



UNITED STATES
NUCLEAR REGULATORY COMMISSION
ADVISORY COMMITTEE ON REACTOR SAFEGUARDS
WASHINGTON, D.C. 20555-0001

August 13, 2001

MEMORANDUM TO: ACRS Members

FROM: Maggalean W. Weston, Senior Staff Engineer
ACRS/ACNW 

SUBJECT: CERTIFICATION OF THE MINUTES OF THE MEETING OF THE
ACRS SUBCOMMITTEE ON PLANT OPERATIONS, JULY 9,
2001, ROCKVILLE, MD

The minutes of the meeting on the Reactor Oversight Process, issued August 13, 2001, have been certified as the official record of the proceedings of that meeting. A copy of the certified minutes is attached.

Attachment: As stated

cc via Email: J. Larkins
S. Bahadur
H. Larson



UNITED STATES
NUCLEAR REGULATORY COMMISSION
ADVISORY COMMITTEE ON REACTOR SAFEGUARDS
WASHINGTON, D.C. 20555-0001
August 8, 2001

MEMORANDUM TO: Maggalean W. Weston, Senior Staff Engineer
ACRS

FROM: John D. Sieber, Chairman
Plant Operations Subcommittee

SUBJECT: CERTIFICATION OF THE MINUTES OF THE MEETING OF THE
ACRS SUBCOMMITTEE ON PLANT OPERATIONS, JULY 9,
2001, ROCKVILLE, MD

I hereby certify that, to the best of my knowledge and belief, the minutes of the meeting on the
Reactor Oversight Process issued August 8, 2001, are an accurate record of the proceedings
for that meeting.

John D. Sieber Aug 11, 2001
John D. Sieber, Chairman Date

August 1, 2001

MEMORANDUM TO: John D. Sieber, Chairman
Plant Operations Subcommittee

FROM: Maggalean W. Weston, Senior Staff Engineer
ACRS

SUBJECT: WORKING COPY OF THE MINUTES OF THE PLANT OPERATIONS
SUBCOMMITTEE HELD ON JULY 9, 2001, ROCKVILLE, MARYLAND

A working copy of the minutes for the subject meeting is attached for your review. Please review and comment at your earliest convenience.

Attachment:
As Stated

cc via Email: ACRS Members
J. Larkins
J. Lyons
H. Larson
ACRS Staff and Fellows

Certified by: John D. Sieber
August 11, 2001

CERTIFIED

ADVISORY COMMITTEE ON REACTOR SAFEGUARDS
PLANT OPERATIONS SUBCOMMITTEE
REACTOR OVERSIGHT PROCESS
ROCKVILLE, MARYLAND
July 9, 2001

The ACRS subcommittee on Plant Operations held a meeting on July 9, 2001, with representatives of the NRC staff to discuss the status of the Reactor Oversight Process (ROP). The meeting was open to the public. Mrs. Maggalean W. Weston was the cognizant ACRS staff engineer and designated federal official (DFO) for this meeting. There were no written comments provided by the public. The Subcommittee Chairman, Mr. John D. Sieber, convened the meeting at 9:30 a.m. July 9, 2001, and adjourned it at 12:35 p.m. that afternoon.

Attendees

Attendees at this meeting included ACRS members and staff, NRC staff, and members of the public as follows.

ACRS Members/Staff

J. Sieber, Chairman	P. Ford, Member	W. Shack, Member
G. Apostolakis, Member	T. Kress, Member	R. Uhrig, Member
M. Bonaca, Member	G. Leitch, Member	G. Wallis, Member
M. W. Weston, DFO	S. Rosen, Member	

NRC Staff

M. Johnson, NRR	R. Pascarelli, NRR	C. Nolan, NRR
S. Takeyama, NRR	M. Satorius, NRR	T. Boyce, NRR
R. Frahm, NRR	J. Jacobson, NRR	A. Spector, NRR

There were two members of the public in attendance at this meeting. A list of those attendees who registered is attached to the Office Copy of these minutes. No members of the public participated in the meeting discussions.

Presentations and Discussion

The presentation to the subcommittees and the related discussions are summarized below. The presentation slides and handouts used during the meeting are attached to the Office Copy of the Minutes.

Chairman's Comments

Mr. J. Sieber, Subcommittee Chairman, convened the meeting. He indicated that the purpose of the meeting was to discuss the Action Matrix as a part of the continuing presentations on the initial implementation of the ROP. Mr. Sieber then asked for comments from other ACRS members.

NRR Staff Presentation

Mr. Michael Johnson of the Inspection Program Branch (IIPB), NRR, introduced Mr. R. Pascarelli, IIPB, NRR, who made the presentation. They were joined by Mr. M. Satorius, chief of the Performance Assessment Section, IIPB, NRR, and Mr. C. Nolan, Office of Enforcement.

Mr. Pascarelli indicated that the Action Matrix is the assessment portion of the ROP. It is designed to improve the consistency and predictability of agency actions based on overall licensee performance. Dr. Apostolakis raised a question about the use of the wording "improve the consistency and predictability." The response was that the objective was really to improve consistency and predictability in order to minimize criticism regarding agency action regarding plant operations.

Guidance for the assessment program is contained in Inspection Manual Chapter (IMC) 0305 and Management Directive (MD) 8.14, which deals with the agency action review meetings (AARMs). The AARMs replace the old senior management meetings (SMMs).

The agency's position is that, if the objectives of the assessment are met, then there should be very few deviations from the Action Matrix as it is currently constituted. As a result, the Commission issued a staff requirements memorandum (SRM) requiring prior approval from the Executive Director for Operations (EDO) for any deviations from the Action Matrix. Deviations are defined as increases or decreases in the level of supplemental plant inspections that are not consistent with the Action Matrix. If a plant were, for instance, in a degraded cornerstone column that calls for a 95002 supplemental inspection (95002), and the staff wanted to do more or fewer inspections, or use another procedure, then the staff would have to request EDO approval for the deviation.

The entering arguments for the Action Matrix are the significance determination process (SDP) and performance indicators (PIs). Exceptions are the traditional enforcement items which require the staff to decide where the item falls in the Action Matrix, look at the range of actions to be taken, and use the enforcement item to determine whether to go toward the low or high end of the range of actions in a column.

No color findings are an area of concern. These are findings that are more than minor, but have no associated SDP and do not get treated under the traditional enforcement program. Currently, the staff is considering whether to treat no-color findings as green findings.

Another area of concern is concurrent deficiencies that by themselves may not be an issue, but if combined may present a performance issue. For example, suppose that you have an individual green or white issue and a second issue that, by itself, is white, but when they arise concurrently, they result in a yellow or red finding. The question is how to treat these concurrent issues with respect to the ROP. The staff is revising the guidance to address this problem if there is a nexus to allow for a link of the issues to address the combined risk associated with those in the Action Matrix.

The Action Matrix is based on objective thresholds for the PIs and also on the SDPs or structured processes to develop and determine the significance of individual issues. The Action

Matrix then provides the staff with the tools to determine the appropriate actions based on the PI and SDP inputs.

The inputs from the inspection program allow opportunities for variations among the regions. These variations sometimes lead to criticism about the lack of an adequate basis for determining the significance of a finding because the documentation is not transparent. The length of time it takes to determine the significance of the issue also leads to criticism. In addition, external stakeholders feel that the staff makes too many decisions behind closed doors without enough information being on the docket because the stakeholders come to one conclusion by themselves and another after meeting with the licensee.

The staff identified a problem that arises with the three different ways of counting the years; the calendar year, the fiscal year, and the ROP year, none of which coincide. The differences in identifying the year was done initially to more evenly distribute the workload among the regions. The process is now being transitioned to coincide with the calendar year.

As previously stated, the two inputs to the assessment process are the inspection results (which have a final color and have gone through the SDP) and the PIs (which the licensees submit on a quarterly basis). The Action Matrix combines these inputs, independent of any nexus between the issues. This process is followed by review meetings and certain correspondence.

During the first and third ROP quarters of the annual assessment cycle, quarterly meetings are held at the Branch Chief level. If any assessment inputs or thresholds are tripped by PIs or inspections, the Branch Chief sends an assessment follow up letter. Most plants do not receive quarterly letters.

Halfway through the cycle, midcycle reviews are held at the Division Director level and the Division Director sends out letters within 3 weeks of these meetings. The letters have inspection plans which overlap with subsequent assessment letters such that each licensee always has a current inspection plan.

Likewise, end-of-cycle reviews are held each year at the Regional Administrator level, as well as an end-of-cycle summary meeting in which senior agency management assess plant performance with senior regional management. Following this summary meeting, a public meeting is held in the vicinity of the plant each year.

All of this activity culminates in an AARM with the EDO and a subsequent Commission briefing.

Stakeholders have raised questions about the time frame for SDP resolution. The average time is between 90 and 100 days. They have also raised questions about the website update. Licensees report their PIs 3 weeks after the end of the quarter. The PI website and inspection findings are updated by the second Thursday following these reports. However, it should be noted that the website is updated anytime that a threshold is crossed. The website is updated, the web page is rerun to reflect the color change(if any), and the Action Matrix summary is updated to reflect any changes to the plant's performance.

The results of the routine risk-informed baseline inspections are continually input into the assessment process. If a problem is identified during these inspections, supplemental inspections, special inspections, or generic safety inspections can be performed.

Adjustments to the procedures are made based on self-assessments and include inputs from both internal and external stakeholders. Reviews of the procedures are made to determine how well they are working and changes are made accordingly.

This meeting was the third and final meeting in a series of subcommittee presentations on the ROP. A presentation before the full committee will be held in September, 2001 and the Committee will write a report following that meeting.

**ADVISORY COMMITTEE ON REACTOR SAFEGUARDS
PLANT OPERATIONS SUBCOMMITTEE
REACTOR OVERSIGHT PROCESS
ROOM T-2B3, 11545 ROCKVILLE PIKE
ROCKVILLE, MARYLAND
July 9, 2001**

-AGENDA-

	<u>SUBJECT</u>	<u>PRESENTER</u>	<u>TIME</u>
I.	Introductory Remarks Subcommittee Chair	J. Sieber	9:30-9:35 a.m.
II.	NRC Staff Presentation ROP Action Matrix	-Mike Johnson, NRR -Mark Satorius -Robert Pascarelli	9:35-11:30 a.m.
III.	General Discussion and Adjournment		11:30-12:30 p.m.

Note: Presentation time should not exceed 50% of the total time allocated for a specific item.
Number of copies of presentation materials to be provided to the ACRS - 35.

ACRS CONTACT: Ms Maggalean W. Weston, mww@nrc.gov or (301) 415-3151.

**ADVISORY COMMITTEE ON REACTOR SAFEGUARDS
SUBCOMMITTEE MEETING ON PLANT OPERATIONS**

JULY 9, 2001

Today's Date

NRC STAFF SIGN IN FOR ACRS MEETING

PLEASE PRINT

NAME

NRC ORGANIZATION

Robert Pascarelli

NRR/DIPM/IIPB

Shoji Takegawa

NRR/DIPM/IIPB

Michael Johnson

NRR/DIPM/IIPB

CHRIS NOLAN

OE

Ronald Frahm

NRR/DIPM/IIPB

MARK SATORIUS

NRR/DIPM/IIPB

TOM BOYCE

NRR/DIPM/IIPB

August Spator

NRR/DIPM

J Jacobson

NRR/DIPM

ADVISORY COMMITTEE ON REACTOR SAFEGUARDS SUBCOMMITTEE MEETING ON PLANT OPERATIONS

JULY 9, 2001

ATTENDEES - PLEASE SIGN BELOW

PLEASE PRINT

NAME

Jenny Weil
TERRY RIECK

AFFILIATION

McGraw-Hill
EXELON

ACTION MATRIX

		Licensee Response Column	Regulatory Response Column	Degraded Cornerstone Column	Multiple/ Repetitive Degraded Cornerstone Column	Unacceptable Performance Column
RESULTS	All Assessment Inputs (Performance Indicators (PIs) and Inspection Findings) Green; Cornerstone Objectives Fully Met	One or Two White Inputs (in different cornerstones) in a Strategic Performance Area; Cornerstone Objectives Fully Met	One Degraded Cornerstone (2 White Inputs or 1 Yellow Input) or any 3 White Inputs in a Strategic Performance Area; Cornerstone Objectives Met with Minimal Reduction in Safety Margin	Repetitive Degraded Cornerstone, Multiple Degraded Cornerstones, Multiple Yellow Inputs, or 1 Red Input; Cornerstone Objectives Met with Longstanding Issues or Significant Reduction in Safety Margin	Overall Unacceptable Performance; Plants Not Permitted to Operate Within this Band, Unacceptable Margin to Safety	
RESPONSE	Regulatory Performance Meeting	None	Branch Chief (BC) or Division Director (DD) Meet with Licensee	DD or Regional Administrator (RA) Meet with Licensee	RA (or EDO) Meet with Senior Licensee Management	Commission meeting with Senior Licensee Management
	Licensee Action	Licensee Corrective Action	Licensee root cause evaluation and corrective action with NRC Oversight	Licensee Self Assessment with NRC Oversight	Licensee Performance Improvement Plan with NRC Oversight	
	NRC Inspection	Risk-Informed Baseline Inspection Program	Baseline and supplemental inspection procedure 95001	Baseline and supplemental inspection procedure 95002	Baseline and supplemental inspection procedure 95003	
	Regulatory Actions ¹	None	Supplemental inspection only	Supplemental inspection only	-10 CFR 2.204 DFI -10 CFR 50.54(f) Letter - CAL/Order	Order to Modify, Suspend, or Revoke Licensed Activities
COMMUNICATION	Assessment Letters	BC or DD review/sign assessment report (w/ inspection plan)	DD review/sign assessment report (w/ inspection plan)	RA review/sign assessment report (w/ inspection plan)	RA review/sign assessment report (w/ inspection plan) Commission Informed	
	Annual Public Meeting	SRI or BC Meet with Licensee	BC or DD Meet with Licensee	RA (or designee) Discuss Performance with Licensee	EDO (or Commission) Discuss Performance with Senior Licensee Management	Commission Meeting with Senior Licensee Management
	INCREASING SAFETY SIGNIFICANCE ----->					

Note 1: The regulatory actions for plants in the Multiple/Repetitive Degraded Cornerstone column are not mandatory agency actions. However, the regional office should consider each of these regulatory actions when significant new information regarding licensee performance becomes available.

Action Matrix

*Inspection Program Branch
July 9, 2001*

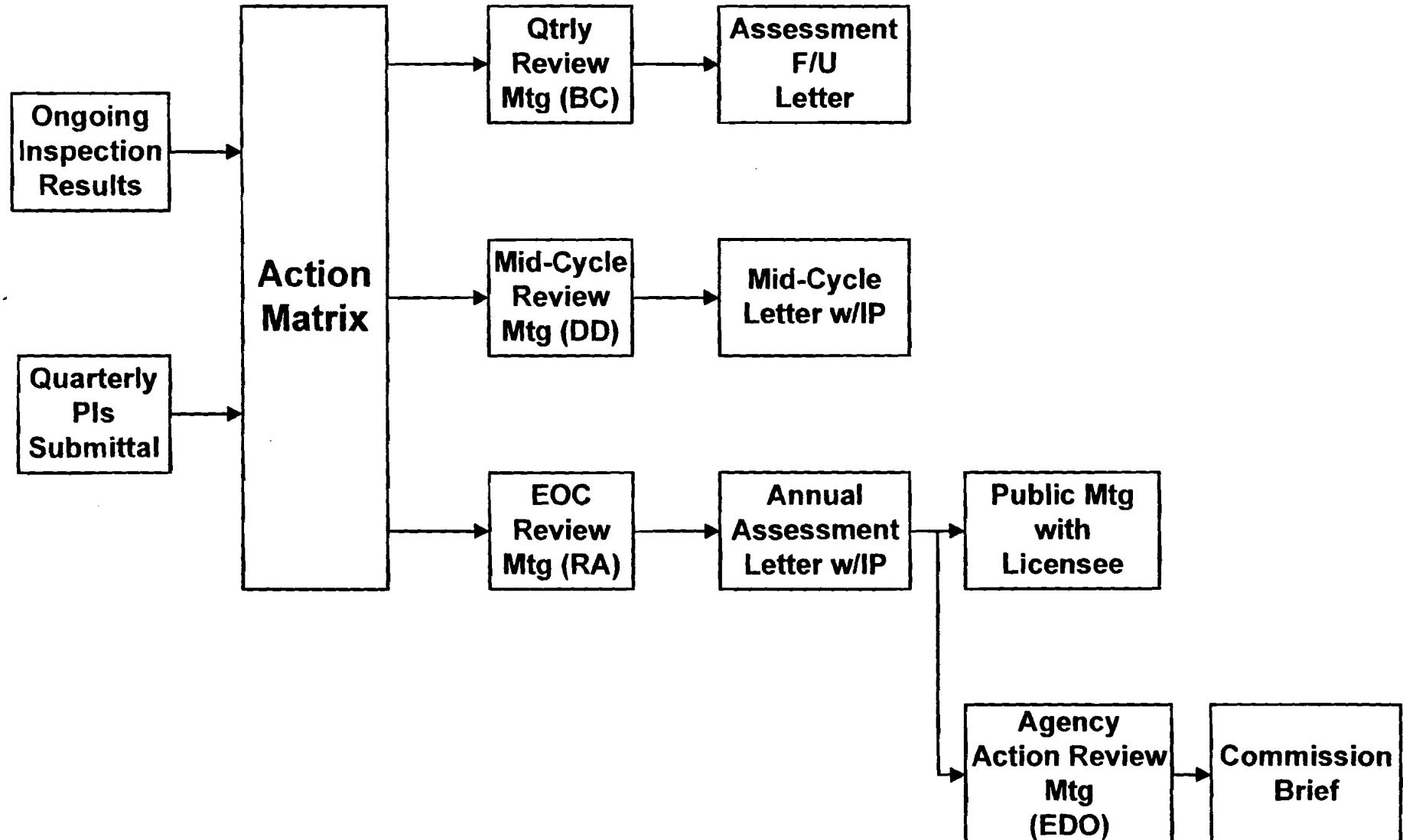


Background

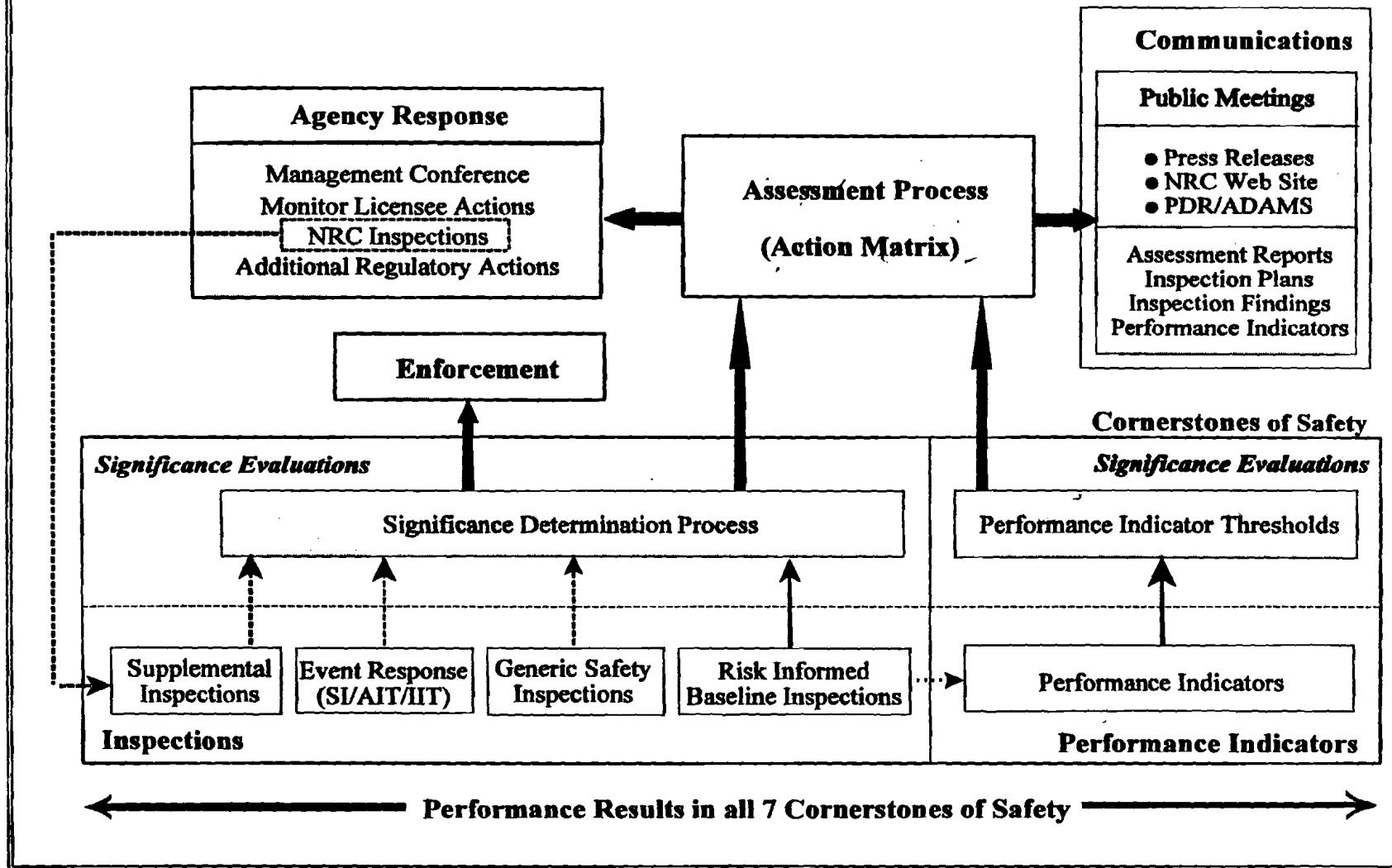
- *Continuing series of briefings on ROP*
12/00 - ROP status
5/01 - SDP & Pls
9/01 - Full-committee brief & Ltr
- *ROP Status*
Completed first year
Completed first AARM
Completed SECY

Action Matrix

Assessment Process



REACTOR OVERSIGHT PROCESS



ACTION MATRIX

		Licensee Response Column	Regulatory Response Column	Degraded Cornerstone Column	Multiple/ Repetitive Degraded Cornerstone Column	Unacceptable Performance Column
RESULTS		All Assessment Inputs (Performance Indicators (PIs) and Inspection Findings) Green; Cornerstone Objectives Fully Met	One or Two White Inputs (in different cornerstones) in a Strategic Performance Area; Cornerstone Objectives Fully Met	One Degraded Cornerstone (2 White Inputs or 1 Yellow Input) or any 3 White Inputs in a Strategic Performance Area; Cornerstone Objectives Met with Minimal Reduction in Safety Margin	Repetitive Degraded Cornerstone, Multiple Degraded Cornerstones, Multiple Yellow Inputs, or 1 Red Input; Cornerstone Objectives Met with Longstanding Issues or Significant Reduction in Safety Margin	Overall Unacceptable Performance; Plants Not Permitted to Operate Within this Band, Unacceptable Margin to Safety
RESPONSE	Regulatory Performance Meeting	None	Branch Chief (BC) or Division Director (DD) Meet with Licensee	DD or Regional Administrator (RA) Meet with Licensee	RA (or EDO) Meet with Senior Licensee Management	Commission meeting with Senior Licensee Management
	Licensee Action	Licensee Corrective Action	Licensee root cause evaluation and corrective action with NRC Oversight	Licensee Self Assessment with NRC Oversight	Licensee Performance Improvement Plan with NRC Oversight	
	NRC Inspection	Risk-Informed Baseline Inspection Program	Baseline and supplemental inspection procedure 95001	Baseline and supplemental inspection procedure 95002	Baseline and supplemental inspection procedure 95003	
	Regulatory Actions ¹	None	Supplemental inspection only	Supplemental inspection only	-10 CFR 2.204 DFI -10 CFR 50.54(f) Letter - CAL/Order	Order to Modify, Suspend, or Revoke Licensed Activities
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	Annual Public Meeting	SRI or BC Meet with Licensee	BC or DD Meet with Licensee	RA (or designee) Discuss Performance with Licensee	EDO (or Commission) Discuss Performance with Senior Licensee Management	Commission Meeting with Senior Licensee Management
	INCREASING SAFETY SIGNIFICANCE ----->					

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Overall Results

Plant Performance Summary

April 2000 to March 2001

<u>Action Matrix Column</u>	<u>Number of units</u>
Licensee Response	67
Regulatory Response	28
Degraded Cornerstone	5
Multiple/Repetitive Degraded Cornerstones	1
Unacceptable Performance	None

Lessons Learned

Lessons Learned:

- **Successes:**
 - NRC actions more predictable
 - Improved objectivity
 - Assessment meetings improve efficiency
- **Improvement Areas:**
 - Historical findings
 - No color findings
 - Dwell time for inspection findings

Lessons Learned:

- **Actions:**
 - Improve guidance regarding treatment of historical issues
 - Evaluate graded reset for inspection findings
 - Develop program modifications to address no color findings