POLICY ISSUE
NOTATION VOTE

RESPONSE SHEET

TO: Carrie M. Safford, Secretary

FROM: Commissioner Marzano

SUBJECT: SECY-26-0014: Recommendations to Revise the Reactor Oversight Process Baseline Inspection Program

Approved X **Disapproved** X **Abstain** ____ **Not Participating** ____

COMMENTS: **Below** ____ **Attached** X **None** ____

MATTHEW MARZANO

Digitally signed by MATTHEW MARZANO
Date: 2026.03.06 17:48:52 -05'00'

Entered in STAR
Yes X
No ____

Signature
Matthew J. Marzano

Date **03/06/2026**

Commissioner Marzano's Vote on SECY-26-0014: Recommendations to Revise the Reactor Oversight Process Baseline Inspection Program

I appreciate the staff's comprehensive and thoughtful approach to revising the Reactor Oversight Process (ROP) baseline inspection program, as outlined in SECY-26-0014. The staff's recommendations reflect a commitment to enhancing the NRC's regulatory framework in alignment with Section 507(d)(3)(a) of the ADVANCE Act and Section 5(g) of Executive Order 14300, "Ordering Reform of the Nuclear Regulatory Commission." I commend the staff for considering the improved performance of the U.S. operating fleet, advancements in technology, and the evolving risk landscape, while also recognizing the importance of maintaining robust oversight. Notably, the proposed changes are evidence-based, reflecting years of experience and the lessons learned from inspections conducted under the ROP. In this proposal, the staff have demonstrated a commitment to a culture of continuous improvement and to our Principles of Good Regulation.

The NRC's ROP remains an important and effective tool to inspect, measure, and assess the safety and security performance of operating commercial nuclear power plants. It has taken substantial efforts over the years on the part of industry and the NRC to develop and attain a strong safety culture – and without appropriate vigilance, it can rapidly decline. As history shows, the erosion of safety culture at sites often precedes significant events. That is why the NRC has long recognized the importance of a safety-first focus at nuclear facilities as expressed in Commission policy statements on safety culture [ML111650336]. Therefore, the NRC must maintain an active role in promoting safety culture within our oversight mission. The ROP is one critical tool that enables the proactive assessment of safety culture, supporting the safety and security of the nation's nuclear power plants. We must ensure that the practical implementation of these changes continues to deliver the benefits we seek to achieve.

The ROP is a cornerstone of the NRC's mission to protect public health and safety and further ensures the security of nuclear facilities. As the agency undertakes significant modernization and regulatory reform, it is imperative that we remain vigilant against the potential for unintended consequences stemming from cumulative changes. The staff's focus on key mechanisms – Annual Engineering Engagement, Integrated Problem Identification and Resolution (PI&R) Focus, Resident Inspector Presence, and Preservation of Inspectable Areas – provides a reasonable, risk-informed framework for continued oversight. I strongly support the continued presence and expertise of resident and region-based inspectors, whose roles are essential to maintain technical rigor and provide timely, focused inspections. Preserving these staff-identified elements amidst this unprecedented period of change will perpetuate public trust in the NRC – an essential quality that the agency has worked decades to gain and uphold.

ROP Baseline Inspection Program

I approve the staff's recommended changes to the ROP baseline inspection program to include the reactor safety, emergency preparedness, radiation protection, and security portions of the program. I also approve the staff's recommendation to suspend the previously scheduled effectiveness review for the engineering inspection program and instead conduct a revised review 24 months after implementation of the new engineering inspection program. I believe these changes will improve the efficiency of the ROP by removing redundant inspection activities while retaining all inspectable areas established by the original ROP framework.

I commend the staff for their work in developing the new engineering baseline inspection. To improve the effectiveness and efficiency of engineering inspections, while also building on the

work accomplished in SECY-18-0113 and SECY-22-0053, the staff continues to move away from the historical approach of deep reviews of legacy licensing and design basis issues. As a result, the staff has developed an approach that will further risk-inform inspections by using broader sampling across engineering areas using a more dynamic deployment of resources.

Industry and the NRC have a shared responsibility to ensure safety. Engineering inspections remain essential to the NRC's mission of providing reasonable assurance of nuclear plant safety and reliability through proactive oversight. These inspections uniquely provide a critical check on latent design and program vulnerabilities that, if left unaddressed, could erode safety margins and undermine defense-in-depth. In an environment marked by increased equipment aging, increasing design modifications, and evolving industry expertise, these inspections deliver timely, risk-informed insights that enable licensees to correct deficiencies before they escalate into more risk significant vulnerabilities. Importantly, most engineering inspection findings are of very low safety significance because the inspections are not focused on failures that have already occurred but are focused on identifying how close equipment or programs are to failing. The value of these inspections should not be judged solely by the significance of their findings; rather, their purpose is to evaluate the plant's capability to respond to very low likelihood events and ensure that safety systems are ready when needed. The true value of engineering inspections is realized after an initiating event, when equipment must perform to maintain safety.

Recent inspections have uncovered issues – such as inadequate preventive maintenance, testing deficiencies, design control gaps, and weaknesses in aging management programs – that, if undetected, could have degraded plant safety and reliability. Furthermore, the staff identified that maintaining an annual inspection frequency using region-based engineering experts is a key mechanism to ensure that the NRC remains forward-looking, effective, and able to protect public health and safety through early identification and resolution of emerging risks. The proposed annual engineering inspection changes will ensure that continued technical engagement remains as one of the NRC's most effective tools for maintaining safety, reliability, and regulatory independence.

Issue Screening Guidance

I approve the staff's recommended changes to the ROP's more-than-minor (MTM) issue screening criteria. I believe these changes support the NRC's broader transition to a more risk-informed, performance-based regulatory framework and will help reduce subjectivity and promote more consistent application of the criteria. I'll note that these changes only affect how the NRC documents inspection findings of very low safety significance and do not alter the requirement for licensees to correct non-compliances. These changes should not diminish the NRC's oversight, provided that licensees are effective in resolving non-compliances identified during NRC inspections. Thus, as outlined in SECY-26-0014, Enclosure 3, the staff should ensure that corrective action program information for non-compliances identified during NRC inspections is included in publicly available inspection reports, so that future inspectors can verify appropriate resolution of these issues.

Additional Thoughts

I am concerned that the proposed approach to PI&R inspections will undermine the intended integrated focus necessary for a holistic assessment of licensee performance and safety culture. As noted in SECY-22-0087, while inspectors interact with PI&R programs through various touchpoints, these interactions do not substitute for the programmatic insights and

expertise gained from dedicated team inspections to assess the health of licensee corrective action programs. The elimination of the PI&R team inspection, particularly in the context of other concurrent changes such as the MTM threshold and adjustments to cross-cutting area inputs, risks diminishing our ability to detect early signs of declining safety culture and PI&R program effectiveness. Moreover, these simultaneous changes may turn a proactive process into a reactive one, with possible unintended consequences.

Given the scale of ongoing changes and the foundational role of safety culture in sustained high performance, I do not support the complete elimination of the PI&R team inspection at this time. Instead, the staff should retain the PI&R team inspection within the baseline inspection program, but with modifications to reduce resource burden: decrease its frequency to triennial, reduce team size by two members, and focus its scope solely on evaluating the licensee's corrective action program. This approach preserves the objectivity and programmatic value of the team inspection, ensures consistent application across sites, and leverages the expertise of regional and cross-site inspectors.

The staff proposal envisions increased reliance on resident inspectors to support inspection activities such as the revised engineering inspection, emergency preparedness, security, licensed operator requalification, and independent spent fuel storage installations. While resident presence and regional support are essential elements of the ROP, I have a general concern regarding the increased burden these changes place on resident inspectors. Adequately trained resident inspectors are critical to ensure non-compliances are identified for correction and to ensure the overall effectiveness of the ROP. The staff should conduct a gap analysis of the revised program to develop initial and refresher training for resident inspectors to address any identified gaps and ensure they possess the required skillset necessary to perform inspections in the expanded areas.

Resident inspectors also need a strong technical support base to assist with the broad areas they encounter in their oversight responsibilities, typically provided by region-based inspectors. Therefore, the staff should assess the technical resources needed to implement this new program and ensure sufficient support is available where needed. The staff should also consider implementing a formal process to periodically assess the effectiveness of inspector training to identify any gaps in knowledge or performance. This should include feedback from both resident inspectors and region-based inspectors, as well as periodic benchmarking against best practices in other regulatory programs. Furthermore, staff should ensure that resource allocation supports the increased responsibilities placed on resident inspectors, to prevent potential overextension and maintain high standards of inspection quality. Transparent communication with stakeholders regarding these changes and the qualifications of resident inspectors will help reinforce public confidence in the ROP.

In addition to, or as part of, the self-assessment and effectiveness review per IMC 0307, "Reactor Oversight Self-Assessment Program," the staff should conduct a structured, focused assessment of the impacts of these changes. This assessment should address reductions in inspection scope, the revised MTM threshold, utilization of available resident inspector time, and adjustments to the safety culture program, with a targeted completion date of December 2028, then again after completion of the triennial cycle in December 2029. The results of the December 2029 assessment should inform any future decision to transition the PI&R team inspection to an optional status. The results of the revised review the staff conducts 24 months after implementation of the new engineering inspection program should inform any transition

away from annual engineering engagement. The staff should share these assessments and reviews with the Commission per Management Directive 8.13, Section II.I.

In addition, the cumulative effects of these ROP changes translate into greater reliance on licensees to identify and correct deficiencies. The Institute of Nuclear Power Operations (INPO) serves as a complement to the NRC's oversight mission by promoting the highest levels of safety and reliability and standards of excellence among nuclear power plant operators. The NRC maintains a Memorandum of Agreement (MOA) with INPO that details the conduct of our cooperation and communication to strengthen our complementary roles. In my view, the scope of the proposed ROP changes warrants an assessment of our agreement with INPO to account for these changes. Therefore, following the assessment targeted for completion in December 2028, the staff should review the MOA between the NRC and INPO to determine if updates are needed.

I thank the staff for their ongoing commitment to the NRC's safety and security mission and look forward to continued progress in modernizing our oversight framework while preserving the foundational principles of the ROP.