

POLICY ISSUE
NOTATION VOTE

RESPONSE SHEET

TO: Brooke P. Clark, Secretary
FROM: Commissioner Wright
SUBJECT: SECY-22-0087: Recommendation for Problem Identification and Resolution Team Inspection Frequency

Approved X Disapproved Abstain Not Participating

COMMENTS: Below Attached X None

Entered in STAR

Yes X

No

Signature

Commissioner David A. Wright's Comments on SECY-22-0087, "Recommendation for Problem Identification and Resolution team Inspection Frequency"

Since its inception, the Problem Identification and Resolution (PI&R) program has been seen as a key element underlying licensee performance in each Reactor Oversight Process (ROP) cornerstone area. A fundamental goal of the NRC's reactor inspection and assessment process has been to establish confidence that each licensee is detecting and correcting problems in a manner that limits the risk to members of the public.

The PI&R inspection was implemented as an annual inspection as part of the ROP pilot in 1999. Several Region IV senior inspectors filed a Differing Professional View (DPV) and a Differing Professional Opinion (DPO) challenging this annual frequency.¹ They were concerned the frequency was neither effective nor efficient given the other touch points for PI&R throughout the baseline inspection program, and that there was not enough time to truly measure the effectiveness of a licensee's corrective actions. The senior inspectors also shared that, in their experience, it likely takes 2 or 3 years to have sufficient data to measure the effectiveness of a licensee's corrective actions. The inspectors believed that the annual frequency diverted critical resources away from more important safety issues. The Regional Administrator at the time did not share this view and sought to maintain the annual frequency. An Ad-Hoc DPO panel supported this position and recommended that no immediate changes be made to the frequency of the PI&R inspection but recommended that a review of the appropriateness of the PI&R inspection frequency be conducted. Following this review, the Executive Director of Operations agreed to change the PI&R baseline inspection frequency from annual to biennial.² I believe we are in very similar territory now.

In 2019, the staff submitted SECY-19-0067 for Commission consideration that, in part, recommended a change to the frequency of the PI&R team inspection frequency from biennial to triennial.³ In that paper, the staff stated that the triennial option is aligned with the efficiency Principle of Good Regulation because it reduces the frequency of the inspection while still allowing inspectors to make a timely assessment of the licensee's implementation of the corrective action program (CAP). The supporting view expressed that the two-year frequency for the PI&R biennial inspection was too frequent, resulting in an overlap of areas reviewed during previous inspections. Moreover, as identified in SECY-19-0067 and reiterated in SECY-22-0087, there are many "touchpoints" for inspectors to evaluate the health of the licensee's CAP, such as daily, semi-annual, and annual reviews. Most of the baseline inspection procedures contain a requirement to inspect PI&R performance; this ensures that PI&R performance is assessed in all cornerstones. It also helps inspectors verify that licensees are identifying issues at an appropriate threshold and entering them into their CAPs. In addition, the staff noted that

¹ Memo from William D. Travers, "Case File for Differing Professional Opinion (DPO) - "Frequency of Problem Identification and Resolution (PI&R) Inspections," (ADAMS Accession No. ML010580320).

² Memo from William D. Travers, "Follow-Up Actions to Recommendations from Ad-Hoc Differing Professional Opinion Panel on Problem Identification and Resolution (PI&R) Inspections," (ADAMS Accession No. ML012200195).

³ SECY-19-0067, "Recommendations for Enhancing the Reactor Oversight Process," (ADAMS Accession No. ML19070A036).

transitioning to a triennial frequency would give licensees more time to implement corrective actions, thus reducing the need to inspect corrective actions that have not been fully completed.

However, there were also alternative views from staff (including some Regional Administrators) outlined in SECY-19-0067 that expressed the frequency of the biennial PI&R inspection should not be revised prior to the completion of a comprehensive review of the PI&R inspection program. In their view, a comprehensive review was warranted before implementing a significant change to this foundational program area given that a comprehensive review could conclude a frequency change is not appropriate.

After submitting SECY-19-0067 to the Commission in August 2019, the staff formed a multi-disciplinary team to conduct a comprehensive review of the PI&R inspection program. Because the question on inspection frequency was, at the time, a policy decision in front of the Commission, the staff did not focus on whether biennial or triennial was preferred. Instead, the team sought to: (1) review the procedural guidance and implementation aspects and, (2) review the NRC's overall assessment of the effectiveness of a licensee's PI&R program.

The PI&R effectiveness review team considered a significant amount of data including internal recommendations, feedback forms, external feedback, lessons learned, and inspection reports. The team's comprehensive review neither supported nor refuted shifting the team inspection from biennial to triennial (i.e., decreasing the frequency would not increase the risk of missing a significant issue between inspections). Nor did the team produce or identify "data that contradicts the conclusion made in SECY-19-0067,"⁴ (i.e., the initial recommendation to change the frequency to triennial).

On August 3, 2021, the staff notified the Commission that they had new information to be considered and activities relevant to its recommendations and requested approval to withdraw two papers, SECY-18-0113⁵ and SECY-19-0067. I approved the withdrawal based on the following reasons. One, the staff's assertion that they had new information to consider based on the time that had elapsed (e.g., incorporating lessons learned and clarifying inspection resource estimates); and two, my understanding that there were several actions the staff could implement without Commission approval (e.g., updating inspection samples and implementation of the Focused Engineering Inspection concept). On August 5, 2021, the Commission approved the withdrawal of both papers. The staff subsequently submitted SECY-22-0087 on PI&R inspection frequency to the Commission for consideration.

SECY-22-0087 reverses the staff's initial recommendation to change the inspection frequency to triennial. This change runs counter to two conclusions reached by the PI&R comprehensive effectiveness review team. First, that there is no new data to contradict the original recommendation for a triennial inspection frequency and second, that a triennial inspection

⁴ Team Report on the Reactor Oversight Comprehensive Review of the Problem Identification and Resolution Inspection Program (ADAMS Accession No. ML20247J602).

⁵ SECY-18-0113, "Recommendations for Modifying the Reactor Oversight Process Engineering Inspections," (ADAMS Accession No. ML18144A567).

frequency would not decrease the effectiveness of the PI&R inspection. The new recommendation also contradicts the original reasoning from the concerned staff outlined in SECY-19-0067, that any change to the PI&R inspection frequency should be based on the results of a comprehensive effectiveness review.

The PI&R comprehensive effectiveness review identified several recommendations to improve the NRC's ability to assess a licensee's CAP, independent of the frequency. For example, the review demonstrated that incremental enhancements to the inspection procedure could increase effectiveness, such as restructuring the procedure and redistributing select sample sizes. This highlights that the assessment of a licensee's CAP is much more dependent on what is being inspected and how, more so than when. The data also showed that changing the frequency of the PI&R inspection to triennial would result in an increase in efficiency and use of resources. As the staff states in this paper, a triennial inspection frequency will result in an estimated 2.5 FTE savings annually, providing opportunities to focus inspection resources on the most risk and safety significant issues. As our Principle of Good Regulation on efficiency states, "where several effective alternatives are available, the option which minimizes the use of resources should be adopted."

To me, this is similar to when the staff sought Commission approval to change the frequency of the engineering inspections from triennial to quadrennial in 2022⁶. At that time, the NRC staff recognized that engineering inspections had evolved as the NRC gained insights and experience through actual events and inspection findings. The staff determined that increasing the interval between engineering team inspections would allow more time for licensees to implement modifications or improvements to their programs, and thus would broaden the range of opportunities to assess licensee engineering performance, particularly given the multiple touch points for engineering inspections. The Commission approved the staff's recommendations and agreed that the change in frequency would allow the staff to focus inspection resources on the most safety significant areas, while allowing licensees more time to implement improvements. I do not see this change in inspection frequency that much differently than the reasons the staff provided in its request to change the PI&R frequency.

Therefore, I approve Option 2, which reflects the staff's original recommendation to revise the PI&R team inspection frequency from biennial to triennial. My conclusion is based on:

- The comprehensive review performed by the staff identified no adverse impacts associated with a triennial inspection frequency.
- The recommended procedural enhancements to improve effectiveness can be implemented independent of the frequency.
- The numerous PI&R touchpoints throughout the assessment cycle allow staff to effectively gauge the health of a licensee's CAP.
- The benefit to allow more time between inspections for licensee corrective actions to take effect and the need to use our limited inspection resources in the most efficient way possible.

⁶ SECY-22-0053, "Recommendations for Modifying the Periodicity of Reactor Oversight Process Engineering Inspections," (ADAMS Accession No. ML22060A085).