



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

COMSECY-25-0001

January 17, 2025

MEMORANDUM TO: Chair Hanson
Commissioner Wright
Commissioner Caputo
Commissioner Crowell
Commissioner Marzano

FROM: Mirela Gavrilas, PhD
Executive Director for Operations

A handwritten signature in blue ink, appearing to read "Mirela Gavrilas".

Signed by Gavrilas, Mirela
on 01/17/25

SUBJECT: PROPOSED SUSPENSION OF SOME STAFF SELF-ASSESSMENT
ACTIVITIES FOR CALENDAR YEARS 2024 AND 2025

In this memorandum, the U.S. Nuclear Regulatory Commission (NRC) staff requests Commission approval to suspend the following activities for calendar years (CYs) 2024 and 2025, in light of similar NRC actions required under Section 507(b) of the Accelerating Deployment of Versatile, Advanced Nuclear for Clean Energy Act of 2024 (ADVANCE Act):

- portions of the annual Reactor Oversight Process (ROP) self-assessment activities, including the annual report to the Commission,
- the annual report on licensee performance in the Nuclear Materials and Waste Safety Program,
- the Annual Decommissioning Report,
- the Agency Action Review Meeting (AARM), unless a licensee meets the criteria in Management Directive (MD) 8.14, "Agency Action Review Meeting," for required discussion, and
- the annual Commission meeting on the results of the AARM, unless specified criteria in MD 8.14 are met.

Section 507(b) of the ADVANCE Act requires the NRC to develop and submit to the appropriate committees of Congress a report that identifies "specific improvements to the nuclear reactor and materials oversight and inspection programs carried out pursuant to the Atomic Energy Act of 1954 ... that the Commission may implement to maximize the efficiency of such programs through, where appropriate, the use of risk-informed, performance-based procedures, expanded incorporation of information technologies, and staff training." As part of its actions required under Section 507(b) of the ADVANCE Act, the NRC staff is evaluating various aspects of the nuclear reactor and materials oversight and inspection programs, including those listed above.

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Therefore, the NRC staff's evaluation required under Section 507(b) of the ADVANCE Act will achieve the objectives of the self-assessment activities listed above in a consolidated report as opposed to individually, as in recent years. There are no net resource implications identified for this review effort. The resources that would normally be used for the CYs 2024 and 2025 activities and reports identified in this paper would instead be used for the evaluation required under Section 507(b) of the ADVANCE Act. This evaluation will identify options to maximize efficiency of the nuclear reactor and materials oversight and inspection programs and will support the development of one or more notation vote papers that provides options and recommendations to the Commission for revising those programs.

In addition, the NRC staff is requesting approval to conduct the CY 2025 and CY 2026 AARM only if there are licensees that meet the criteria referenced in MD 8.14 and to inform the Commission of the results through a Commission Assistants briefing. If an AARM is conducted due to a licensee entering Column 4 or 5 of the ROP Action Matrix or a licensee has an event that results in the failure to meet a Strategic Outcome for Safety or Security in the NRC Strategic Plan (NUREG-1614), the staff would conduct a Commission meeting instead of a Commission Assistants briefing.

Reactor Oversight Process

In CY 2001, the NRC staff established a self-assessment program for the new ROP and committed to, "as part of the Agency Action Review process ... continue to report to the Commission on an annual basis the results of its self-assessment and any significant changes to the ROP."¹ Guidance for ROP self-assessment² states that the NRC staff should issue a self-assessment report each year. It is also the policy of the NRC to have its senior managers conduct an annual AARM.³ The AARM is an integral part of the evaluative process used by the agency to ensure objective assessments of licensees' safety performance. Additionally, the AARM serves as a forum to review overall trends and the effectiveness of the ROP, the construction ROP, and the Nuclear Materials and Waste Safety licensee oversight program.

The ROP self-assessment program consists of three distinct elements. The first element monitors program effectiveness through objective performance metrics and the conduct of regional audits designed to verify compliance with ROP guidance. The NRC staff intends to continue gathering metric data and to issue the metric report to NRR's Director, Division of Reactor Oversight, during the period of the proposed suspension to monitor performance trends. The NRC staff conducted an ROP implementation audit of Region III in September 2024 as part of the ROP Self-Assessment planned activities for CY 2024 but intends to suspend the CY 2025 audit and to recommence regional audits in CY 2026. These audits generally conclude that the regions are implementing the ROP effectively and consistently in accordance with NRR program office guidance. The most recent audit identified four recommendations for Region III to improve ROP implementation.⁴ Past regional audits have identified several strengths, best practices, and recommendations for improving the NRR program office guidance. There are no ADVANCE Act activities replacing these audits; however, with the expected changes to the

¹ SECY-01-0114, "Results of the Initial Implementation of the New Reactor Oversight Process," dated June 25, 2001 (ML011410551).

² Inspection Manual Chapter 0307, "Reactor Oversight Process Self-Assessment Program," dated May 3, 2022 (ML21341B399).

³ MD 8.14, "Agency Action Review Meeting," dated May 1, 2023 (ML23074A011).

⁴ "Results of the Calendar Year 2024 Reactor Oversight Process Implementation Audit of Region III," dated November 5, 2024 (ML24284A245).

ROP based on the NRC's response to Section 507(b) of the ADVANCE Act, auditing compliance with past guidance is not an effective use of staff resources.

The second element assesses the effectiveness of recent significant ROP changes and evaluates the NRC response to significant licensee events and declining licensee performance. Except for recent ROP changes directed by the Commission to revise the engineering inspection program⁵ and to revise the treatment of certain ROP Action Matrix inputs,⁶ effectiveness reviews for the most significant changes to the ROP have been completed. Those reviews concluded that the program changes were meeting the specific objectives established. The NRC staff plans to integrate the engineering inspection program effectiveness review with the overarching ROP-related ADVANCE Act activities. In addition, the NRC staff will conduct an effectiveness review of the revised treatment of ROP Action Matrix inputs by no earlier than CY 2027 to compile enough data to determine effectiveness.

The NRC response to significant licensee events and declining licensee performance focuses on power reactor licensees that have transitioned to Column 4 of the ROP Action Matrix, Inspection Manual Chapter (IMC) 0350⁷ oversight, or when an Incident Investigation Team is chartered. No licensee has met the criteria since CY 2019. If a licensee meets the criteria, the NRC review of the effectiveness of its response to these events or licensee's performance will be completed after the licensee exits Column 4 or IMC 0350 oversight, which would be later than CY 2025. Currently all operating power reactor licensees are in either Columns 1 or 2 of the ROP Action Matrix; licensees that move to Columns 3 or 4 during the proposed suspension period would still be subject to the regulatory actions dictated by the ROP Action Matrix.

The third element is to perform focused self-assessments of specific ROP program areas every three years. The NRC staff is currently performing a focused self-assessment of the baseline security significance determination process for CY 2024. Since this element of the self-assessment program is only conducted triennially, the next focused self-assessment is due in CY 2027. The NRC staff is not requesting any changes to the timing of this self-assessment activity.

The NRC staff implemented the ROP 24 years ago, and while it is a mature oversight program, it continues to evolve based on input from internal and external stakeholders, as well as recommendations from independent reviews. The annual self-assessments, independent evaluations, and feedback from stakeholders have consistently demonstrated that the ROP has been effective in achieving the program goals to inspect, measure, and assess the safety and security performance of operating commercial nuclear power plants, and to respond appropriately to any decline in their performance. Apart from ROP enhancement efforts, changes to the ROP programs have been minor based on results of self-assessments since CY 2019. Overall, industry has demonstrated Column 1 or 2 performance with only two plants transitioning to Column 3 since CY 2016. The NRC staff will continue to solicit internal and external stakeholder feedback on the ROP and potential changes to the ROP to enhance its efficiency and address performance trends as part of the NRC staff's actions required under Section 507(b) of the ADVANCE Act.

⁵ Staff Requirements Memorandum (SRM)-SECY-22-0053, "Staff Requirements—SECY-22-0053—Recommendations for Modifying the Periodicity of Reactor Oversight Process Engineering Inspections," dated July 21, 2022 (ML22202A507).

⁶ SRM-SECY-22-0086, "Staff Requirements—SECY-22-0086—Recommendations for Revising the Reactor Oversight Process Assessment Program," dated March 10, 2023 (ML23069A093).

⁷ IMC 0350, "Oversight of Reactor Facilities in a Shutdown Condition Due to Significant Performance and/or Operational Concerns," date October 16, 2023 (ML23271A156).

Materials and Decommissioning

The NRC staff is requesting approval to suspend the annual report to the Commission for the Nuclear Materials and Waste Safety Program for CYs 2024 and 2025. This report uses various data sources, including, but not limited to, performance measure data, significant licensee performance issues, and operating experience reports, to evaluate significant nuclear materials issues and licensee performance activities. The trend analysis over the last 10 years indicates a decreasing trend in events involving materials licensees. This was further evidenced in the most recent report which concluded that there were no significant performance issues or gaps for materials licensees.⁸ The NRC staff's upcoming evaluation under Section 507(b) of the ADVANCE Act will develop recommendations to revise and streamline the materials oversight and inspection program and will achieve substantially the same objectives as the annual review.

In addition, the NRC staff is requesting approval to suspend the annual decommissioning report to the Commission for CYs 2024 and 2025. This annual report summarizes the status of sites being decommissioned, including power reactors, research and test reactors, complex materials sites, uranium recovery facilities, and fuel cycle facilities. The most recent report concluded that there were no significant performance issues or gaps for decommissioning reactors licensees.⁹ Moreover, trends involving reportable events at decommissioning reactors licensees over the last 10 years have been stable.¹⁰ The NRC staff's upcoming evaluation under Section 507(b) of the ADVANCE Act will develop recommendations to revise and streamline the decommissioning oversight and inspection program and will achieve substantially the same objectives as the annual review.

The Office of the General Counsel has reviewed this memorandum and has no legal objection.

SECY, please track.

cc: SECY
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⁸ SECY-24-0034, "Annual Report to the Commission on Licensee Performance in the Nuclear Materials and Waste Safety Program for Fiscal Year 2023," dated April 24, 2024 (ML24059A052).

⁹ SECY-23-0098, "Status of the Decommissioning Program—2023 Annual Report," dated November 20, 2023 (ML23262B428).

¹⁰ "Briefing on the Results of the Agency Action Review Meeting," dated July 3, 2024 (ML24185A107).

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