



OFFICE OF THE
INSPECTOR GENERAL

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

August 20, 2019

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 THE
NUCLEAR REGULATORY COMMISSION'S SPECIAL AND
INFREQUENTLY PERFORMED INSPECTIONS
(OIG-18-A-13)

REFERENCE: DIRECTOR, OFFICE OF NUCLEAR REACTOR
REGULATION, MEMORANDUM DATED JUNE 27, 2019

Attached is the Office of the Inspector General's (OIG) analysis and status of recommendations as discussed in the agency's response dated June 27, 2019. Based on this response, recommendations 3, 4, and 6 are closed, while recommendations 1 and 5 are open and resolved. Recommendation 2 was previously closed. Please provide a status update for the open and resolved recommendations by December 16, 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: C. Haney, OEDO
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Audit Report

AUDIT OF THE NUCLEAR REGULATORY COMMISSION'S SPECIAL AND INFREQUENTLY PERFORMED INSPECTIONS OIG-18-A-13

Status of Recommendations

Recommendation 1: Update Inspection Manual Chapter (IMC) 2515, "Light-Water Reactor Inspection Program – Operations Phase," Appendix C, "Special and Infrequently Performed Inspections," and applicable Office of Nuclear Reactor Regulation (NRR) guidance to reflect the requirement to ensure consistent and periodic reviews of IMC 2515 Appendix C inspection procedures.

Agency Response Dated
June 27, 2019:

On May 1, 2019, IMC 2515 Appendix C was updated to include the following statement: Each inspection procedure in the table below will be reviewed in accordance with the periodicity and process specified in Inspection Manual Chapter 0307. Currently, the NRC staff is performing a holistic review of IMC 0307 and has recommended enhancements to the Reactor Oversight Process (ROP) Self-Assessment program. Recommendations include revising IMC 0307 to match the five-year review requirement periodicity specified in NRR policy OVRST-102. Upon completion of this holistic review, the staff will validate that guidance is consistent.

CONTACT: Jeffrey R. Bream, NRR/DIRS
(610) 337-5212

OIG Analysis: OIG has reviewed and verified that IMC 2515 Appendix C has been updated. OIG will close this recommendation upon reviewing the updated IMC 0307, to verify requirements ensuring consistent and periodic reviews of IMC 2515 Appendix C inspection procedures.

Status: Open: Resolved.

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Status of Recommendations

Recommendation 3: Review the inspection procedures listed in IMC 2515 Appendix C to determine if they are still warranted.

Agency Response Dated
June 27, 2019:

The staff completed a review of the procedures listed in IMC 2515, Appendix C. Procedures that were determined to no longer be applicable or whose guidance and objectives were incorporated into other inspection procedures were removed. The remaining inspection procedures were determined to still be warranted. Those that were in excess of four years since the last revision or reissue have been reviewed and reissued as appropriate, with the exception of the following:

- IP 37060, 10 CFR 50.69 Risk-Informed Categorization and Treatment of Structures, Systems, and Components Inspection
 - The NRC is currently in the process of revising this procedure as part of a program update associated with licensee implementation of 10 CFR 50.69 requirements.
 - Estimated Completion Date: December 31, 2020
- IP 41500, Training and Qualification Effectiveness
 - The NRC is currently in the process of reviewing this procedure for update and revision.
 - Estimated Completion Date: December 31, 2020
- IP 52003, Digital Instrumentation & Control Modification Inspection
 - The NRC is currently in the process of reviewing this procedure as part of program update associated with digital instrumentation and control to create, revise, or withdraw inspection procedures to align with the NRC's regulatory processes, as appropriate.
 - Estimated Completion Date: December 31, 2019
- IP 92702, Follow-up on Traditional Enforcement Actions Including Violations, Deviations Confirmatory Action

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Status of Recommendations

Recommendation 3 cont'd:

Letters, Confirmatory Orders, and Alternative Dispute Resolution Confirmatory Orders

- The NRC is currently in the process of reviewing this procedure as part of a program update associated with NRC follow up of traditional enforcement
- Estimated Completion Date: December 31, 2019
- IP 92722, Follow up Inspection for Any Severity Level I or II Traditional Enforcement Violation or for Two or More Severity Level III Traditional Enforcement Violations in a 12 Month Period
 - The NRC is currently in the process of reviewing this procedure as part of a program update associated with NRC follow up of traditional enforcement
 - Estimated Completion Date: December 31, 2019
- IP 92723, Follow up Inspection for Three or More Severity Level IV Traditional Enforcement Violations in the Same Area in a 12 Month Period
 - The NRC is currently in the process of reviewing this procedures as part of a program update associated with NRC follow up of traditional enforcement
 - Estimated Completion Date: December 31, 2019

OIG Analysis:

OIG has reviewed IMC 2515 Appendix C and verified that staff have reviewed the inspection procedures listed in IMC 2515 Appendix C to determine if they are still warranted. This recommendation is considered closed.

Status:

Closed.

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Status of Recommendations

Recommendation 4: Strengthen application controls in the Replacement Reactor Program System (RRPS) – Inspections Module to ensure NRC staff is correctly coding inspections under IMC 2515 Appendix C.

Agency Response Dated
June 27, 2019:

A change request was submitted to RRPS Resource to prevent NRC staff from selecting incorrect inspection items or codes when scheduling IMC 2515, Appendix C inspections. The change request was implemented with application version 3.12 in August 2018. On May 16, 2019, staff from Division of Inspection and Regional Support (DIRS) demonstrated this change to the OIG staff. The demonstration included the new steps an inspector would have to take to schedule an IMC 2515, Appendix C inspection and the limitations on selecting and scheduling inspection procedures that are not appropriate to the approved activity. The OIG staff indicated that they had no further questions or concerns related to this recommendation.

OIG Analysis: OIG verified that the RRPS change request has been implemented. Therefore, this recommendation is closed.

Status: Closed.

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Status of Recommendations

Recommendation 5: Periodically test application controls in the RRPS – Inspections Module to ensure NRC staff is correctly coding inspections under IMC 2515 Appendix C.

Agency Response Dated
June 27, 2019:

DIRS staff submitted a revision to IMC 0306, Planning, Tracking and Reporting of the ROP, to add section 05.01.f which will direct branch chief review of inspection item and codes during approval to verify proper item selection by inspectors. Additionally, the revision will include a table and description of available major activity codes in RRPS for reference by inspectors and branch chiefs. As of the date of this letter, NRR is still in process of revising IMC 0306 to incorporate this and other changes that are part of the continuing enhancements to RRPS. Completion of the revision is expected in the third quarter of 2019.

Separately, additional periodic testing of application controls implemented in response to Recommendation 4 are not necessary. The application controls were hard coded into RRPS and cannot be easily altered, intentionally or unintentionally.

OIG Analysis: The proposed actions meet the intent of this recommendation. OIG will close this recommendation after verifying applicable procedural changes resulting from the revision of IMC 0306, to ensure NRC staff is correctly coding inspections under IMC 2515 Appendix C.

Status: Open: Resolved.

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Status of Recommendations

Recommendation 6: Train NRC staff on how to properly code IMC 2515 Appendix C inspections in the RRPS – Inspections Module.

Agency Response Dated
June 27, 2019: Training was held during the regional counterpart seminars in May and June 2019. DIRS staff presented the RRPS modifications from Recommendation 4 to regional staff and provided them with opportunities to ask questions.

OIG Analysis: OIG verified that appropriate training has been provided to NRC staff on how to properly code IMC 2515 Appendix C inspections in the RRPS – Inspection Module. This recommendation is therefore considered closed.

Status: Closed.