



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

**OFFICE OF THE
INSPECTOR GENERAL**

October 27, 2016

MEMORANDUM TO: Victor M. McCree
Executive Director for Operations

FROM: Steven E. Zane */RA/*
Acting Assistant Inspector General for Audits

SUBJECT: STATUS OF RECOMMENDATIONS: AUDIT OF NRC'S
REACTOR OVERSIGHT PROCESS: REACTOR SAFETY
BASELINE INSPECTION PROCEDURES (OIG-16-A-12)

REFERENCE: OFFICE OF NUCLEAR REACTOR REGULATION
DIRECTOR, MEMORANDUM DATED OCTOBER 14, 2016

Attached is the Office of the Inspector General's analysis and status of recommendations as discussed in the agency's response dated October 14, 2016. Based on this response, recommendations 1 and 2 remain resolved. Please provide a status update for the resolved recommendations by January 27, 2017.

If you have questions or concerns, please call me at (301) 415-5915 or Paul Rades, Team Leader, at (301) 415-6228.

Attachment: As stated

cc: R. Lewis, OEDO
H. Rasouli, OEDO
J. Jolicouer, OEDO
J. Bowen, OEDO
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Audit Report

AUDIT OF NRC'S REACTOR OVERSIGHT PROCESS: REACTOR SAFETY BASELINE INSPECTION PROCEDURES

OIG-16-A-12

Status of Recommendations

Recommendation 1: Develop and implement controls to ensure mandatory and discretionary language used in inspection procedures is clear and consistent.

Agency Response

Dated October 14, 2016: Reviews of the Reactor Oversight Process Baseline Inspection Procedures, conducted in accordance with IMC-0307(b), have been completed. The procedure leads are revising associated procedures in response to the review recommendations and to ensure mandatory and discretionary language used is clear and consistent. To date, two procedures have been revised and issued to ensure clarified mandatory and discretionary language used is clear and consistent. The remaining procedures are in the process of revision and/or receiving regional review and comment. Recent regional and HQ resource reductions and redirection of staff effort to higher priority work precludes near term completion of the procedure revisions and warrants a change from December 31, 2016, to December 31, 2017, for expected completion. The new completion date of December 31, 2017, is to coincide with the beginning of the next annual inspection cycle. Inspection Manual Chapter 0040, "Preparing, Revising and Issuing Documents for the NRC Inspection Manual," has been reviewed and revisions have been drafted to strengthen relevant provisions and controls associated with establishing mandatory and discretionary inspection language in inspection documents. The revised draft IMC-0040 is currently in management review. The final revision of IMC-0040 is expected to be issued by December 31, 2016.

OIG Analysis: The actions proposed by the agency meet the intent of the recommendation. This recommendation will be closed after OIG reviews the developed and implemented controls to

Audit Report

**AUDIT OF NRC'S REACTOR OVERSIGHT PROCESS: REACTOR SAFETY
BASELINE INSPECTION PROCEDURES**

OIG-16-A-12

Status of Recommendations

Recommendation 1(cont.)

ensure mandatory and discretionary language used in inspection procedures is clear and consistent.

Status: Resolved.

Audit Report

AUDIT OF NRC'S REACTOR OVERSIGHT PROCESS: REACTOR SAFETY BASELINE INSPECTION PROCEDURES

OIG-16-A-12

Status of Recommendations

Recommendation 2: Notify staff and managers of controls developed to ensure that mandatory and discretionary language used in inspection procedures is clear and consistent.

Agency Response

Dated October 14, 2016: The draft revision to IMC-0040 is currently in review. Once the IMC-0040 revision has been issued, staff notification of the revision will be promulgated via memorandum from the Director, Division of Inspection and Regional Support, Office of Nuclear Reactor Regulation. Issuance of this memo is expected to be concurrent with the issuance of the revised IMC-0040, therefore this item is expected to be completed December 31, 2016.

OIG Analysis:

The actions proposed by the agency meet the intent of the recommendation. This recommendation will be closed after OIG reviews efforts to notify staff and managers of controls developed to ensure mandatory and discretionary language used in inspection procedures is clear and consistent.

Status:

Resolved.