

August 5, 2014

COMSECY-14-0030

MEMORANDUM TO: Chairman Macfarlane  
Commissioner Svinicki  
Commissioner Magwood  
Commissioner Ostendorff

FROM: Mark A. Satorius */RA/*  
Executive Director for Operations

SUBJECT: PROPOSED SUSPENSION OF THE REACTOR OVERSIGHT  
PROCESS SELF-ASSESSMENT FOR CALENDAR YEAR 2014

This memorandum requests Commission approval to suspend the annual self-assessment of the Reactor Oversight Process (ROP) for calendar year (CY) 2014. The U. S. Nuclear Regulatory Commission (NRC) staff believes that although the annual ROP self-assessment process has been effective in evaluating ROP implementation and revealing potential program enhancements, the process can be improved to more effectively assess a mature oversight program. The temporary suspension would result in resource savings that the staff would use to: (1) develop a more effective self-assessment process with more meaningful metrics for use in CY 2015 and beyond; and (2) address ROP improvement recommendations from the multiple independent and focused ROP-related assessments performed in CY 2013 and CY 2014.

The NRC staff implemented the ROP nearly 15 years ago, and it is now a stable and mature oversight program. The annual self-assessments, independent evaluations, and feedback from stakeholders have consistently noted that the ROP has been effective in ensuring safe and secure operation of operating nuclear reactors. Nonetheless, and as expected, numerous improvements have been recommended and implemented since its inception. Several opportunities for continued improvement remain, many of which have been identified by recent independent evaluations and staff initiatives.

In March 2000, the Commission directed the NRC staff to begin full implementation of the current ROP. In a staff requirements memorandum (SRM) issued on May 17, 2000, the Commission directed the staff to report on the ROP results after the first year of implementation.

CONTACT: Ronald K. Frahm, NRR/DIRS  
(301) 415-2986

The staff complied with the Commission's direction by submitting SECY-01-0114, "Results of the Initial Implementation of the New Reactor Oversight Process," issued June 25, 2001. In this SECY paper, the staff also stated that it intended to perform a self-assessment of the ROP and submit a summary of its findings to the Commission every year. Accordingly, the staff issued an ROP self-assessment Commission paper in April each year prior to the Agency Action Review Meeting (AARM), and briefed the Commission on the self-assessment paper after the meeting.

Inspection Manual Chapter (IMC) 0307, "Reactor Oversight Process Self-Assessment Program," describes the objectives and details of the ROP self-assessment process and notes that the NRC staff should issue a self-assessment report each year. IMC 0307, Appendix A, "Reactor Oversight Process Self-Assessment Metrics," lists the specific ROP performance metrics that support the ROP self-assessment. Management Directive (MD) 8.14, "Agency Action Review Meeting," describes the purpose and content of the AARM and the related Commission meeting that follows. The MD notes that one objective for both meetings is that senior managers review and discuss the results of the staff's self-assessment of ROP effectiveness. A comprehensive summary of the annual ROP SECY papers, resultant SRMs, independent evaluations, and stakeholder feedback from surveys can be found on the [ROP Program Evaluations and Stakeholder Feedback](#) external Web page.

As noted in SECY-14-0047, "Reactor Oversight Process Self-Assessment for calendar year (CY) 2013," dated April 18, 2014, the NRC staff continued to implement its ROP enhancement efforts that were initiated as a result of its "fresh look" at several key areas of the ROP, including the baseline inspection program, communication and openness, the assessment process, and the self-assessment program. As directed by the ROP, the staff also performed lessons-learned assessments following the implementation of the supplemental inspection at the Browns Ferry Nuclear Power Plant in accordance with Inspection Procedure 95003, "Supplemental Inspection for Repetitive Degraded Cornerstones, Multiple Degraded Cornerstones, Multiple Yellow Inputs, or One Red Input;" and the enhanced oversight of the Fort Calhoun Station in accordance with IMC 0350, "Oversight of Reactor Facilities in a Shutdown Condition Due to Significant Performance and/or Operational Concerns." In addition, in CY 2013, the ROP benefited from independent evaluations by the Government Accountability Office, the Office of the Inspector General, and a Commission-directed internal independent review. These efforts collectively produced numerous recommendations and suggestions for further ROP improvements that require the staff's focus to collate, prioritize, and address; including, but not limited to, improvements to the self-assessment process itself.

Given the above, the NRC staff initiated an effort to evaluate potential improvements to the ROP self-assessment process and explore more objective performance metrics to better assess a mature oversight program. The staff intends to: (1) develop metrics, consistent with the NRC's Principles of Good Regulation and the ROP goals that can be measured objectively based on readily available data; (2) consider new approaches to the ROP self-assessment process, including the scope, frequency, and conduct of the self-assessments; and (3) ensure that the proposed changes address the independent review's recommendation to better solicit and assess feedback on the ROP. The staff expects that these efforts will result in revisions to guidance documents on the ROP self-assessment process. The revised guidance would be in place in time for the CY 2015 ROP self-assessment. Additional changes to the metrics would continue to be evaluated going forward based on implemented program improvements and lessons learned.

In order to focus NRC staff resources on enhancing the ROP self-assessment process and addressing the numerous ROP recommended improvements from the recent independent and focused assessments, the staff has proposed to suspend the CY 2014 ROP self-assessment. Under this proposal, while the typical ROP self-assessment activities supporting the annual Commission paper and meeting would not take place, all other aspects of the AARM and subsequent Commission meeting would proceed as described in MD 8.14, including the self-assessment of Construction ROP effectiveness, discussions of licensee performance, industry trends analysis and evaluation (including the Industry Trends Program Commission paper), and deviations from the ROP Action Matrix. In lieu of the typical self-assessment discussions at the AARM and Commission meeting, senior NRC management would focus on the revised self-assessment process and the ongoing activities to address the recent ROP program evaluations and recommendations.

There are no resource implications. The resource savings from suspending the CY 2014 self-assessment will be used to improve the self-assessment process itself as well as make significant progress on addressing the numerous additional recommendations that have come about from independent evaluations over the past year. In order to address these recommendations in a timely manner using existing resources, the NRC staff has recommended suspension of the ROP self-assessment for CY 2014, in order to focus those resources on ROP improvements. This proposal alleviates the need to request additional resources to prioritize and address most of these program enhancements in FY 2015.

The Office of the General Counsel has reviewed this memorandum and has no legal objection.

SECY, please track.

cc: SECY  
OGC  
OCA  
OPA  
CFO

In order to focus NRC staff resources on enhancing the ROP self-assessment process and addressing the numerous ROP recommended improvements from the recent independent and focused assessments, the staff has proposed to suspend the CY 2014 ROP self-assessment. Under this proposal, while the typical ROP self-assessment activities supporting the annual Commission paper and meeting would not take place, all other aspects of the AARM and subsequent Commission meeting would proceed as described in MD 8.14, including the self-assessment of Construction ROP effectiveness, discussions of licensee performance, industry trends analysis and evaluation (including the Industry Trends Program Commission paper), and deviations from the ROP Action Matrix. In lieu of the typical self-assessment discussions at the AARM and Commission meeting, senior NRC management would focus on the revised self-assessment process and the ongoing activities to address the recent ROP program evaluations and recommendations.

There are no resource implications. The resource savings from suspending the CY 2014 self-assessment will be used to improve the self-assessment process itself as well as make significant progress on addressing the numerous additional recommendations that have come about from independent evaluations over the past year. In order to address these recommendations in a timely manner using existing resources, the NRC staff has recommended suspension of the ROP self-assessment for CY 2014, in order to focus those resources on ROP improvements. This proposal alleviates the need to request additional resources to prioritize and address most of these program enhancements in FY 2015.

The Office of the General Counsel has reviewed this memorandum and has no legal objection.

SECY, please track.

cc: SECY  
OGC  
OCA  
OPA  
CFO

**REFERENCE:** WITS201100134 **ADAMS Accession No.** ML14168A532 \*concurred via email

OFFICE	NRR/DIRS/IPAB	Tech Editor*	NRR/DIRS/IPAB	NRR/DIRS/IRIB*	NRR/DIRS:DD
NAME	RFrahm	CHsu	N.Sanfilippo	CRegan	SMorris
DATE	06/17/2014	06/17/2014	07/09/2014	06/19/2014	07/11/2014
OFFICE	NSIR*	RGN I*	RGN II*	RGN III*	RGN IV*
NAME	MLayton	PFinney	JMunday	JLara	TVegel
DATE	07/22/2014	07/15/2014	07/14/2014	07/22/2014	07/14/2014
OFFICE	OGC*	OCFO*	NRR:D	EDO	
NAME	STurk	MSpencer	DDorman (JUhle for)	MSatorius	
DATE	07/22/2014	07/22/2014	7/23/14	8/5/14	

**OFFICIAL RECORD COPY**