

FocalPoint Recommendations and Staff Planned Actions

	Section	Lead	Recommendation	Implementation Schedule	Status/Plan or Justification
1	1 – CTS	NRR/DIRS	Train regional staff as subject-matter experts for safety culture assessment	Long Term (under evaluation)	The staff is currently evaluating the training needs for safety culture assessments as noted in SECY-09-0054, "Reactor Oversight Process Self-Assessment for Calendar Year 2008."
2	1 – CTS	NRR/DRA	Conduct a lessons learned study to assess the history of and causes for the fire protection issues	Long Term (scheduled implementation is 2Q2010)	This effort is being tracked by SECY-08-0171, "Plan for Stabilizing Fire Protection Regulatory Infrastructure," dated November 5, 2008 (task #6).
3	1 – CTS	NSIR/DPR	Enhance exercise evaluations through improved standardization; incorporate a post exercise survey of respondents and input from participating government agencies	Complete	IR standardized the exercise critique format with check sheets to provide consistency among evaluations. Participant solicitation for comment is included, as is participating licensees and agencies. Peer evaluators include other licensees and agencies, and comments are included in post-exercise critique reports. Corrective actions are captured and documented for tracking to closure.
4	1 – CTS	NRR/DIRS	Continue to focus on assessing the reasons for lack of variation in PIs in order to ensure that this does not continue to undermine their utility as indicators of potential problems	Ongoing. No additional action planned.	As noted in the annual ROP self-assessment (SECY-09-0054), "The staff will continue to reinforce the message that a green PI represents performance that does not require additional NRC oversight, that PIs provide useful trending information, and that PIs are only a contributor to the identification of performance outliers. In addition, the staff will continue to refine existing PIs and explore options for introducing new PIs to ensure that the PI program provides useful insights and contributes to the identification of declining performance."
5	1 – CTS	NRR/DIRS	Adopt performance metric to reflect safety deficiency correction rate	No specific additional action planned.	The staff believes that the existing Green Book metric is appropriate. The staff does not plan to expend additional resources on developing other specific performance measures until OMB comes out with guidance regarding future expectations for program reviews.
6	1 – CTS	NRR/DIRS	Adopt metric to track program efficiencies (Program Cost per MWh)	No specific additional action planned.	Budget efficiencies are currently identified during the budget process and are documented in the Green Book. The staff does not plan to expend additional resources on developing other specific efficiency measures until OMB comes out with guidance

					regarding future expectations for program reviews.
7	1 – CTS	NRR/ DRA	Implement a database to track the status of fire protection exemptions, compensatory measures, and manual actions in place at plants in order to facilitate the assessment of compliance trends	Long Term (scheduled implementation is 1Q2010)	This effort is being tracked by SECY-08-0171, "Plan for Stabilizing Fire Protection Regulatory Infrastructure," dated November 5, 2008. The staff plans to develop and implement a fire protection exemptions database which is being tracked by task 7. The staff plans to track compensatory measures as part of task 5, but will not be preparing a database of compensatory measures. Similarly, manual action completions are being tracked as part of task 4.
8	2 – BPI	OCFO NRR/ PMDA	Establish published crosswalk of the Program's budget to demonstrate alignment of costs to Program outputs and annual and long-term outcomes	Short Term (by end of CY 2009)	The new agency budget structure being adopted beginning with FY 2011 addresses this recommendation.
9	2 – BPI	OCFO NRR/ PMDA	Develop logic model or performance framework that clarifies linkage between outputs and outcomes	Long Term (by end of CY 2010 for Strategic Plan aspect).	The new budget structure, in combination with the required periodic update of the agency's Strategic Plan and continued improvements in the agency Performance Management program provide the opportunity to examine and address this.
10	2 – BPI	OCFO NRR/ PMDA	Develop marginal cost model to conduct sensitivity analyses	Long Term (scheduled implementation is October 2010)	The agency is in the midst of establishing an improved accounting system, Financial Accounting and Integrated Management System (FAIMIS) that may address this issue.
11	2 – BPI	OCFO NRR/ PMDA	Assess the full costing methodology to ensure accurate representation of full program costs	Long Term (scheduled implementation is October 2010)	The upgrade of the Budget Formulation System (BFS) and the implementation of FAIMIS addresses this issue.
12	2 – BPI	OCFO NRR/ PMDA	Improve performance reporting to provide integrated and comprehensive monitoring of financial and operating results against plan in a timely manner	Long Term (scheduled implementation is October 2010)	The agency is in the midst of establishing an improved accounting system, Financial Accounting and Integrated Management System (FAIMIS) and is continuing improvements in the agency Performance Management program that will address this.
13	3 – IEI	NSIR/ DPR	Identify and document objectives from implementation actions in terms of outcome improvements, timeliness, process and/or cost efficiencies	Complete	NSIR DPR has added performance indicators which review, document and track key actions in the division including process effectiveness and cost.
14	3 – IEI	NSIR/	Complete the process of updating and	Short Term	NSIR DPR has implemented the IR Writer's Guide

		DPR	maintaining current key program documentation	(expected completion is December 2009)	process for updating and maintaining key program documentation. DPR has also reprogrammed budget resources in FY09 for contract support to review and update IR procedures, including program instructions.
15	4 – PC	NRR/ DIRS OEDO	Improve logistics of public meetings	Short Term (by end of CY 2009)	These suggestions will be included in the next revision to the “Public Meeting Best Practices” Web page.
16	4 – PC	NRR/ DIRS NSIR/ DPR	Evaluate external survey program and include incident response activities in the survey	No changes planned beyond current practice	IR programs are subject to continual comment by stakeholders, and recommendations for improvement from external sources are considered. Routine public meetings, stakeholder focused meetings, and training sessions provide the opportunity for external input. IR activities are outside the scope of the ROP external survey which focuses on implementation effectiveness of the ROP.
17	4 – PC	NSIR/ DPR	Increase publicly available Web-based information on incident response function and security cornerstone	No changes planned beyond current practice	Licensee incident response information is publicly available (as part of ROP). Agency incident response readiness performance is publically available in the Green Book for the Agency Budget. Security performance information is generally not published per Agency policy due to sensitivity.
18	5 – OA	NSIR/ DPR	Clarify procedures for coordination and handoff after the emergency/plume phase of an incident	Long Term	NSIR DPR will request budget to support post plume phase exercise support and additional performance based training for responders. A critique of the program instructions and practices would help determine corrective actions. The resource request is for FY12, with corrective actions following.
19	6 – FM	OCFO	Improve program performance on corporate measures related to financial management, specifically carryover target	Short Term (by end of CY 2009)	OCFO is aware of the concerns regarding timely obligation of funds, which contributes to the level of carryover, and is working to address this matter.
20	7 – E/A	NRR/ DRA OE	Address issues and uncertainties regarding compliance with the fire safety requirements	Long Term (scheduled implementation is 2Q2010)	This effort is being tracked by SECY-08-0171, “Plan for Stabilizing Fire Protection Regulatory Infrastructure,” dated November 5, 2008 (tasks #1 and #5). In addition, EGM 09-002, “Enforcement Discretion for Fire Induced Circuit Faults,” was issued in May 2009 and additional enforcement guidance is in progress to clarify fire protection compliance uncertainties.
21	7 – E/A	OE	Add additional level of review in non-escalated enforcement actions to	Short Term (by the end of CY	This effort is being tracked by the status of recommendations related to the OIG audit of the

			review outcomes and procedures to help ensure that standardized procedures are used	2009)	NRC'S Enforcement Program (OIG-08-A-17), most recent update dated June 3, 2009 (recommendation #1). The recommendations and staff corrective actions are focused on materials cases; NRR has programs and procedures in place that adequately address reactor enforcement cases.
22	7 – E/A	OE	Standardize procedures for tracking of enforcement cases	Short Term (by the end of CY 2009)	This effort is being tracked by the status of recommendations related to the OIG audit of the NRC'S Enforcement Program (OIG-08-A-17), most recent update dated June 3, 2009 (recommendations #2-3). The recommendations and staff corrective actions are focused on materials cases; NRR has programs and procedures in place that adequately address reactor enforcement cases.
23	8 – SD	NRR/ DIRS OEDO	Analyze root causes of increased inspection turnover and take actions to address this issue	Complete	SECY-09-0050, "Actions to Enhance Relocation and Retention for Employees," dated March 30, 2009, provided the staff's evaluation and action plan to address this issue.
24	8 – SD	HR	Conduct follow-up surveys three months after training	Long Term (plan to develop surveys and conduct pilot by 4Q2009)	This effort is being tracked by SRM M080516B dated June 17, 2008 which requested the staff to develop a method for measuring the effectiveness of its training. The Training Effectiveness Working Group is proposing conducting follow-up surveys 6 months after training to evaluate training effectiveness.

Area applies to the 8 distinct areas of the report:

- CTS – Contribution to Safety
- BPI – Budget Performance Integration
- IEI – Internal Evaluation and Improvement
- PC – Public Communications
- OA – Interaction with Other Agencies
- FM – Financial Management
- E/A – Enforcement and Allegations
- SD – Staff Development

Short Term - Recommendation to be implemented by end of CY 2009

Long Term - Recommendation to be implemented in CY 2010 or beyond

Recommendation Details

	Section	Recommendation	Details of Recommendation
1	1 – CTS	Train regional staff as subject-matter experts for safety culture assessment	The evaluation of safety culture is an important part of the assessment process, but based on input from interviewees and internal stakeholders, we believe the uniqueness and subjectivity of safety culture assessments are challenging and time consuming for inspection staff. The Program should recruit and train a group of individuals to have more knowledge in the area of safety culture. These individuals would be a resource for inspectors making SCCI assessments and could facilitate knowledge sharing and consistency in assessment of safety culture. In addition, they could provide guidance and standards, as needed, for the independent safety culture assessments performed by licensees in column 4 of the ROP Action Matrix. Training staff to develop specialized knowledge in the area safety culture would yield benefits including more high quality safety culture assessments and increased consistency that would lead to higher credibility with constituents and stakeholders.
2	1 – CTS	Conduct a lessons learned study to assess the history of and causes for the fire protection issues	Given that the fire protection rules were established in 1980 and there is still significant reliance among licensees on interim measures and enforcement discretion, and there is non-compliance among some licensees, the Program plans to establish a lessons learned study in calendar year 2009. We concur with this plan and encourage that lessons learned be applied where appropriate to other aspects of the Program's regulations to help to identify ways to avoid similar problems in the future.
3	1 – CTS	Enhance exercise evaluations through improved standardization; incorporate a post exercise survey of respondents and input from participating government agencies	To ensure that post-exercise evaluations are consistently performed, provide opportunity for and documented evidence of participant feedback and self-critique, include non-NRC response stakeholders (e.g. State, local, Federal organizations) involved in the drill/exercise/event, and ensure that clear documentation of the process is evident, the post-exercise/event evaluation process should be clearly described in IR procedures. These procedures should include: <ul style="list-style-type: none"> • Preparatory actions for coordination with offsite response organizations (OROs) regarding their participation or observance; • Post-exercise/event critique review forms used in soliciting and documenting participant comments; • Format and timeliness schedules for post-action reports; and • Instruction and retention guidance for evaluation materials.
4	1 – CTS	Continue to focus on assessing the reasons for lack of variation in PIs in order to ensure that this does not continue to undermine their utility as indicators of potential problems	The performance indicators provide limited visibility to variations in plant performance. As such, it is more difficult to confirm their utility as indicators of potential problems. The Program should continue to assess the reasons for lack of variation in the performance indicators. To the extent that the lack of greater-than-Green indicators does not reflect good performance on the part of the licensee, the Program should consider options such as: reviewing and modifying thresholds for White, Yellow, and Red indicators; reviewing inspection procedures for validating licensee methodology in collecting and reporting data for the performance indicators to ensure an accurate assessment of performance; and identifying options for modifying indicators on a

			regular basis in order to reduce fatigue of the indicators.
5	1 – CTS	Adopt performance metric to reflect safety deficiency correction rate	To track the extent to which issues identified in inspections or through PIs are corrected, the Program should consider adopting a metric that tracks safety deficiency correction rate, such as: The percentage of findings that do not recur within 12 months of the original finding. This metric could replace the existing metric: Number of operating reactors whose integrated performance entered the Inspection Manual Chapter 0350 process, the multiple/repetitive degraded cornerstone column or the unacceptable performance column of the ROP Action Matrix. OMB has criticized the existing metric as not being ambitious enough and lacking in the ability to show trends. We believe the proposed metric provides an opportunity to set a metric with an aggressive target, e.g., over 99%. The value would increase as the number of overall findings increases, and the number of findings are resolved and do not recur. In addition, since there are a large number of findings, tracking of this metric would provide visibility to trends.
6	1 – CTS	Adopt metric to track program efficiencies (Program Cost per MWh)	In order to monitor the program costs, the Program should adopt efficiency metric, program cost per aggregate power output of licensed facilities. Program Cost per MWh = Direct program costs/ Aggregate power output of licensed facilities This measure reflects increased benefits to the public as a result of risk-informed regulation, underlying research, and other activities supporting power uprates. To the extent that the scope of security-related assessment has increased over time, NRC may want to limit this metric to safety-related assessment and incident response cost to facilitate comparison over time.
7	1 – CTS	Implement a database to track the status of fire protection exemptions, compensatory measures, and manual actions in place at plants in order to facilitate the assessment of compliance trends	Given the reliance among licensees on interim measures, the Program should implement a central database of interim compensatory measures being used in place of permanent fire protection features. Such a database could help the NRC track trends of compliance to the fire protection rules. Such information could help the NRC make informed decisions as it works to resolve this long-standing issue.
8	2 – BPI	Establish published crosswalk of the Program's budget to demonstrate alignment of costs to Program outputs and annual and long-term outcomes	The program budget request lacks transparency in that it does not clearly define the relationship between resources and annual and long-term performance goals. In order to demonstrate that performance informs budget formulation and resource allocation decisions reflect desired performance levels, the Program should coordinate with OCFO, who leads the PBPM process and development of the annual Performance Budget and Performance and Accountability Report, to present the RO and IR program budget in a more transparent manner. This may include aligning the program budget with the agency's strategic goals, safety and security, and linking the Program's strategic outcomes, performance measures, and output measures.
9	2 – BPI	Develop logic model or performance framework that clarifies linkage	The relationship between resources and annual and long-term performance goals is not clearly defined. The Program is complex for the uninitiated reader and a logic

		between outputs and outcomes	model or redesign framework might facilitate understanding of the linkage between outputs and outcomes (e.g., oversight activity and safety). The Program may consider developing a logic model or revising the ROP performance framework to clarify the linkage between the oversight activities and program outcomes for someone who is not indoctrinated in the NRC mission. The logic model development will be an opportunity to add/retain a limited number of measures that are appropriate, meaningful, and reflective of desired program outcomes, and provide comprehensive and quality measurement. This will also present an opportunity to eliminate any measures that do not meet the criteria.
10	2 – BPI	Develop marginal cost model to conduct sensitivity analyses	The Program needs improvement in demonstrating the impact of funding on annual and longterm outcomes. The Program may consider developing a model that analyzes the impact of reducing and increasing funding by a given percentage on annual and long-term outcomes. With the Program’s goal of zero nuclear accidents and the public’s intolerance for a nuclear incident, developing a programmatically relevant marginal cost model represents a challenge to the Program. The Program may consider developing a marginal cost analysis to demonstrate the impact of funding on output performance and extrapolating these results to provide a qualitative explanation of the impact on annual and long-term outcomes.
11	2 – BPI	Assess the full costing methodology to ensure accurate representation of full program costs	Our analysis of direct vs. indirect costs for the Program found a relatively higher indirect cost percentage for the RO program than the other programs under the Nuclear Reactor Safety Program. There may be a reasonable programmatic explanation for the higher indirect costs, but due to our inability to obtain an explanation of the full costing methodology and how it was applied to the RO program, we recommend the Program assess the full costing allocation methodology to ensure the infrastructure and support costs that are allocated to the Program are accurate and representative of its full program costs.
12	2 – BPI	Improve performance reporting to provide integrated and comprehensive monitoring of financial and operating results against plan in a timely manner	The Program needs improvement in relating budget, workforce, accounting, and performance information. Improved performance reporting that provides a complete and timely account of program resources budgeted vs. expended which are tied to outputs/outcomes targeted vs. achieved enables management to monitor ongoing performance and to ensure program targets are achieved. The annual results of this report can be used to develop the Performance Budget and the Performance and Accountability Report as well as reporting to OMB’s expectmore.gov site each year. Implementation of this recommendation requires system enhancements to support efficient and timely data collection, analysis, and reporting. In addition, responsibility should also be assigned for financial and performance monitoring and reporting at the program level. Our assessment does not include a separate recommendation for systems improvements since the Agency already has a number of initiatives underway. Currently, NRC is implementing a new core financial management system that combines the functionality of the core accounting, license fee billing, cost accounting, allotment/allowance financial plan, and the capitalized property systems. Some key benefits sought from this new system include improved access, timeliness,

			efficiency, and overall quality in financial and performance reporting. The agency's time and labor system is also undergoing a major upgrade which is expected to improve the Program's capability to collect information for fee billing, and cost accounting and provide a wider range of management reports.
13	3 – IEI	Identify and document objectives from implementation actions in terms of outcome improvements, timeliness, process and/or cost efficiencies	While improvements are tied to specific recommendations, clear objectives and their impacts are not always developed. The Program should identify objectives of each action plan as it is developed and approved and then confirm the impact of improvement actions. The objectives should identify the problems or issues being addressed, expected benefits, and criteria for success.
14	3 – IEI	Complete the process of updating and maintaining current key program documentation	In some areas, the procedure documentation was out of date. The main documents for IRMC 0410 Drill and Exercise Standards, 0420 Drill and Development Coordination, and 0810 Outreach Programs are not available from the IRMC published Web site although Appendix A of each was available. In some cases, regions and headquarters have different documented procedures for exercise coordination. The published NUREG 0728, Rev. 4 is stamped as "interim release mode" since its April 15, 2005 issue date and is pending Rev. 5 in 2009. IRMC 0210 would benefit from greater specificity of procedures. Going forward, the Program should focus on more consistent document maintenance, increased alignment between regions and headquarters organizations, and increased level of detail to ensure consistent response actions.
15	4 – PC	Improve logistics of public meetings	Interviewees and respondents from the biennial external survey mention some shortfalls in the logistics of public meetings. The Program has made improvements, including providing more detailed agendas in reactor oversight meeting announcements and modifying Category 2 meeting processes to permit public comments at the end of each topic. Several participants at Working Group meetings also noted some logistical problems. The Program should ensure participants have access through security up until the time of the meeting, sufficient handouts and chairs are provided, and a microphone for speakers is available.
16	4 – PC	Evaluate external survey program and include incident response activities in the survey	One issue is the declining level of the reactor oversight survey participation. In 2007 there were only 7 responses (similar to 2006 levels). Another issue is that some stakeholders who do not respond are skeptical that their input will be considered fairly and acted upon by the Program. The Program should consider options to increase responsiveness and encourage greater participation in the external survey. The Program should also evaluate reasons for the decrease in responses through outreach to previous responders. Given findings, options to increase participation should be evaluated including modifying the survey instrument, increasing outreach, working with an organization like INPO, or other outreach campaigns. Also, the Program should solicit stakeholder input on incident response activities in the survey.
17	4 – PC	Increase publicly available Web-based information on incident response function and security cornerstone	The Program should provide more information on the progress of its incident response efforts. As discussed above, the Program is assessing its approach for the dissemination of non-sensitive and unclassified security information and should continue to do so to enhance confidence with regard to activities associated with the

			security cornerstone. While the current Emergency Preparedness section of the NRC Web site includes information on incident response objectives, roles and activities, the information should be expanded to increase stakeholder understanding of and confidence in the incident response function. For example, information on incident response public meetings should include a post-meeting summary of received comments and feedback/actions taken. Also a periodic update on activities and improvement actions related to incident response would demonstrate progress.
18	5 – OA	Clarify procedures for coordination and handoff after the emergency/plume phase of an incident	The incidence response documents are clear and fairly detailed with regard to roles and responsibilities during the emergency and plume phase of an incident. However, they are less specific about what happens during the intermediate and ingestion phase. Additional detail and clarity would improve preparedness for such a situation. The Program should raise this topic through working group meetings with partners, update documentation, and test and evaluate these procedures through tabletop discussions or drills.
19	6 – FM	Improve program performance on corporate measures related to financial management, specifically carryover target	Over the past year, the Agency has made significant efforts to improve and standardize the corporate performance measures, which include measures for financial management. The OEDO tracks office performance on these corporate measures on a quarterly basis. Some of the program support offices for the Program are not meeting the Green targets for the measures related to financial management. Program support offices need to improve their performance for the measures that are out of standard, especially the carryover measure, which has a target of no more than 6 months starting in FY 2009 and beyond. Other out-of-standard measures include: Time and Labor (T&L) certification timeliness, T&L correction rate, purchase order/purchase card invoice certification timeliness, contract funding commitment timeliness, and contract invoice timeliness. For any corporate performance measure that does not have an appropriate target for Red/Yellow/Green status, the program support office should coordinate with the OCFO and/or OEDO to revise the targets so that they are meaningful and representative of the desired performance levels. As discussed above under the financial management systems criteria, our assessment does not include a separate recommendation for systems improvements since the Agency already has a number of initiatives underway.
20	7 – E/A	Address issues and uncertainties regarding compliance with the fire safety requirements	There has been uncertainty among some stakeholders regarding some aspects of enforcement of fire safety rules. The NRC has made recent clarifications, which should address at least some of the questions. The Program should continue to clarify licensee requirements to help establish a transparent regulatory context for enforcement of fire protection rules, where it is clear when licensees are not in compliance, thus making it easier to enforce.
21	7 – E/A	Add additional level of review in non-escalated enforcement actions to review outcomes and procedures to help ensure that standardized procedures are used	The IG found that the enforcement program lacks clear and comprehensive guidance needed to ensure consistent program implementation. As a result, there were inconsistencies in the way enforcement was carried out among the Regions. The Office of Enforcement is considering calling for adding an additional level of review, e.g., review by a Branch Chief before enforcement actions are submitted. We agree

			with this approach. In addition, we recommend clarifying the guidance with additional examples and adding additional training for Branch Chiefs on standard criteria to apply in enforcement decisions. We also recommend that a Community of Practice be established in the Agency's Knowledge Management System for staff involved in enforcement to make use of this system as a way of sharing practices.
22	7 – E/A	Standardize procedures for tracking of enforcement cases	The IG report states that enforcement decisions may not be based on complete and reliable data. This study was agency-wide and therefore was broader in scope than the reactor oversight and incident response program. The finding regarding incomplete and unreliable data was in part due to lack of a standardized enforcement tracking system. However, since the RPS is used to support enforcement related to reactors in the Regions, this finding may apply less to reactor oversight-related enforcement. We recommend that guidance be updated with additional examples to clarify requirements and data quality standards for information to be used in enforcement cases.
23	8 – SD	Analyze root causes of increased inspection turnover and take actions to address this issue	High turnover is making it difficult to meet site staffing objectives. The Program should analyze the root cause of the increased turnover by conducting exit interviews of staff leaving, conducting a market study on salaries and benefits, and conducting an employee satisfaction survey. While some of the turnover is structural, in sympathy with the overall challenges the Agency is having with turnover, the results of this analysis should be applied to make the work context changes available to the Program.
24	8 – SD	Conduct follow-up surveys three months after training	Currently post-class surveys are conducted immediately after the class, but they are not conducted systematically after a period of time when the employee can better assess the impact on his or her job performance. The Program should also conduct follow-up surveys three months after the course is taken. Other agencies have used such follow-up surveys in similar contexts and have had good results. For example, the FAA also sends surveys to inspectors and their supervisors 90 to 180 days after course completion to obtain their perspectives on whether the course was needed and the extent to which the inspector is applying new skills and knowledge to the job.