and the assessment methodology and tools used by the licensee. Several licensee participants noted that they would expect some variances between the different types of licensee safety culture assessments, as well as with the depth and scope of NRC follow-up for the different types of assessments. The stakeholders were asked to provide comments on the differences they would expect between the different types of licensee assessments as well as how NRC follow-up inspections would vary depending on assessment type. The staff suggested the industry initiative to develop standard methodology for safety culture assessments include guidance on this issue.

The staff indicated their tentative plans to present the remaining ROP safety culture draft document changes (IMC 0305 safety culture components) during a yet to be determined ROP monthly public meeting.

The staff indicated that the comment period for the IMC 0612 safety culture related draft changes and the IP 71152 draft changes will last until June 27, 2008. In addition, the final comment period for the previously discussed IMC 0305 material will end on June 27, 2008.

The staff thanked the external stakeholders for their participation and constructive initial comments on the draft guidance document changes.

Enclosures:

1. Attendance List – May 14, 2008
2. Agenda – May 14, 2008
3. NEI Proposed Guidance Change to IMC 0305 to Address Protracted PI Results
4. Palisades TIA
5. Arkansas Nuclear One TIA
6. NRC Proposed Additions to IMC 0608
7. NRC Whitepaper on Proposed ANS PI Change
8. NEI MSPI Human Error Whitepaper
9. NEI Proposed Change to NEI 99-02 to Address Failures Identified During PMT
10. NEI Proposal for MSPI Monitored Components
11. FAQ Log
12. Safety Culture Enhancements – Meeting Slides
13. Proposed Markup to IMC 0612
14. Proposed Markup to IMC 0612, Appendix B
15. Proposed Markup to IP 71152

The staff thanked the external stakeholders for their participation and constructive initial comments on the draft guidance document changes.

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OFFICE	NRR/DIRS	NRR/DIRS	NRR/DIRS
NAME	NSanfilippo	TKobetz	JAndersen
DATE	05/23/08	05/29/08	05/28/08

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**ATTENDANCE LIST  
INDUSTRY/STAFF ROP PUBLIC MEETING  
May 14, 2008**

	<b>NAME</b>	<b>AFFILIATION</b>
1	John Butler	NEI
2	Sue Simpson	NEI
3	Mike Cheok	NRC
4	Jeff Thomas	Duke
5	Duane Kanitz	STARS
6	Al Haeger	Exelon
7	Robin Ritzman	FENOC
8	Fred Mashburn	TVA
9	Bob Gramm	NRC
10	Jim Peschel	FPL
11	Bryan Ford	Entergy
12	Mike Case	NRC
13	Tim Kobetz	NRC
14	Nathan Sanfilippo	NRC
15	Julie Keys	NEI
16	Ken Heffner	Progress
17	Sean Peters	NRC
18	Bob Hanley	Dominion
19	Ned Tyler	Constellation
20	Glen Masters	INPO
21	Tim Kolb	NRC
22	Isabelle Schoenfeld	NRC
23	John Thompson	NRC
24	Jim Isom	NRC
25	Eric Bowman	NRC
26	Don Dube	NRC
27	Dave Midlik	Southern Nuclear
28	Gerald Sowers	APS
29	Roy Linthicum	Exelon
30	Doug McKinney	SNC
31	Patrick Boyle	NRC
32	Steve LaVie	NRC
33	Bob Kahler	NRC
34	David Allsopp	NRC
35	Carl Schulten	NRC
36	Chris Cauffman	NRC
37	Yeon-Ki Chung	NRC
38	Molly Keefe	NRC

ENCLOSURE 1

39	Bob Pascarelli	NRC
40	Mark Rendmeyer	Centrec
41	Jenny Weil	McGraw-Hill

# REACTOR OVERSIGHT PROCESS (ROP) MONTHLY PUBLIC MEETING AGENDA

May 14, 2008 - 9:00 AM – 4:00 PM – NRC OWFN Commissioners' Hearing Room

9:00 – 9:05 AM	Introduction and Purpose of Meeting
9:05 – 9:35 AM	Discussion of Performance Assessment Branch Topics <ol style="list-style-type: none"> <li>1. Possible changes to Inspection Manual Chapter (IMC) 0305, "Operating Reactor Assessment Program" – non-safety culture</li> <li>2. Other</li> </ol>
9:35 – 10:00 AM	Reactor Inspection Branch Topics <ol style="list-style-type: none"> <li>1. Regulatory Issue Summary (RIS) 2007-21 (update)</li> <li>2. General topics of interest in the inspection area</li> <li>3. Other</li> </ol>
10:00 – 10:30 AM	Discussion of Performance Indicator Topics <ol style="list-style-type: none"> <li>1. Potential NEI 99-02 guidance changes             <ul style="list-style-type: none"> <li>• MSPI time of discovery</li> <li>• MSPI mission time</li> <li>• MSPI EDG test failures</li> <li>• Maintenance-induced PMT issues</li> <li>• Environmental unplanned power changes</li> <li>• EP – Counting ERO participation for members in training</li> <li>• EP – Siren Preconditioning</li> </ul> </li> </ol>
10:30 – 10:45 AM	Break
10:45 – 11:15 AM	Performance Indicator Topics continued
11:15 – 11:30 AM	Future Meeting Dates, ROP Working Group Action List Status, and Future Topics
11:30 – 11:45 AM	Public Input
11:45 – 12:45 PM	Lunch
12:45 – 1:45 PM	Discussion of Open and New PI Frequently Asked Questions (FAQs) – Note topic may be moved before lunch if meeting is ahead of schedule The latest draft FAQs are located on the public web at <a href="http://www.nrc.gov/NRR/OVERSIGHT/ASSESS/draft_fags.pdf">http://www.nrc.gov/NRR/OVERSIGHT/ASSESS/draft_fags.pdf</a> This list is subject to change the day before the meeting based on availability of new draft FAQs provided by the Nuclear Energy Institute.

1:45 – 2:00 PM	Break
2:00 – 2:10 PM	Introduction to Safety Culture Enhancements
2:10 – 2:40 PM	Discuss Draft IP 71152 and Initial External Stakeholder Comments
2:40 – 3:00 PM	Discuss Draft IMC 0612 Safety Culture Changes and Initial External Stakeholder Comments
3:00 – 3:15 PM	Discuss Draft IP 95002 and IP 95001 and Initial External Stakeholder Comments
3:15 – 4:00 PM	Opportunity for External Stakeholder Comments and NRC Request for Written Comments on Draft Revisions