



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

March 16, 1994

OFFICE OF THE
SECRETARY

MEMORANDUM TO: James M. Taylor
Executive Director for Operations

FROM: *for Samuel S. Chalk*, Secretary

SUBJECT: SECY-94-011 - MANAGEMENT DIRECTIVE ON USE OF
COMMON PERFORMANCE INDICATORS IN REVIEW OF
THE AGREEMENT STATE AND REGIONAL MATERIALS
PROGRAMS

The Commission (with all Commissioners agreeing) has approved the implementation of a modified pilot program in which a review team reviews two NRC regions using the common (programmatic) performance indicators. The pilot program with respect to Agreement States should consist of gathering information on the common performance indicators in addition to the normal review, which should be conducted under the existing Policy Statement and existing procedures for determining adequacy and compatibility. The information on the five common performance indicators gathered by the staff in the Regions and in the Agreement State reviews should be used in evaluating the usefulness of and/or reformulating the draft common performance indicators in response to the GAO recommendations. This refinement of the performance indicators should occur before use of the new indicators for an adequacy finding in an Agreement State. The staff should also consider applying some of the present Agreement State indicators to the regional reviews to gain insights to the development and refinement of additional performance indicators. The staff should be clear that the common performance indicators are to be applied to develop a data base which (1) will be subject to both quantitative and qualitative (judgement) factors in evaluating the Agreement States' and regional regulatory programs, and (2) will give an idea of nationwide trends in materials areas.

The term "operational data" should be used for the five "operational indicators." For the purposes of this pilot, the staff should collect operational data, e.g., numbers (not rates) of misadministrations, overexposures, lost, abandoned and stolen sources, contamination events and contaminated sites. These data

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should be used to establish a national data base for the purpose of identifying trends and patterns.

The role of the Management Review Board (MRB) should be limited to the pilot program and should be to review the reports of the Regional reviews (which should contain information comparable to that gathered in the Agreement State reviews) and reports of the Agreement State reviews (including supplementary information on the common performance indicators). The MRB should evaluate and compare the relative effectiveness of the reviews using the common performance indicators versus the existing frameworks for reviewing Regional and Agreement State reviews. In performing this evaluation, the MRB should focus on these questions:

Would the Agreement State review findings have been different if only the common (programmatic) performance indicators were used?

How useful were the common (programmatic) performance indicators and the other non-common programmatic indicators in evaluating the adequacy of the Regional programs?

What set of common (programmatic) performance indicators would best evaluate the effectiveness of both programs in meeting NRC's goal of protecting public health and safety?

The staff, in consultation with the Office of the General Counsel (OGC), should consider the feasibility of having an Agreement State representative observe the MRB meetings in a manner similar to NRC observation of the National Academy for Nuclear Training Accreditation Board meetings.

The staff should indicate the differences in use of the terms "review", "evaluate", "examine", and "assess" or indicate that they are used interchangeably.

The staff should seek voluntary participation in the pilot program by representative Agreement States.

The staff should inform the Commission of the results of the pilot program and any revisions or reformulation of the common performance indicators.

{EDG} NMSS

(SECY Suspense:

11/18/94)

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cc: The Chairman
Commissioner Rogers
Commissioner Remick
Commissioner de Planque
OGC
OCA
OIG
Office Directors, Regions, ACRS, ACNW, ASLBP (via E-Mail)