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

June 21, 2023

MEMORANDUM TO: John W. Lubinski, Director
Office of Nuclear Material Safety
and Safeguards

FROM: Shana R. Helton, Director
Division of Fuel Management
Office of Nuclear Material Safety
and Safeguards

Zimmerman, Jacob signing on behalf of Helton, Shana on 06/21/23

SUBJECT: OFFICE OF NUCLEAR MATERIAL SAFETY AND SAFEGUARDS IMPLEMENTATION OF VERY LOW SAFETY SIGNIFICANCE ISSUE RESOLUTION PROCESS

The purpose of this memorandum is to obtain your endorsement of the attached report (Enclosure 1) by the Very Low Safety Significance Issue Resolution (VLSSIR) Working Group (WG), and your approval of the WG recommendations to implement the VLSSIR process in the materials inspection program.

To support your review, I offer the following notable background and other information from the WG report and the VLSSIR process development activities to date:

- The Office of Nuclear Material Safety and Safeguards (NMSS) VLSSIR WG was tasked to evaluate and, if appropriate, provide recommendations for VLSSIR implementation by the NMSS business lines (BLs) following the successful development and rollout of the VLSSIR process by the Office of Nuclear Reactor Regulation (NRR) in 2020 (Agencywide Documents Access and Management (ADAMS) Accession No. ML20022A032). The NRR VLSSIR Process, originally limited to the Reactor Oversight Process issues that could be assessed under Inspection Manual Chapter (IMC) 0609, “Significance Determination Process,” was recently expanded to include issues addressed under traditional enforcement (ML22019A175).
- At its core, the VLSSIR process provides the U.S. Nuclear Regulatory Commission inspectors and BL managers the opportunity to discontinue inspection of an issue involving an unresolved licensing basis question that meets the VLSSIR screening criteria provided in the VLSSIR Implementation Guidance. Importantly, the VLSSIR process does not apply to known compliance issues or issues where there is a reasonable indication that a noncompliance occurred.

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- Although the definition for VLSSIR refers to "*safety* significance," the WG considers that the VLSSIR process applies to a broad range of regulated areas related to safety, including security, emergency planning and preparedness, documentation control, and reporting. This is consistent with the broad range of issues currently considered in existing screening and assessment processes. For example, for the operating reactor business line, security-related inspection issues are screened and assessed within the Reactor Oversight Process. Similarly, the materials business lines use the Enforcement Policy traditional enforcement screening and assessment for security-related issues. For both reactors and materials business lines, these screening and assessment approaches can, therefore, be used to consider a broad range of regulated activities within the VLSSIR process, as well.

- The WG report includes recommendations for implementation of the VLSSIR process by the materials BLs, which include revisions to impacted IMCs, and provides interim implementation guidance to be used until such time as the IMCs can be updated.

- The NMSS VLSSIR WG developed a standard definition for VLSSIR process to be applied agencywide. Further, the WG report clarifies situations when VLSSIR is not applicable (i.e., known compliance issues or when there is clear indication a noncompliance occurred but certain details concerning the issue have not been finalized).

- In general, the proposed process for implementing VLSSIR in the materials program described in the WG report is aligned with the NRR VLSSIR approach. Both include for consideration issues that would not be greater than Severity Level (SL) IV, if determined to be violations. Staff should consult with management, in determining whether it may be appropriate to continue to expend efforts to resolve an issue that otherwise satisfies the VLSSIR screening criteria based on the unique circumstances of the issue.

- The WG will engage with the NMSS BLs to organize internal meetings and training, as appropriate, to describe and answer questions about the VLSSIR process. The WG also plans on developing methods to inform external stakeholders of the impending implementation of the VLSSIR process, if approved, in the materials program.

- The following offices, BLs, and regions were represented on the NMSS WG: NMSS (Division of Fuel Management (DFM), Division of Decommissioning, Uranium Recovery, and Waste Program, Division of Materials Safety, Security, State, and Tribal Programs); Office of Nuclear Regulatory Research (Division of Risk Analysis); NRR (Division of Risk Assessment, Division of Reactor Oversight); Office of Enforcement; and Office of the General Council; and Regions (I, II, III, and IV).

- DFM has discussed and reached division-level alignment on the WG report and proposed implementation plan with cognizant divisions at NRR and the Office of Nuclear Security and Incident Response (NSIR).

If fully implemented, the NMSS VLSSIR process would empower inspectors to efficiently discontinue inspection of unresolved licensing basis questions for issues that would require substantial resources to resolve **and** that are of low enough safety significance that they would be screened as SL IV in the enforcement process (if the issue were ultimately determined to be a noncompliance). Implementation of an NMSS VLSSIR process would allow for consistent implementation of VLSSIR across the agency and ensure a clear understanding of what VLSSIR is and what it is not.

Enclosure:
NMSS VLSSIR WG Report and
Implementation Guidance
(ML22353A599)

Very Low Safety Significance Issue Resolution Working Group Report and Implementation Guidance
DATE June 21, 2023

DISTRIBUTION:
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ADAMS Accession Nos.: Pkg ML22353A594; S Helton to J Lubinski Memo ML22353A595; J Lubinski Memo ML22353A596; WG Report ML22353A599

***via email**

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