

From: [Wilson, George](#)
To: [NRR_DORL_Distribution](#)
Subject: Expectations Memo
Date: Thursday, January 15, 2015 2:59:20 PM

To the staff of DORL:

As noted in Bill Dean's recent message on the All Supervisor's Retreat, the NRR Executive and Leadership Teams continue to focus on how we can leverage or revise our existing licensing processes to enhance our efficiency and effectiveness as a regulator, while maintaining our continued strong safety focus. To that end, NRR has a number of initiatives underway, many of which you will hear about at the upcoming NRR All-hands meeting scheduled for February 2nd.

As you know, we face a challenging backlog of work resulting from the reprioritization and shifting of resources to support our Fukushima response over the past few years. Now that we have received additional resources, in the form of staff and contract money, we must focus on stabilizing and recovering our licensing backlog. To that end, the NRR Executive and Leadership Teams have established a stretch goal this year of cutting the backlog in half. You are critical to that effort.

To support that goal, we are holding monthly meetings among the technical and projects division management to discuss the status of the backlog and to focus our attention on bringing licensing actions to closure. Members of the Executive Team are also attending those meetings to provide support and focus. Your continued support in keeping Firefly updated with realistic schedules and ensuring close coordination between the technical and projects staff is essential to our efforts. In addition to the monthly meetings, the technical and projects Deputy Directors are meeting bi-weekly to discuss the backlog, establish and monitor metrics related to it, and develop common expectations and alignment on the best approaches to working it down.

As an outcome of our most recent meeting, the Deputy Directors of DSS, DE, DRA, and DORL have aligned on a common set of expectations that we believe will ensure our continued focus on safety while effectively leveraging our established processes (e.g., LIC-101, LIC-109, LIC-111) to work down the backlog. Many of these were recently documented in the attached Commissioner's Assistants' note sent by NRR. Each of the Deputy Directors is sending this same email to our branch chiefs (BCs) and staff transmitting these expectations. Through adherence to a common set of expectations, we anticipate that we can achieve our common goals of enhancing our efficiency and effectiveness and simultaneously make sustained progress working down the backlog. The intent of these expectations is to provide additional clarity to those expectations addressed in existing NRR processes and guidance, and are not intended to convey direction that deviates from those processes.

Please ensure implementation of the following in conducting the reviews of the licensing actions assigned to you:

1. As stated above, it is important that all staff (project managers and technical staff) ensure that the milestone dates in Firefly are kept up-to-date and reflect realistic schedules. The project managers shall fill out the Blue Sheets within 2 days of

receipt of the Blue Sheet notification email. The technical BCs shall fill out the Green Sheet within 5 days of receipt of the Green Sheet notification email.

2. At the point when RAIs are transmitted from the technical staff to projects, the staff shall have developed a draft safety evaluation. In addition to ensuring that the RAIs contain both a sound technical and regulatory basis, the technical staff should be able to correlate each RAI to a “hole” in the draft safety evaluation that the licensee response is intended to fill. Developing draft SEs at the RAI stage will simultaneously enhance our safety focus by ensuring we get the necessary information to complete our licensing review while providing greater clarity and discipline in our RAI development process.
 - a. Recognizing that many licensing reviews are already ongoing and substantial progress has already been made, this expectation will be forward fit onto all licensing actions currently in the acceptance review phase or that are received in the future.
 - b. In addition, with agreement between the technical and projects branch chiefs, this expectation may be waived when it is in the best interest of both organizations. Applying this waiver should be the exception, not the rule, and is anticipated to be used primarily in cases where expediency is necessary (e.g., emergency or exigent amendments, development of the draft SE would have an overwhelmingly negative impact on schedule not commensurate with the benefit, etc.)

3. Greater management focus on RAIs should be exerted. The Deputy Directors recognized that a significant amount of our actual licensing review time is dedicated to the development, processing, and issuance of RAIs. In addition, licensee timeliness in providing responses can have a significant impact to our ability to complete our safety reviews in a timely manner. As such, effective immediately for all LARs, the Deputy Directors are establishing the following expectations:
 - a. Technical and projects staff should leverage appropriate alternative communications means, such as public meetings and teleconferences, to the maximum extent possible, to enhance clarity and understanding both during the development of draft RAIs and after sending RAIs to licensees. Enhanced engagement with licensees should facilitate staff understanding of licensee requests, reduce the need for some RAIs, and enhance licensees’ understanding of RAIs and ability to respond effectively. These interactions should be conducted in accordance with our openness policies and documented, as appropriate, in ADAMS.
 - b. Prior to sending a second (and any subsequent) round of RAIs in a specific technical area, the project manager, technical reviewer and projects branch chiefs shall meet to discuss the need for a second round of RAIs and whether alternative methods, such as a public meeting or audit, for gathering the necessary information may be more effective and efficient. The DORL and technical branch chiefs shall inform their Deputy Directors when a review will require a second or subsequent round of RAIs and what alternatives were considered.
 - c. Project managers may continue to use any of the current methods delineated in Section 4.3 of LIC-101 for issuance of RAIs. When issuing RAIs via formal letter or email, project managers shall default to affording a licensee 30 days to respond to RAIs and will document such in the official transmittal of the RAIs to the licensee. If the licensee requests a greater than 30-day response time, the PM shall address the licensee’s need of a later response date with both the DORL and Technical BCs for agreement of

the later response date. The PM's goal shall be to issue formal RAIs to licensees within 5 business days, after the clarification call has been held to discuss the draft RAIs. PMs shall provide technical BCs and staff, via email, with the date that RAI responses are due to facilitate effective workload planning by the technical branches.

- i. With agreement between the technical and projects branch chiefs, up to 60 days may be granted to licensees for providing a response.
 - ii. Licensee requests for longer than 60 days shall be elevated, with the branch chiefs' recommendation, to the technical and project's Deputy Directors for approval.
 - iii. In any case, if a licensee's extension request would challenge our timeliness metric, the branch chiefs should raise it to the attention of the Deputy Directors.
 - d. Project Managers will track licensee timeliness and adherence to RAI response schedules. Any delays in licensee responses shall be raised to the branch chiefs and Deputy Directors for consideration of whether denial in accordance with 10 CFR 2.108 is appropriate. Trends will be evaluated in Firefly on the average timeliness to assess our processes and metrics.
4. Enhanced efforts shall be made to contract licensing work. Going forward, technical and projects staff shall evaluate all new and ongoing licensing reviews to determine whether they can be most effectively contracted out. Consideration should be given to past experience contracting similar reviews, timeliness of reviews for contracting efforts, workload of key staff members, and whether existing in-house expertise is available. For licensing reviews that span branches and/or divisions, the technical branch that determines to contract their review shall inform the PM, who will in return, discuss the appropriateness of contracting out all of the technical review areas. Contracting an entire licensing review may be more efficient and effective than contracting portions while reviewing others in-house. Decisions on contracting whole or portions of a licensing action will be made by the branch chiefs on a case-by-case basis. In addition, staff is encouraged to identify specific routine work activities (e.g., Core Operating Limit Report reviews, certain relief requests, etc.) which may lend themselves to the establishment of an umbrella contract for future review activities. By leveraging contracting on our routine licensing activities, staff will have more time to focus on the complex licensing actions which need to be performed in-house.
5. Enhanced management attention and engagement shall be provided early whenever staff is considering denial of a license amendment for technical and safety reasons. The Deputy Directors recognize that some licensing requests may not satisfy NRC safety regulations and warrant denial. Whenever the technical staff determines that a denial may be appropriate, it should be promptly raised to the technical branch chief's attention, prior to developing the draft denial safety evaluation. With support of the technical branch chief, a branch chief level meeting between the technical and projects organizations shall be held expeditiously. If the outcome of that meeting is anything other than technical and project's alignment to continue the staff's review, the Deputy Directors shall be briefed expeditiously. The technical and project's branch chiefs shall collaborate to prepare a joint briefing with options and recommendations, even if differing views exist. If the Deputy Directors support a denial recommendation, a draft safety evaluation shall be prepared by the technical division and processed in accordance with established procedures.

The Deputy Directors will continue to meet bi-weekly and anticipate discussing how these

expectations are being implemented in their respective divisions. Please begin implementing these processes in your licensing review activities. Of course, if you have any questions, please feel free to discuss them with your branch chief or one of us.

Best regards,

Michele, Louise, and George