



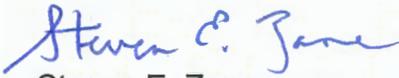
OFFICE OF THE  
INSPECTOR GENERAL

**UNITED STATES  
NUCLEAR REGULATORY COMMISSION**

WASHINGTON, D.C. 20555-0001

September 19, 2016

MEMORANDUM TO: Victor M. McCree  
Executive Director for Operations

FROM:   
Steven E. Zane  
Acting 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  
AUGUST 30, 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 August 30, 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 March 25, 2017. If you have questions or concerns, please call me at 415-5915, or Paul Rades, Team Leader, at 415-6228.

Attachment: As stated

cc: R. Lewis, OEDO  
H. Rasouli, OEDO  
J. Jolicouer, OEDO  
J. Bowen, OEDO  
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  
August 30, 2016:

Staff Response and Status Update: The staff and OIG agreed that completion of the seven action items associated with the study by the Office of Nuclear Reactor Regulation Operating Experience Branch (IOEB), "IOEB Analysis Team Study on Component Aging – Insights from Inspection Findings and Reportable Events," (ADAMS ML 13044A469) will resolve Recommendation 1. The enclosure to this memorandum contains the current status of the staff's actions from that IOEB study.

[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.

## Audit Report

### AUDIT OF NRC'S OVERSIGHT OF ACTIVE COMPONENT AGING

OIG-14-A-02

#### Status of Recommendations

##### Recommendation 1 (cont):

**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 NRC withdrew the TIA on the basis that Region 3 deemed it not necessary to resolve the issues identified at the three plants.

##### 08/2016 Update

The Operating Experience Branch published the draft RIS in the *Federal Register* on May 17, 2016. A 60-day comment period closed on July 17, 2016. Four comments were received from both internal and external stakeholders. The staff is addressing the comments and will incorporate any changes deemed necessary to the RIS. The staff target date for final RIS issuance is the beginning of the 2017 calendar year.

##### **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. Staff may deliver seminars using telecommunications or at the semiannual resident inspector counterpart meetings.

## Audit Report

### AUDIT OF NRC'S OVERSIGHT OF ACTIVE COMPONENT AGING

OIG-14-A-02

#### Status of Recommendations

##### Recommendation 1 (cont.):

An example involving SSCs installed beyond their documented service life will be added to an interim IMC 0612 revision to Appendix E, "Minor/More-Than-Minor Screening Examples," currently scheduled to be issued on or before the first quarter of 2017. DIRS staff will communicate the revised guidance through the regional OpE contacts and via the bi-weekly DIRS Regional Division Director calls.

##### **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 Temporary Instruction 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.

##### 08/2016 Update

Staff will make a decision after 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:

## Audit Report

### AUDIT OF NRC'S OVERSIGHT OF ACTIVE COMPONENT AGING

OIG-14-A-02

#### Status of Recommendations

Recommendation 1 (cont.):

**IOEB Study Recommendation 3:** Per discussion with staff, OIG notes that the RIS is in final review after incorporation of public comments. OIG will review the RIS when the final draft is completed in early 2017.

**IOEB Study Recommendation 4:** OIG notes ongoing review and proposed changes to IMC 0612 and IMC 0612 Appendix E. OIG will continue to review staff progress regarding agency oversight of aging active component activities within the context of the IMC 0612 review and will close the recommendation upon issuance and OIG review of revised guidance.

**IOEB Study Recommendation 6:** OIG will continue to monitor staff plans on whether or not to issue a Temporary Instruction to evaluate whether licensees are documenting appropriate engineering justifications for active components in service beyond qualified service life, as well as issuance of a generic communication associated with this activity. OIG will close this recommendation after reviewing final actions taken by the agency with respect to the Temporary Instruction discussed above, and after reviewing the related generic communication.

**Status:**

Resolved.

## Audit Report

### AUDIT OF NRC'S OVERSIGHT OF ACTIVE COMPONENT AGING

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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  
August 30, 2016:

Staff Response and Status Update: The staff is currently piloting an Operating Experience (OpE) Data analysis tool for trending of age-related failure data for active components. The pilot is scheduled for completion by December 31, 2016. After completion of the pilot, use of the OpE Data tool will be documented in a handbook and/or office instruction. It is anticipated that this documentation will be completed by June 30, 2017.

OIG Analysis:

The agency's action continues to meet 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.