



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

OFFICE OF THE
INSPECTOR GENERAL

October 2, 2008

MEMORANDUM TO: R. William Borchardt
Executive Director for Operations

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

SUBJECT: STATUS OF RECOMMENDATIONS: AUDIT OF
NRC'S GENERIC COMMUNICATIONS PROGRAM
(OIG-05-A-19)

REFERENCE: DIRECTOR, OFFICE OF NUCLEAR REACTOR
REGULATION, MEMORANDUM DATED
JUNE 24, 2008

Attached is the Office of the Inspector General's (OIG) analysis and status of report recommendations as discussed in the agency's response dated June 24, 2008. To date, recommendation 2 is closed and based on the agency's update, recommendations 1, 3, and 4 remain in a resolved status. OIG will close these recommendations once the agency provides information confirming that corrective actions have been completed. Please provide an updated status of recommendations 1, 3, and 4 by March 20, 2009.

If you have questions or concerns, please call me at 415-5915 or Sherri Miotla, Team Leader, at 415-5914.

Attachment: As stated

cc: V. Ordaz, OEDO
J. Arildsen, OEDO
P. Shea, OEDO

Audit Report

Audit of NRC's Generic Communications Program OIG-05-A-19

Status of Recommendations

Recommendation 1: Include safeguards advisories, as well as any other agency communication tool that meets the definition of a generic communication, in the formal Generic Communications Program to ensure compliance with regulatory requirements.

Agency Response dated
June 24, 2008:

The staff has completed work on draft Management Directive (MD) 8.18, "NRC Generic Communications Program" which was submitted to the Commission for formal approval on December 7, 2007. This MD establishes security advisories and Information Assessment Team Advisories as additional agency generic communications products. This MD defines the scope of U.S. Nuclear Regulatory Commission (NRC) generic communications and defines organizational roles and responsibilities for each generic communications product. MD 8.18 explicitly defines NRC's generic communications only as the generic communications products established therein. The Office of the Inspector General (OIG) received a copy of the draft as required by procedure.

The staff received Commission feedback on June 10, 2008, and is currently addressing these comments. The staff expects to resolve these comments and receive Commission approval of the MD by the end August 2008.

OIG Analysis:

The agency's update reflects continued progress towards completion of this recommendation. OIG's September 19, 2008, review of NRC's online Management Directive catalog and its Agencywide Documents and Access Management System (ADAMS) indicates that the final version of MD 8.18 has not yet been approved or issued. Therefore, OIG will close this recommendation once Management Directive 8.18 is approved for issuance and OIG verifies that the language in the final version satisfies the intent of the recommendation.

Status: Resolved.

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Status of Recommendations

Recommendation 3: Implement controls to ensure a systematic, consistent tracking methodology from initiation to closure for each agency-issued generic communication.

Agency Response dated
June 24, 2008:

As noted in our previous responses to this recommendation, the staff established an interoffice (Office of Nuclear Material Safety and Safeguards, Office of Nuclear Security and Incident Response, and Office of Nuclear Reactor Regulation) working group to (a) evaluate the current process for initiating, developing, tracking, and distributing generic communications, and (b) recommend how this process should be amended.

The working group completed its evaluation of existing agency tools for developing an agency-wide tracking system for generic communications and concluded that no such tool exists. The Office of Information Systems (OIS) consulted, supported, and offered related assistance on developing a new information technology application for the agency-wide tracking of generic communications. The working group staff and OIS co-produced the scoping documents. On October 19, 2006, the working group submitted the application development request to OIS.

OIS completed their review and presented alternatives for the generic communications database and it was decided that the database would be incorporated into the project plan for a database that will be used to track and store requests for additional information (licensee responses and inquiries). This system includes capabilities for collaborative discussion threads and for tracking postings of reviewers' queries to the industry and the responses to such inquiries. The initiation phase of the project began in June of 2007 and the Generic Communication Branch (PGCB) worked with the software developers to develop the database

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requirements and workflow process. In November of 2007, the PGCB began providing input to the software developers to support development of the prototype database.

Prototype development for the agency-wide tracking system for bulletins and generic letters has been completed. The developers commenced system testing in June 2008. Acceptance testing is currently scheduled to commence in August 2008.

The staff expects to implement the agency-wide tracking system which provides more detailed tracking for bulletins and generic letters by the end of calendar year 2008. Agency-wide tracking for regulatory issue summaries, security advisories, and information notices will continue on the generic communications web page.

OIG Analysis:

Based on the agency's response, the staff continues to make progress towards developing an agency-wide database for tracking generic communications. However, OIG noted that the agency's response identified only two types of generic communications – bulletins and generic letters – to be tracked in the new agency-wide tracking system while the intent of this recommendation is that “each agency-issued generic communication” will be tracked from initiation to closure.

An additional discussion to clarify the agency's response took place on August 20, 2008, with a cognizant NRR staff member. The staff member substantiated that acceptance testing of the new tracking system has commenced. He further clarified an agency position that tracking of other generic communications products, such as regulatory issue summaries, security advisories, and information notices, in the new database is not necessary because they are for information purposes only and do not obligate licensees to respond. OIG accepts

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the agency's reasoning that there would be no closeout requirements associated with these types of generic communications that would require tracking of these documents in the new system.

OIG further accepts the agency's position that the proper location for informational access to its regulatory issue summaries, security advisories, and information notices is on NRC's generic communications web page. However, the agency's claim that, "Agency-wide tracking for regulatory issue summaries, security advisories, and information notices will continue on the generic communications web page," is inaccurate. Specifically, OIG's September 30, 2008, review of the agency's internal and publicly available generic communications web pages revealed that none of the agency's security advisories issued to date have been posted under the "Security Advisories" header.

Therefore, this recommendation will not be closed until the new generic communications database is fully implemented and the agency posts the necessary information regarding issued security advisories on the generic communications web page as indicated in its response.

Status: Resolved.

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Recommendation 4: Direct the development of a methodology that will allow the staff to gauge the effectiveness of agency-issued generic communications.

Agency Response dated
June 24, 2008:

The staff has completed work on draft MD 8.18, "NRC Generic Communications Program" which was submitted to the Commission for formal approval on December 7, 2007. This MD establishes the roles and responsibilities for the conduct of effectiveness reviews and clearly identifies those generic communications that require effectiveness reviews. The OIG received a copy of the draft as required by procedure.

The staff received Commission feedback on June 10, 2008, and is currently addressing these comments. The staff expects to resolve these comments and receive Commission approval of the MD by the end August 2008.

OIG Analysis:

OIG acknowledges that the staff is currently addressing Commission comments. OIG's September 19, 2008, review of NRC's online Management Directive catalog and its Agencywide Documents and Access Management System (ADAMS) indicates that the final version of MD 8.18 has not yet been approved or issued. Therefore, Recommendation 4 will be closed when revised MD 8.18 has been issued and OIG has verified that the final version addresses the intent of this recommendation.

Status:

Resolved.