

November 3, 2015

MEMORANDUM TO: Stephen D. Dingbaum
Assistant Inspector General for Audits

FROM Jennifer L. Uhle, Director */RA/* Gary M. Holahan for
Office of New Reactors

SUBJECT: STATUS OF RECOMMENDATIONS AND STAFF RESPONSE
TO THE OFFICE OF THE INSPECTOR GENERAL'S AUDIT OF
THE NUCLEAR REGULATORY COMMISSION'S
CONSTRUCTION REACTOR OVERSIGHT PROCESS
(OIG-15-A-14)

This memorandum provides the U.S. Nuclear Regulatory Commission (NRC) staff's updates for the remaining open recommendations from the Office of the Inspector General's (OIG's) audit OIG-15-A-14, "Audit of the Nuclear Regulatory Commission's Construction Reactor Oversight Process," dated June 16, 2015. The staff has completed actions in response to the OIG's two audit recommendations and believes that the completed actions for resolved Recommendations 1 and 2 are responsive to OIG's analysis. The enclosure to this memorandum presents the history of correspondence for this audit.

Recommendation 1:

Develop and implement a comprehensive review that identifies process inefficiencies associated with Construction Reactor Oversight Process (cROP).

OIG Analysis dated August 31, 2015: The actions proposed by the agency meet the intent of the recommendation, on the assumption that the agency's *PRT Conclusions and Recommendations* document represents a comprehensive review that identifies process inefficiencies associated with cROP. This includes not only process issues for which the PRT provides recommendations, but also issues uncovered by the PRT that the PRT declared as "beyond the scope of this team to address" and for which the PRT did not offer recommendations. This recommendation will be closed after OIG reviews the implementation of the totality of the *PRT Conclusions and Recommendations* document and the associated PRT Transition Map.

Status: Resolved.

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

The Process Review Team (PRT) conducted research on how to make the inspection planning and scheduling process more efficient and effective. The team then published its conclusions and recommendations in the “Construction Inspection and Scheduling Process Review Team Recommendation Action Plan” (Agencywide Documents Access and Management System (ADAMS) Accession No. ML15288A166). Before writing the action plan, the team compiled a list of challenges in the inspection and scheduling process and then categorized them under the following areas: roles and responsibilities, communications, training/oversight, and SmartPlans. As part of its research, the team also received comments and feedback on the inspection planning and scheduling process that were beyond the scope of the assessment. The staff has implemented the PRT’s action plan. This action plan incorporated the actions identified in the PRT Transition Map and will be maintained until all identified actions have been completed.

Point of contact: Michael Ernstes, RII/DCP
404-997-4540

Target completion date: Completed.

Recommendation 2:

Implement the results of the comprehensive review through a formal action plan, with milestones, in order to address process inefficiencies associated with cROP.

OIG Analysis dated August 31, 2015: The actions proposed by the agency meet the intent of the recommendation, insofar as the agency has identified actions in response to recommendations for findings identified in the *PRT Conclusions and Recommendations* document. However, assuming the PRT review was as comprehensive as the agency represented in its July 16, 2015, memo to OIG, the agency has yet to provide OIG with a formal action plan and milestones for issues uncovered by the PRT that the PRT declared as “Beyond The Scope Of This Team To Address” and for which the PRT did not offer recommendations. This recommendation will be closed after OIG reviews the implementation of the totality of the *PRT Conclusions and Recommendations* document and the associated PRT Transition Map.

Status: Resolved.

The Construction Inspection and Scheduling Process Review Team Recommendation Action Plan includes developed actions with associated milestones to address the recommendations and the comments that the PRT received. The staff has completed a majority of these actions. The actions that remain to be completed include the conduct of a followup assessment of the implementation of the inspection planning and scheduling process and the issuance of an

S. Dingbaum

- 3 -

associated desktop guide on roles and responsibilities and SmartPlans. The staff plans to complete all actions by December 31, 2015.

Point of contact: Michael Ernstes, RII/DCP
404-997-4540

Target completion date: December 31, 2015.

Enclosure:
Correspondence History

cc: Chairman Burns
Commissioner Svinicki
Commissioner Ostendorff
Commissioner Baran
SECY
EDO

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*via e-mail

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| DATE | 11/02/15 | 10/29/15 | 11/03/15 |

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Correspondence History
OIG-15-A-14, “Audit Of The Nuclear Regulatory
Commission’s Construction Reactor Oversight Process”

June 16, 2015. *Audit Report:* Audit of the Nuclear Regulatory Commission’s Construction Reactor Oversight Process (OIG-15-A-14).

- Agencywide Documents Access and Management System (ADAMS) Accession No. ML15167A491.

July 16, 2015. *Memorandum to the Assistant Inspector General for Audits:* Staff Response to the Office of The Inspector General’s Audit of the Nuclear Regulatory Commission’s Construction Reactor Oversight Process (OIG-15-A-14)

- ADAMS Accession No. ML15190A347.

August 31, 2015. *Memorandum to the Executive Director for Operations:* Status Of Recommendations: Audit of NRC’s Construction Reactor Oversight Process (cROP) (OIG-15-A-14)

- ADAMS Accession No. ML15243A023.

Enclosure