

August 29, 2016

MEMORANDUM TO: Steven Zane  
Acting Assistant Inspector General for Audits

FROM: Jennifer Uhle, Director **/RA/**  
Office of New Reactors

SUBJECT: STATUS OF RECOMMENDATIONS FROM "AUDIT OF THE  
U.S. NUCLEAR REGULATORY COMMISSION'S OPERATOR  
LICENSING PROGRAM FOR THE AP1000 POWER REACTOR"  
(OIG-16-A-08)

This memorandum provides the U.S. Nuclear Regulatory Commission (NRC) staff's updates for the recommendations from the Office of the Inspector General's (OIG's) audit OIG-16-A-08, "Audit of the U.S. Nuclear Regulatory Commission's Operator Licensing Program for the AP1000 Power Reactor," dated March 9, 2016. The staff continues to implement actions in response to OIG's audit and remains responsive to OIG's recommendations.

**Recommendation 1:**

Develop and implement an agencywide, consistent interpretation of regulations and guidance to address issues specific to new reactor operator licensing requirements.

**OIG Analysis dated March 17, 2016:**

The proposed actions meet the intent of the recommendation. This recommendation will be closed when OIG verifies that NRC has completed its proposed actions to have NRO, NRR, Region II, and the Office of the General Counsel (1) address and develop a consensus on the time interval between written examination and operating test administrations for AP1000 facilities currently under construction, (2) address the requirements to qualify a simulator as a Commission-approved simulation facility for use in AP1000 operating tests, and (3) determine the impact on operator licensing for currently operating reactors.

Status: Resolved

CONTACT: Jim Kellum, NRO/DCIP  
301-415-5305

**NRC Staff Update:****Actions taken and planned:**

The Human Performance, Operator Licensing, and Inspection, Test, Analysis, and Acceptance Criterion/Criteria (ITAAC) Branch in the Office of New Reactors (NRO) will work with the Operator Licensing and Training Branch in the Office of Nuclear Reactors Regulation (NRR), Region II, and Office of the General Counsel (OGC) to address the following:

- the time interval between the written examination and operating test administrations for AP1000 facilities currently under construction; and
- the requirements to qualify a simulator as a Commission-approved simulation facility for use in AP1000 operating tests

The group will work together to develop AP1000 consensus positions for each of the areas. Based on the consensus positions, the group will determine the impact on operator licensing for currently operating reactors.

The staff has formed a working group consisting of representatives from the NRO/Human Performance Operator Licensing and ITAAC Branch (HOIB), NRR/Operators Licensing Training Branch (OLTB), R-II/Operations Branch (OB), and OGC. The working group has received the audit report for review and began group discussions in August 2016.

Since the staff is developing agency positions and manpower is limited, the staff would like to extend the due date for Recommendation 1 from September 30, 2016, to February 28, 2017. Additionally, the NRC administered the first Vogtle Unit 3 operator licensing examination in July 2016 and will administer the first VC Summer Unit 2 operator licensing examination in September 2016. Extending this due date as requested would allow the staff to incorporate experience and lessons learned from these first two examinations.

**Target Completion Date:**

The staff is currently scheduled to complete this activity by September 30, 2016. However, the staff is proposing a new target completion date of February 28, 2017.

**Recommendation 2:**

Implement staff processes for documenting, addressing, communicating, and monitoring key decisions relevant to new reactor operator licensing requirements.

**OIG Analysis dated March 17, 2016:**

The proposed actions meet the intent of the recommendation. This recommendation will be closed when OIG verifies that NRC has completed its proposed actions to have (1) NRO and NRR work together to review the operator licensing manual chapters that provide guidance to the staff on the implementation of the operator licensing program and (2) revise the necessary operator licensing manual chapters to ensure that decisions related to new reactor operator licensing are monitored, addressed, documented, and communicated for current and future operator licensing managers and staff.

Status: Resolved

NRC Staff Update:

## Actions taken:

The staff has reviewed and revised all operator licensing manual chapters (OLMC) to require NRO operator licensing review and concurrence for all operator licensing activities involving new reactors. These OLMC revisions were jointly drafted by staff from NRO/DCIP/HOIB and NRR/DIRS/IOLB. The regions reviewed the revised manual chapters and provided comments which staff considered and incorporated where appropriate. These revisions incorporate the Human Performance, Operator Licensing and ITAAC Branch into the existing processes of the Operator Licensing and Training Branch OLMC procedures to ensure that decisions related to new reactor operator licensing are monitored, addressed, documented, and communicated for current and future operator licensing managers and staff. The revisions also reflect the current processes in use and enhance consistency and efficiency across the regions.

The NRC approved the revised operator licensing manual chapters for use on July 28, 2016 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML16209A511). The revised operator licensing manual chapters are as follows:

- OLMC-110, "Control of Operator Licensing Guidance Documents" (ML16208A461)
- OLMC-160, "Regional Office Interactions" (ML16208A466)
- OLMC-310, "Regional Office Review Procedure" (ML16208A479)
- OLMC-320, "IOLB/HOIB Review of Initial Licensing Examinations" (ML16208A481)
- OLMC-330, "Operator Licensing Oversight Program" (ML16209A005)
- OLMC-500, "Processing Requests for Administrative Reviews and Hearings" (ML16209A008)

With these actions, we consider Recommendation 2 to be complete and recommend closure.

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See next page.

**ADAMS ACCESSION NO.: ML16216A285**

\*via e-mail

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|-------------|---------------|---------------|----------|---------------------|
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| <b>DATE</b> | 8/4/2016      | 8/9/2016      | 8/9/2016 | 08/11/2016          |
| <b>OFC</b>  | OGC/NLO       | NRO           | EDO      |                     |
| <b>NAME</b> | PMoulding*    | JUhle         |          |                     |
| <b>DATE</b> | 8/19/2016     | 08/29/2016    | / /2016  |                     |

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**Correspondence Reference**  
**OIG-16-A-08, "Audit of NRC's Operator Licensing Program for the AP1000 Power Reactor"**

Office of the Inspector General (OIG) Audit OIG-16-A-08, "Audit of NRC's Operator Licensing Program for the AP1000 Power Reactor," dated February 8, 2016 (ADAMS Accession No. ML16039A297).

Memorandum from S. Dingbaum to Victor M. McCree, "Status of Recommendations from "Audit of the U.S. Nuclear Regulatory Commission's Operator Licensing Program for the AP1000 Power Reactor" (OIG-16-A-08)," dated March 17, 2016 (ADAMS Accession No. ML16077A007).

Enclosure