



OFFICE OF THE
INSPECTOR GENERAL

UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

March 22, 2016

MEMORANDUM TO: Victor M. McCree
Executive Director for Operations

FROM: Stephen D. Dingbaum */RA/*
Assistant Inspector General for Audits

SUBJECT: STATUS OF RECOMMENDATIONS: AUDIT OF
NRC'S OVERSIGHT OF ACTIVE COMPONENT
AGING (OIG-14-A-02)

REFERENCE: DIRECTOR, OFFICE OF NUCLEAR REACTOR
REGULATION, MEMORANDUM DATED FEBRUARY
19, 2016

Attached is the Office of the Inspector General's analysis and status of recommendations 1 and 2 discussed in the agency's response dated February 19, 2016. Based on OIG's analysis of this response, recommendations 1 and 2 remain in resolved status.

Please provide an updated status of the resolved recommendations by September 2, 2016. If you have questions or concerns, please call me at 415-5915, or Paul Rades, Team Leader, at 415-6228.

Attachment: As stated

cc:

H. Rasouli, OEDO
J. Jolicouer, OEDO
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EDO_ACS Distribution

Audit Report

AUDIT OF NRC'S OVERSIGHT OF ACTIVE COMPONENT AGING

OIG-14-A-02

Status of Recommendations

Recommendation 1:

Perform and document a thorough and systematic evaluation of the need for an NRC program to oversee the management of active component aging activities, all within the context of the current ROP environment. Evaluation elements are to include, but should not be limited to, the need for:

- (a) Program policies, goals, and objectives.
- (b) Program feedback and corrective actions for continual improvement.

Agency Response Dated
February 19, 2016:

The staff is in the process of completing the recommendations from a report by the Office of Nuclear Reactor Regulation's (NRR's) Operating Experience Branch (IOEB) titled, "Component Aging Study (2007-2011) – Insights from Inspection Findings and Reportable Events." The enclosure to this memorandum contains the current status of the staff's actions.

[From Enclosure] **Recommendations from Office of Nuclear Reactor Regulation, Division of Inspection and Regional Support, Operating Experience Branch Report, "Study on Components Exceeding Recommended Service Life" Planned Actions and Current Status:**

2012 Active Component Failure Study

Recommendation 3: Consider issuing a generic communication to alert the industry that operating important-to-safety equipment beyond its qualified service life without adequate justification is contrary to regulatory requirements and NRC expectations.

Planned/Completed Actions: The staff is developing a regulatory information summary (RIS). The staff issued a task interface agreement (TIA) on a closely-related issue identified at three NRC Region 3 plants. The TIA was

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Status of Recommendations

Recommendation 1 (cont.):

withdrawn on the basis that the region deemed it not necessary to resolve the issues identified at the three plants.

01/2016 Update: The Operating Experience Branch worked with various internal stakeholders in NRR, the Office of New Reactors, and the regions throughout the fall to finalize the draft RIS.

A public meeting was held on January 20, 2016, to discuss the draft. Following the public meeting, the staff will issue the draft RIS for public comment.

2012 Active Component Failure Study

Recommendation 4: Consider how inspectors could be better prepared to identify instances in which licensees are operating systems, structures and components (SSCs) important-to-safety beyond their reasonable expected service life without an adequate engineering justification. Additional guidance and training could be used to alert more inspectors on how these issues can be pursued using criteria from Title 10 of the *Code of Federal Regulations* Part 50 Appendix B, "Quality Assurance."

Planned/Completed Actions. Revise selected inspection procedures (e.g., Inspection Manual Chapter (IMC) 0612) and conduct associated inspector seminars. Seminars may be delivered using telecommunications and/or through the semiannual resident inspector counterpart meetings.

01/2016 Update

A working group has been formed to improve the predictability of screening determinations. This issue is being folded into the larger effort to revise IMC 0612.

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Status of Recommendations

Recommendation 1 (cont.):

2012 Active Component Failure Study

Recommendation 6: Conduct a Temporary Instruction (i.e., a one-time inspection) to evaluate whether licensees are documenting appropriate engineering justifications for SSCs in service beyond qualified service life. Results may inform further staff actions, such as enhancements to the baseline inspection program.

Planned/Completed Actions: The staff will make a decision on whether there is a need for a TI to collect data about licensees' management of component service life. This decision will be based in part on NRC/industry dialogue following development of a generic communication and NRC analysis of any follow-on initiatives proposed by industry.

01/2016 Update. A decision will be made following issuance of the RIS.

OIG Analysis:

The agency's proposed actions to complete the actions associated with the 2012 Active Component Failure Study (*IOEB Study*) recommendations contained in the enclosure to this agency response meet the intent of the OIG recommendation. OIG will continue to monitor the agency's planned/completed actions for *IOEB Study* Recommendations 3, 4, and 6. Specifically with regard to:

IOEB Study Recommendation 3: Per discussion with staff, OIG notes that the RIS is still being reviewed and has not yet been released for review and comment. OIG notes the public meeting that was held in January 2016 and will review the RIS when the final draft is completed.

IOEB Study Recommendation 4: OIG notes ongoing review of IMC 0612 and will continue to review staff progress regarding agency oversight of aging active

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Status of Recommendations

Recommendation 1 (cont.):

activities within the context of the IMC 0612 review and the current ROP environment.

IOEB Study Recommendation 6: OIG will continue to monitor staff plans to issue a Temporary Instruction (TI) to evaluate whether licensees are documenting appropriate engineering justifications for active components in service beyond qualified service life. Per discussion with staff, OIG notes that likelihood of TI's publication will be linked to the publication of the RIS.

Status:

Resolved.

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Status of Recommendations

Recommendation 2:

Develop and incorporate the mechanisms for monitoring, collecting, and trending age-related data for active components within NRC policy and procedures.

Agency Response Dated
February 19, 2016:

The staff (NRR/Division of Inspection and Regional Support, Operating Experience Branch) stated in its June 18, 2015, response to OIG regarding Recommendation 2 that it is developing a process to monitor and trend selected system and/or component failures using industry information. A proof of concept is being developed and is projected to be completed by the summer of 2016. A pilot is planned for implementation by fourth quarter 2016.

OIG Analysis:

The agency's action meets the intent of the recommendation. OIG will close the recommendation once NRC implements this pilot program and provides verifiable documentation that NRC monitors, collects, and trends age-related data for active components, and has included these measures in agency policy and procedures.

Status:

Resolved.