



OFFICE OF THE
INSPECTOR GENERAL

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

November 29, 2018

MEMORANDUM TO: Margaret M. Doane
Executive Director for Operations

FROM: Dr. Brett M. Baker */RA/*
Assistant Inspector General for Audits

SUBJECT: STATUS OF RECOMMENDATIONS: AUDIT OF NRC'S 10
CFR 2.206 PETITION REVIEW PROCESS (OIG-17-A-23)

REFERENCE: DEPUTY EXECUTIVE DIRECTOR FOR REACTOR AND
PREPAREDNESS PROGRAMS MEMORANDUM DATED
NOVEMBER 13, 2018

Attached is the Office of the Inspector General's (OIG) analysis and status of recommendations as discussed in the agency's response dated November 13, 2018. Based on this response, recommendations 1 and 2 are resolved. Please provide a status update on these recommendations by February 28, 2019.

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
EDO_ACS Distribution Resource

Audit Report

Audit of NRC's 10 CFR 2.206 Petition Review Process

OIG-17-A-23

Status of Recommendations

Recommendation 1: Develop controls to ensure formal assessments are performed and are documented for future use.

Agency Response Dated
November 13, 2018:

The staff agrees with the recommendation.

NRC Management Directive (MD) 1.1, "NRC Management Directives System," requires that at least every 5 years, the staff review and reissue, or certify as still relevant, all management directives, unless an extension of the expiration date of a management directive has been approved. Prior to the October 2000 version of MD 8.11, "Review Process for 10 CFR 2.206 Petitions," the staff performed and documented formal assessments of the 10 CFR 2.206 petition review process as part of the periodic review and revision of MD 8.11. Between 2009 and 2017, staff performed formal and informal assessments and implemented changes on various portions of the 10 CFR 2.206 petition review process. These assessments have also supported the ongoing revision of the October 2000 version of MD 8.11, which is expected to be issued by January 31, 2019.

Planned Action: The Office of Nuclear Reactor Regulation (NRR) staff is developing guidance and controls that will allow the staff to perform and document periodic assessments of the 10 CFR 2.206 petition review process. Formal and informal assessments will continue to support enhancements to the process and future revisions of MD 8.11. However, the staff will define and decouple the frequency of periodic assessments from the review requirement in MD 1.1, to ensure that the NRC performs them on a consistent schedule.

The staff extended the target date for completion to account for the extension of the date to revise and issue MD 8.11, as addressed in Recommendation 2.

Audit Report

Audit of NRC's 10 CFR 2.206 Petition Review Process

OIG-17-A-23

Status of Recommendations

Recommendation 1 (cont'd):

Agency Response Dated

November 13, 2018:

Target date for completion: March 29, 2019

Updated target date for completion: June 29, 2019

CONTACT: Perry Buckberg, NRR/DORL
(301) 415-1383

OIG Analysis:

The actions described above meet the intent of this recommendation. OIG will close this recommendation after reviewing the revised guidance and verifying that it specifies measures for performing and documenting formal programmatic assessments in support of the 10 CFR 2.206 petition review process. This recommendation is resolved.

Status:

Resolved.

Audit Report

Audit of NRC's 10 CFR 2.206 Petition Review Process

OIG-17-A-23

Status of Recommendations

Recommendation 2: Clarify the criteria for reviewing and rejecting petitions.

Agency Response Dated
November 13, 2018:

The staff agrees with the recommendation.

The NRC staff recognized the need to clarify the criteria for reviewing and rejecting 10 CFR 2.206 petitions as part of the ongoing revision to MD 8.11. The staff has developed and incorporated revised criteria and has updated the initial screening criteria in the proposed revision to MD 8.11.

The expected date for NRC staff to revise and issue MD 8.11 was extended to allow the staff to consider additional external stakeholder feedback received and to respond to Commission direction in Staff Requirements Memorandum (SRM)-M180208 dated February 20, 2018. The SRM-M180208 identified additional items for staff consideration and clarification in its revision of MD 8.11.

The target date for completion was updated to reflect the date of issuance of the revised MD 8.11.

Target date for completion: November 2, 2018
Updated target date for completion: January 31, 2019

CONTACT: Perry Buckberg, NRR/DORL
(301) 415-1383

OIG Analysis:

The actions described above meet the intent of this recommendation. OIG will close this recommendation after reviewing the updated version of MD 8.11 and verifying that it includes clarified criteria for staff review and rejection of 10 CFR 2.206 petitions. This recommendation is resolved.

Status: Resolved.