

January 5, 2012

MEMORANDUM TO: William M. Dean, Regional Administrator, Region I
Victor M. McCree, Regional Administrator, Region II
Cynthia D. Pederson, Acting Regional Administrator, Region III
Elmo E. Collins, Regional Administrator, Region IV

FROM: Michael R. Johnson, Director **/RA/**
Office of New Reactors

SUBJECT: PILOT PROGRAM FOR THE CONSTRUCTION REACTOR
OVERSIGHT PROCESS ASSESSMENT AND ENFORCEMENT
PROGRAMS

In close coordination with all four regional offices, the Office of Nuclear Reactor Regulation, and the Office of Nuclear Security and Incident Response, the Office of New Reactors (NRO) has developed a new construction reactor oversight process (cROP). The cROP consists of many of the same objective elements as those used in the Reactor Oversight Process (ROP), starting with a construction regulatory framework and including a construction significance determination process, a construction action matrix, and a similar enforcement approach to that which is in use in the ROP. NRO engaged Regional and Headquarters staff in the development of all portions of the new cROP attached to this memorandum, including the solicitation and appropriate disposition by NRO of all comments received.

The U.S. Nuclear Regulatory Commission (NRC) is conducting a 12-month pilot program for the new cROP beginning on January 1, 2012, at Vogtle Electric Generating Plant, Units 3 and 4. The agency will also conduct the pilot program at Virgil C. Summer Nuclear Station, Units 2 and 3, upon the NRC's issuance of a combined license authorizing construction. The purpose of this 12-month pilot program is to exercise the new oversight process, identify problems, develop lessons learned, and make any necessary process changes before full implementation at all sites under construction. The cROP pilot program will be conducted primarily by staff in the Region II Center for Construction Inspection.

Enclosure 1 describes how the pilot program will be conducted, establishes ground rules for the program, and describes the pilot support organization. The staff has developed draft versions of Inspection Manual chapters (IMCs) for the new cROP finding screening process, significance determination process, and assessment program. As described in Enclosure 1, the staff will implement these procedures, along with a new enforcement approach as described in Enforcement Guidance Memorandum 11-006, "Enforcement Actions Related to the

CONTACT: Thomas J. Kozak, NRO/DCIP
301-415-6892

Construction Reactor Oversight Process,” during the 12-month pilot program. The NRC will evaluate the results of implementing these new procedures against preestablished criteria to measure the success of the new process.

Enclosure 2 is a draft of IMC 0613P, “Power Reactor Construction Inspection Reports—Pilot,” which provides guidance for the development of construction inspection reports and for the screening inspection findings. Enclosure 3 is a draft of IMC 2519P, “Construction Significance Determination Process,” which describes the new significance determination process that the staff will use to evaluate the significance of construction inspection findings. Enclosure 4 is a draft of IMC 2505P, “Periodic Assessment of Construction Inspection Program Results,” which provides guidance for the assessment of licensee construction performance. The existing versions of these IMCs will remain in place during the pilot program. The NRC will revise them following the pilot program to incorporate the guidance in the draft versions of the IMCs as well as any lessons learned during the pilot program.

Following the pilot, the staff will develop a Commission information paper, due May 3, 2013, that will describe evaluation criteria results, pilot lessons learned, any needed changes to the cROP, and the staff recommendation for full implementation of the cROP at all current and future power reactor construction sites. If the pilot is successful and major changes to the assessment and enforcement programs are not required, the NRC will continue to implement the new assessment and enforcement programs during the transition period from January 1, 2013, until the new programs are fully implemented. If major changes to the new assessment and enforcement programs are required upon conclusion of the pilot, they will be implemented for use in the assessment period subsequent to the pilot

Any feedback on the pilot program is very important for the finalization of the new oversight process. Please contact Thomas J. Kozak at 301-415-6892 or Timothy J. Frye at 301-415-3900 as issues arise.

Enclosures: As stated

cc: Eric Leeds, NRR
Jim Wiggins, NSIR
Roy Zimmerman, OE
Anthony Wilson, OGC
Nathan Sanfilippo, OEDO
Anthony Pietrangelo, NEI
Joseph (Buzz) Miller, SNC
Ronald Clary, SCANA
Alfred Paglia, SCANA
April Rice, SCANA

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OFFICE	CIPB:DCIP:NRO	CAEB:DCIP:NRO	C:CAEB:DCIP:NRO	CIPB:DCIP:NRO
NAME	DMcCain	*TKozak	TFrye	JBeardsley
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OFFICE	D:DCIP:NRO	QTE Resource	D:NRO	
NAME	LDudes	*JDougherty	MJohnson	
DATE	12/15/2011	12/19/2011	01/05/20	