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UNITED STATES OF AMERICA  
NUCLEAR REGULATORY COMMISSION

**Title:** PILOT PROGRAM EVALUATION  
PANEL

**Case No.:**

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**LOCATION:** Rockville, MD

**DATE:** Tuesday, August 17, 1999

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UNITED STATES OF AMERICA  
NUCLEAR REGULATORY COMMISSION

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PILOT PROGRAM EVALUATION PANEL

U.S. NRC  
OWFN, Commission Hearing Room  
11555 Rockville Pike  
Rockville, MD

Tuesday, August 17, 1999

The above-entitled meeting commenced, pursuant to  
notice, at 9:00 a.m.

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## P R O C E E D I N G S

[9:00 a.m.]

MR. GILLESPIE: Let me get right to business.

If I can direct you to the handout, what we did in this -- and what I'd suggest is go to page two of the handout.

What we did was work backwards, and we said what product can we deliver that would be most useful to the people working on putting the program together, and when would that product be there? But we had a couple milestones.

One was from the staff. The staff is not going to have their evaluation done, likely, until about the second week in January.

So, it really became impossible to just wait until the second week in January, and at that point, the staff's report has basically got to be done, because they have to get back to the -- they have to get to the Commission by about the first week in February.

So, here's the proposal I'm putting on the table, taking prerogative as the chairman to do that, would be that we would actually, today, go through and establish our agenda for a meeting the last week in October, and what I mean by establish our agenda -- there's two pieces of information that everyone brings to the table.

1           They'll be bringing their personal information,  
2 their backgrounds -- the regional people from working in the  
3 regions with the program, the plant people from being at the  
4 plants, the state people from seeing it from the state side  
5 -- but then there's areas -- and that will be our first task  
6 today -- where we don't necessarily have firsthand  
7 information, but we know that there's other stakeholders who  
8 have a view, criteria by criteria, so that we have two  
9 sources of information, people we would have come in and  
10 talk to us probably the last week in October and our own  
11 personal information, which is quite all right.

12           So, those would be the two pieces of information  
13 that would go into this.

14           Now, what we'd propose today is coming up with  
15 where do we need extra information and from who to address  
16 the panel, so that we feel as a group that we have, between  
17 what we know ourselves and what would be presented, enough  
18 information to come to a view on each criteria.

19           That would put information gathering -- and you'll  
20 see why as I go through the schedule forward -- the last  
21 week in October.

22           So, the next meeting after today -- we'd set the  
23 agenda for our meeting the last week in October today, and  
24 that was strictly the information.

25           We would take that meeting and we would give out

1 everyone -- and the first cut at it is attached to the back  
2 -- a set of work-sheets set up by criteria in Microsoft  
3 Word, and we would ask, after that meeting, when we gather  
4 that extra information to supplement what we personally  
5 know, that everyone would take that disk away and use those  
6 work-sheets to write down what their view, what their  
7 recommendation on that criteria is, what their view is, and  
8 a brief summary of what the basis for their view is.

9 We would then take all of those work-sheets --  
10 we'd give everyone maybe a week, and that's what the  
11 schedule shows here on the second page, give everyone until  
12 November 10th to send us in those work-sheets filled in.

13 What we would then do is establish revision zero.  
14 Revision zero would literally be taking those Microsoft Word  
15 work-sheets, by criteria, that we give you out and putting  
16 them together so that it's one giant document.

17 We'll send that out to everyone. That's revision  
18 zero, strictly for information.

19 Revision one would be probably Mohan, Heidi, and  
20 myself taking a shot at just taking out the duplication and  
21 then narrowing that down, and that would be revision one.

22 That we would then send out, after we took a week  
23 to do that, for comment, take the comments, try to fold them  
24 in, come up with a revision two, hold a December meeting on  
25 revision two, finish that and call it a final draft.

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1           What we would then have is a view on each criteria  
2 with a set of bases that each person would write, so we have  
3 reasons why that support whatever conclusions were made, and  
4 minority views, if appropriate, and that would be a draft  
5 final report, or we could call it a final report.

6           We would supply that to whoever wants it, to  
7 staff, to industry, here's the view of this panel.

8           We would then meet one more time in January where  
9 we'd match that report against the staff's final paper and  
10 only deal with exceptions.

11           That means the January meeting would not be  
12 writing a massive report. What we'd do is get that out of  
13 the way from the end of October through mid-December. We  
14 kind of don't have people working over Christmas and stuff.  
15 I'm actually trying to be realistic here.

16           But it also then would give us a focus. What we  
17 would do, then, for the January meeting is, as soon as we  
18 got the staff report, I'd ask Mohan and Heidi to go through  
19 it and maybe put a summary together that identifies the  
20 differences between this committee's report and the staff  
21 report, and we'd get that out to all the members and then  
22 hold the January meeting which would reconcile the  
23 differences or identify the difference where they're  
24 sustained.

25           So, the January report would be just a short cover

1 on top of these two documents.

2 I think that gets us to where we need to be, so we  
3 tried to lay out that kind of schedule, actually working --  
4 I've gone forward but working backwards from where the  
5 staff's going to be.

6 Now, the other piece of information is, I believe,  
7 January 10th -- and I'm going to ask Tim Frye in the  
8 audience to jump up if I get a date wrong -- January 10th,  
9 the NRC is intending to sponsor a public workshop on lessons  
10 learned from the pilot program, and I believe the intention  
11 is that it will start like about noon, or after lunch, on  
12 Monday, gives everyone Monday morning for travel, go through  
13 Tuesday, and potentially go to Wednesday morning.

14 What I would do is schedule our next meeting to be  
15 Wednesday afternoon and Thursday to be done, all of that  
16 same week when that workshop is there, on the assumption  
17 that many of the people at this panel -- I know I'll be at  
18 the workshop, I believe Steve will be there, Dave, and I'm  
19 going to guess some of the regional people are going to want  
20 to be there -- so we would get it all that one week.

21 It would also give you the advantage of being able  
22 to attend the workshop and hear the diverse views before we  
23 had the final meeting to reconcile any differences.

24 So, that's kind of the project management thought  
25 process behind this schedule.

1           Now, I'm more than happy to take comments. What I  
2 want to do is leave today with this schedule finalized, and  
3 that way Mohan knows when he's working, I know when I'm  
4 working, everyone know when things are due and what the  
5 product is at the end, and the end for us, then, becomes  
6 kind of like -- the major product is December, but we'll  
7 work that over about a six-week cycle, which kind of makes  
8 it a little more rational and, I think, able to do it.

9           Jim?

10           MR. LIEBERMAN: Frank, the last bullet has NEI  
11 evaluations.

12           Steve, do you know when the NEI evaluation will be  
13 coming in?

14           MR. FISCHER: Let's see. Probably early December  
15 is when we're going to compile our lessons learned report  
16 from the pilots, as well.

17           MR. GARCHOW: At the 10/26 -- and maybe we can  
18 talk about that date, but at that meeting, Steve, the intent  
19 would be to have you share all that you know at that point  
20 in time in that process.

21           MR. FISCHER: That's certainly doable.

22           MR. GILLESPIE: And also have the staff share.  
23 Okay.

24           MR. GRANT: When's the deliverable due?

25           MR. GILLESPIE: The final deliverable, the final

1 package is due with the Commission paper the first week in  
2 February.

3 What we would do is -- this committee's report and  
4 that letter reconciling the differences would be an  
5 attachment to the Commission paper that the staff's  
6 targeting for the second week in February.

7 MR. GRANT: Who's going to reconcile the  
8 differences? Us?

9 MR. GILLESPIE: Us.

10 What we would do is we would take the staff's  
11 draft report, what the have available in January, and the  
12 report we would have generated in December, and we'll  
13 discuss the -- we don't have to reconcile them -- we're  
14 advising.

15 MR. GRANT: Okay. Right.

16 MR. GILLESPIE: So, the staff would then have the  
17 benefit of this committee's views in December as they are  
18 putting their report together.

19 So, I would expect that, at that point, the staff  
20 would have the opportunity to actually address the  
21 differences first.

22 So, our meeting in January would really be just  
23 focused on, hopefully, do we agree with the staff's  
24 reconciliation.

25 MR. GRANT: That's what I was getting at. The way

1 this read here and the way you were talking, I was wondering  
2 whether this January 13, 14, 15 meeting -- it almost sounded  
3 like we were going to be getting new information that point.

4 MR. GILLESPIE: No. I think, by mid-December,  
5 we're basically done our report, and at that point, what  
6 we're doing is giving that to the staff as an advisory role,  
7 the staff needs to take it, do what they want with it,  
8 incorporate where they don't.

9 Likely, the Commission would also ask the staff,  
10 so they're going to have to address it up front, is what  
11 advice didn't you take, where did you disagree, and so, what  
12 we were doing, when I say reconcile, is we would read the  
13 staff report and read our report and then just focus on the  
14 exceptions that might need extra -- some extra verbiage.

15 So, the January would be more like a  
16 couple-of-page letter. It wouldn't be the massive document.

17 MR. GRANT: Okay.

18 I think that was your question, too. The NEI  
19 evaluation we'll have prior to the January meeting, right?

20 MR. FISCHER: Yeah. Actually, our evaluation will  
21 be completed to support the Federal Register comment due  
22 date of November 30th.

23 MR. GRANT: Okay.

24 MR. GILLESPIE: So, we could factor that in and do  
25 a similar thing.

1 MR. GARCHOW: Could I add one comment, Frank?

2 MR. GILLESPIE: Go, Dave.

3 MR. GARCHOW: To give the maximum amount of time  
4 to make that -- because what you have is the 10/26 meeting  
5 is the key meeting to get a lot of this together to frame in  
6 our comment. I would suggest that we probably need to give  
7 one more week for NEI, the industry, some of the  
8 inspections, and I don't think that truncates the comment  
9 period.

10 So, I would propose that the 10/26 meeting  
11 actually be the first week in November, and then, from  
12 November and December, we're on the home stretch.

13 That gives all of September and all of October for  
14 all the inspections to occur and one more set of performance  
15 indicators for at least us to have, NEI have in their hands,  
16 because the industry is -- even though we don't have to  
17 docket them until the 14th day of the month, or 15th day,  
18 we'll have a general idea through the NEI task force of what  
19 the PIs are, and that gives us one more month of that data.

20 MR. BROCKMAN: For other reasons, the first week  
21 in November is far better for me.

22 MR. GILLESPIE: Okay.

23 Anyone else?

24 MR. GRANT: The only question I have is we're  
25 going to be doing our PPRs on the pilot plants probably

1 right around that time. I don't know that we've set up  
2 dates yet. That may work well, or it may not, depending on  
3 --

4 MR. GARCHOW: Even if like Jim could bring in --  
5 you know, if they had -- there's two in Region I -- if they  
6 had one of them done, or even some thought, that perspective  
7 that Jim would bring from the PPR review would be just the  
8 kind of perspective we'd need at that point in time.

9 Even if it was in draft, he can still give us some  
10 insight on it, and so could some of the other regions.

11 MR. CHASE: Is one day going to be long enough?

12 MR. GILLESPIE: That's the decision.

13 What we did here -- you see team one, team two,  
14 and team three. You will find some work papers in the back  
15 which takes the performance -- the criteria and kind of  
16 breaks them into categories.

17 What I'd ask is we'd break into these teams and  
18 take 30 minutes and see if we can come to a consensus of  
19 what information do we want to receive at that now the first  
20 week in November meeting, and depending on how much  
21 information we want to receive -- and I've given some  
22 suggestions, because in looking at the criteria, there's  
23 some public interest, and I feel naked -- I don't feel that  
24 I have personal knowledge of how an active journalist views  
25 this new process and what he is seeing or how some of the

1 states -- I mean Illinois is represented, but how some of  
2 the other pilot program states -- so, if you go to the  
3 second page, I've only suggested some of the types of things  
4 that you might -- if we break up into these groups -- what  
5 criteria would you want to hear from which kinds of people  
6 on, and I've just got some suggestions there, and for  
7 example, the non-pilot plants -- I know Greg Gibson with  
8 Southern California Edison has some opinions on the  
9 timeliness of reporting of indicators, and very strong  
10 opinions, and I think if we said, Greg, could you come in  
11 and represent your group, he would probably be here this  
12 afternoon, even flying from California, and so, in an effort  
13 to get other parties with other interests and allow them to  
14 kind of put something on the table, we've got some bullets  
15 in here that would deal with that, and I've also suggested  
16 who might set it up.

17 If we did think it would be appropriate, several  
18 of these, to meet with non-represented pilot plant states --  
19 for example, New Jersey, North Carolina -- what we'd do is,  
20 Gary, we might ask you to make the phone calls and then we'd  
21 send out like a letter of invitation that says we'd like you  
22 to specifically come, and while we'd like your opinion on  
23 the overall, to focus on these criteria, where we'd really  
24 like your input, and that would be the reason this morning,  
25 then, for breaking into three groups and come up with who do

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1 we want to hear from for these groups of criteria, and  
2 you'll see the work pages in the back, and if we just flip  
3 to the first work page, then we could maybe, if this still  
4 makes sense, do it.

5 The first work page you'll see says PI reporting.  
6 The staff basically had two criteria. Can be PI data be  
7 recorded accurately by the industry, in accordance with  
8 reporting guidelines?

9 Well, that is something that the public may not  
10 have an opinion on, can they do it, but I know Greg Gibson  
11 -- that was my example -- would definitely have an opinion.

12 So, the question to the group that would be  
13 looking at the first section would be does it make sense to  
14 have some non-pilot participants who are actually trying to  
15 mimic the process come in and talk to us?

16 Can PI data results be submitted by the industry  
17 in a timely manner?

18 Again, this may not be a place where the public  
19 would have an opinion, but now if you go back onto the other  
20 work-sheets, you'll see the assessment process and  
21 enforcement. I think the public would have an opinion, and  
22 journalists would have opinions, and so would states.

23 So, it's a different mix.

24 I'm going fast because I'm trying to get us out of  
25 here on time this week.

1           If it makes sense -- and I'm going to ask Heidi to  
2 jump in here -- what we'd do is we'd break up into the three  
3 teams, try to fill in the work-sheets -- and I'd ask Heidi  
4 if she could circulate between the teams, just to keep us  
5 focused and on track -- come up -- fill in this -- write  
6 down right on the work-sheet -- this becomes our first  
7 report input, and you'll see a column over there that says  
8 review method.

9           Do we want NEI to come in, NRC to come in? Who do  
10 we want to interview or come in and talk to us, at what  
11 level? What group would they represent? And again, I've  
12 given some suggestions that -- if we wanted to hear from  
13 some journalists who are active in the area, I'd ask Bill  
14 Beecher, our public affairs officer -- and I know there's a  
15 gentleman from AP who's very active, Nucleonics Week, but  
16 I'd probably say McGraw-Hill -- we'd want a senior  
17 representative that comes in and represents multiple  
18 publications, and maybe you have a suggestion of someone who  
19 is very active in your areas, and what we'd do is maybe  
20 propose a three- or four-person panel that would come, take  
21 an hour, an hour-and-a-half, and talk to us, but we'd send  
22 out an invitation letter that mimics what we find here --  
23 while we want your overall opinion, we'd really like --  
24 appreciate your views on this, this, this, and this, and we  
25 would offer to supply them with any information they would

1 need in advance to feel prepared to come talk to us, and  
2 that would be by way of inviting them in.

3 Gary, I tagged you, if there was some states, to  
4 make a phone call, and then we'd send the letters.

5 Steve, we tagged you for the non-pilot plants, if  
6 that seems appropriate, and we tagged Dave Lochbaum -- and  
7 Dave couldn't make it today, but he represents one public  
8 interest group. There are some strong views with other  
9 public interest groups, and we'd ask Dave, if that was a  
10 view, to make those calls and then we'd send a letter to  
11 those people.

12 With that, we are actually ahead of 9:30, but  
13 Heidi --

14 MR. LIEBERMAN: Staying with the schedule, there's  
15 almost two months between the October or early November  
16 meeting and the last meeting, and that's a substantial  
17 portion of the pilot program.

18 I would think that the meeting at the end of -- or  
19 in January, after the workshop, may get some additional  
20 views. You might plan to have two more dates here. One is  
21 to put up clarifications to the report, and maybe one more  
22 meeting to finalize the report based on the modifications.

23 I was thinking, when we meet on the 14th and 15th,  
24 people may have different views that have to be captured in  
25 a document.

1 MR. GILLESPIE: Okay. So, you'd suggest a --

2 MR. BROCKMAN: Jim, on 12/8 and 9, it looks like  
3 there's another meeting.

4 MR. GILLESPIE: Yeah, we have a December meeting  
5 built in, but that's a real working meeting. That's where  
6 we'd hopefully be commenting and trying to come up with a  
7 final draft document.

8 MR. LIEBERMAN: But if this workshop is going to  
9 be giving us, potentially, new information with a variety of  
10 people, I would think that may impact the report.

11 MR. GILLESPIE: Okay.

12 Right now, what we have is we'd have the end of  
13 that -- the workshops the beginning of the week, and we'd  
14 have two-and-a-half days at the end of the week if we needed  
15 two-and-a-half days.

16 MR. LIEBERMAN: Well, I guess I would add, a week  
17 later, Mohan provides us basically a final report.

18 MR. GILLESPIE: Okay.

19 MR. LIEBERMAN: And then maybe the week thereafter  
20 we have a telephone meeting to agree that this is the final  
21 report.

22 MR. GILLESPIE: Okay.

23 Does that make sense? So, it would be like the  
24 first week in February.

25 That would be about the same time --

1           Tim Frye, the first week in February is about the  
2 same time the Commission paper would be going to the EDO?

3           MR. FRYE: Yes, that's right.

4           MR. GILLESPIE: Is that about the schedule? Okay.

5           That would be good.

6           What I want to do is I'm trying to get the final  
7 report attached to the Commission paper so that Mohan and I  
8 don't have to write a separate Commission paper, for  
9 efficiency and effectiveness.

10           Okay.

11           So, telephone meeting or a brief meeting of some  
12 kind, preferably probably telephone if we can do it, the  
13 first week in February.

14           And Mohan, that means we're committed, then, let's  
15 say, at least five days before that, to sending out -- so,  
16 basically Federal Expressing to everyone -- because an  
17 e-mail file is going to be far too thick and complicated at  
18 that point and it won't print right -- the final draft for  
19 sign-off and concurrence of the whole package.

20           MR. GARCHOW: Maybe that last meeting is a signing  
21 party.

22           MR. GILLESPIE: Yeah.

23           MR. GARCHOW: If we learn anything else, sign it  
24 off.

25           MR. GILLESPIE: Okay.

1           So, we'll tentatively put a telephone call/meeting  
2 -- it could be those who conveniently can meet can meet and  
3 the others will tie in on a bridge call. So, it could be a  
4 mix and match, and that way it's a little more efficient.

5           Good.

6           MR. GARCHOW: Can I make one comment on the  
7 break-out session?

8           MR. GILLESPIE: Go, Dave.

9           MR. GARCHOW: For clarification -- Frank and I  
10 sort of worked on trying to figure out how this would work.  
11 The goal with the break-out session is to give some  
12 specificity to NEI and NRC on what we want to see in that --  
13 what now we're calling the first week in November meeting,  
14 so that, you know, they don't bring us one rock and we  
15 wanted another rock.

16           This is to give NEI and the NRC some specifics  
17 that we're going to want to see in their presentation that  
18 first week.

19           Then the other thing, as Frank mentioned, is  
20 identify any other non-industry players that have a  
21 stakeholder in this that we may want to talk to relative to  
22 each of these areas, and if we can accomplish that, the  
23 deliverable, then, will allow NEI and NRC to know exactly  
24 what we're looking to see in that first week in November.

25           MR. GRANT: Do we only think that it's going to be

1 a one-day meeting?

2 MR. GILLESPIE: Let's get everyone together, and  
3 then, if it ends up that we've got six panels and you allow  
4 each panel an hour and then there's questions and answers  
5 and clarifications -- because hopefully we're going to have  
6 a very focused invitation letter.

7 It's not just come talk to us. It's going to be,  
8 specifically, we'd like you to address these, these, these  
9 criteria.

10 It's two days. I don't think you can go through  
11 six panels, at an hour a panel, and give and take -- then  
12 it's two days.

13 But what I'm saying is let's put it together and  
14 it comes out to be what it comes out, and then we can step  
15 back and -- there is a big lag.

16 I mean our next meeting would be the beginning of  
17 November, but it gives the program time to be a program, it  
18 gives results time to be results, and I think it's going to  
19 be a little more meaningful with the information input, so  
20 we don't get vague -- what we don't want is vague  
21 generalities and mushy view-graphs.

22 We want to specifically know, are there problems  
23 reporting this data within 14 days? Could you give us  
24 specific examples of those problems? One of the criteria --  
25 very, very focused, so we get very focused information back.

1 MR. GARCHOW: Can I comment, Frank, on the  
2 process?

3 MR. GILLESPIE: Yeah.

4 MR. GARCHOW: If we understand this going forward  
5 real good, then it will happen.

6 The other, I guess, issue or clarification on the  
7 rules and the law -- the thought being -- what I heard you  
8 saying that sounded good is that we would use this packet,  
9 and even today, as we're listening to some of the  
10 presentations this afternoon, we can start keeping our own  
11 working notes, and then, all along the way here, we can make  
12 our working notes on this page that just looks like a blank  
13 page looking for our observations, and then you're saying  
14 that, at some point, after that first week in November  
15 meeting, the collection of our working notes and  
16 observations from this point forward -- and we can back-fit  
17 any we might have made last meeting -- maybe there wasn't  
18 any, maybe there was -- and then you would all of those  
19 given to Mohan sometime right after the first week in  
20 November meeting so he can put the first report together.  
21 Is that my understanding.

22 MR. GILLESPIE: Yeah.

23 In fact, what we'll do is we'll collectively take  
24 the notes from today, because then the panels we're going to  
25 ask to come in will basically be fixed, and we'll create a

1 set of work papers that are a little -- these work papers  
2 have multiple criteria grouped in the same group, and we  
3 really need to address, potentially, each area but then the  
4 criteria separately, also, and what we'll do is we'll send  
5 everyone a Microsoft Word disk with the template on it, and  
6 that way, everyone's got the same one.

7 Now, the NRC, unfortunately, doesn't use  
8 Microsoft. The rest of the world does. But Region II has  
9 Microsoft.

10 If anyone in the NRC needs a copy of Office '97,  
11 we will get you a copy of Office '97, but I think most of  
12 the regions, actually, all have a couple computers that have  
13 it on it, and if you don't, we'll get it for you, and that  
14 way this committee can be in sync with the rest of the world  
15 typing-wise.

16 MR. BROCKMAN: Frank, a suggestion.

17 MR. GILLESPIE: Yeah.

18 MR. BROCKMAN: Just have, for the internal, the  
19 NRC, the Microsoft Word thing e-mailed out and save it in  
20 Word Perfect, so we can use it.

21 MR. GILLESPIE: Okay.

22 MR. BROCKMAN: We've got the technology, we can do  
23 this.

24 MR. GILLESPIE: Okay.

25 The problem you find is a logistical one. When

1 you go from Microsoft to Word Perfect in table format, the  
2 spacing won't work, and one doesn't go to the other, other  
3 than just a plain typed page with nothing but text on it,  
4 but that's okay, we'll work it out. We'll work it out for  
5 the NRC people.

6 My offer still stands, though. If you need a copy  
7 of Office '97, we've got it, we'll give it to you, and you  
8 can get it installed, which also has Power Point and a lot  
9 of other benefits. Excel is on it. Access on it. So,  
10 there may be some benefits to saying yes.

11 With that, Heidi, would you like to say something  
12 before we break up into groups?

13 MS. HAHN: Yeah. I just have a question about the  
14 break-outs, which is that I notice that there's not a team  
15 working on the overall criteria.

16 MR. GILLESPIE: Yeah. What we'd like to do is  
17 have each team also then come back with their  
18 recommendations to see if we have a consensus between the  
19 teams on overall --

20 MS. HAHN: You want everyone to look at the  
21 overall.

22 MR. GILLESPIE: Everyone's going to look at the  
23 overall. So, no matter who we invite in, they're going to  
24 give us their opinion on the whole anyway.

25 MR. GARCHOW: Right.

1 MR. GILLESPIE: Probably unavoidably.

2 MS. HAHN: But there are specific criteria in the  
3 overall assessment.

4 MR. GARCHOW: There wasn't in the document we  
5 looked at last time.

6 MR. GILLESPIE: No.

7 MR. GARCHOW: That was Jim Wiggins' excellent  
8 comment.

9 MR. GILLESPIE: Yeah.

10 MR. GARCHOW: At the end of the day, how do you  
11 know that we were overall successful, and I think we're  
12 going to have to look at the composite info in the first  
13 draft, and then we're going to have to pass some judgement  
14 on that in our executive summary or something.

15 MR. GILLESPIE: Tim, keep me honest here. The  
16 staff basically took our comments from the last meeting, and  
17 they are no longer called success criteria, they're just  
18 called the criteria, and the one we suggested to be dropped,  
19 I think, was dropped, the CDF, CDP one.

20 MR. FRYE: Right. Actually, we dropped the staff  
21 preparation criteria and re-ordered the overall, but you're  
22 right about the success criteria now just being pilot  
23 program criteria.

24 MR. GILLESPIE: But Heidi -- Tim, is it fair to  
25 say that there is no one criteria right now but there is

1 going to be an overall evaluation, a contextual statement  
2 that says here's what it all means.

3 MR. FRYE: Right. We have four overall criteria,  
4 and they're not quantitative, they're more qualitative.

5 MR. GILLESPIE: Okay. But they're not on the list  
6 that we currently have.

7 MS. HAHN: Yes, they are, page 9 and 10.

8 MR. GILLESPIE: Wait a minute.

9 MR. GARCHOW: It's the last page.

10 MR. GILLESPIE: Okay. Yeah, we'll do that  
11 collectively. We'll do the overall collectively, because I  
12 think when we see the groups that everyone is going to come  
13 back with that would come in, we're probably going to have  
14 the waterfront covered, and it might be just a matter of  
15 adding that into the invitation letter.

16 Okay.

17 We're almost on schedule. It is 9:32. I was only  
18 going to go to 9:30. Why don't we take until -- a  
19 half-hour, and then we'll just check with the groups after a  
20 half-hour. If we're ready to get back together, then let's  
21 get back together and we'll compare notes, and I would ask  
22 each group to kind of appoint a spokesman.

23 The people who aren't here that we might have to  
24 cross off -- Bruce Mallett didn't make it, Dave Lochbaum  
25 didn't make it.

1 Jim Lieberman, can you give it 15 minutes to be  
2 part of the group?

3 MR. LIEBERMAN: Yeah.

4 MR. GILLESPIE: And then your opinion will be  
5 recorded. Because I know you have an effort underway that  
6 you might have to leave a little early.

7 Okay.

8 With that, why don't we break up into groups? I'm  
9 going to suggest that team one take that corner, team two  
10 take that corner, and team three can probably just sit right  
11 here at the table, if that's okay.

12 Heidi, I would ask you, in 30 minutes, to check  
13 with each group, and if we're where we need to be, let's  
14 move on.

15 [Recess.]

16 MR. GILLESPIE: I heard at least one group had  
17 some terribly original thinking, and the other group just  
18 thought a long time.

19 Maybe we could start with team one, and what I'd  
20 like to do is go through any sub-bullets or additional  
21 information kinds of points and then who you'd like to see  
22 come in and supply information that's already not inherent  
23 within the panel members, and then we'll collect all that  
24 later and try to put it together into a single form.

25 Okay. Group one?

1 MR. GARCHOW: I need some help from my teammates  
2 here, because we had several non-linear conversations, but  
3 we ended up getting to the end, and we had some great  
4 conversations, because we didn't really follow this exactly.  
5 So, I'd like to -- especially Ken gave us some input that I  
6 thought was -- got us to some higher levels of  
7 understanding.

8 So, I need some help.

9 So, for the first PI data, we would like to see  
10 from the NRC when they come in a timeliness matrix by month  
11 for the nine pilots, and that's just very simple, just a  
12 matrix that shows here's the reporting periods, here's the  
13 plants, and here's when they got their data, and they either  
14 met it or they didn't.

15 I mean we probably spent five minutes on that, but  
16 we wanted to see that picture.

17 We also wanted the NRC presentation to include  
18 pilot plant regional input as far as the types of issues  
19 that they found during the PI verification inspection,  
20 because by that time, there will be several of the PI  
21 verification inspections.

22 The NRC has an internal feedback form that they're  
23 using for inspections, and we'd just like to see both the  
24 results, what the industry is doing, how many errors, what  
25 types of errors, and then any insight on the actual

1 validating the PIs.

2 MR. CHASE: What's the reason for that data? Just  
3 operating experience?

4 MR. GARCHOW: Yes, just operating experience,  
5 because if we're going to do this for some -- you know, the  
6 other 50 plants, we want to at least know going in what kind  
7 of data errors we should be expecting to see and whether  
8 those were historical or errors that were happening in the  
9 real time, and then we may get some insights, would we want  
10 to recommend maybe doing something or not before you would  
11 go implement this to everybody.

12 Then from NEI, as part of their assessment, when  
13 they come in and chat with us, we'd like to just see any PI  
14 submittal-type issues that they've gathered from the  
15 industry and have that part of their assessment, and to get  
16 just some independence on NEI, we'd like to see a pilot  
17 plant licensing manager and a non-pilot plant licensing  
18 manager come in and just give us their perspective relative  
19 to the reporting of PIs and the timeliness issue about  
20 getting through.

21 It doesn't have to be a licensing manager, but  
22 this was to address the point that you brought up. There  
23 are some dissenting --

24 MR. CHASE: That brings up a question that we had  
25 in our group. We felt that each of the regions were

1 represented by a licensee. Couldn't he bring that  
2 information to this table?

3 MR. GARCHOW: Each of the regions is represented  
4 by a licensee at this table?

5 MR. CHASE: Well, you represent --

6 MR. GARCHOW: -- Region I.

7 MR. CHASE: I represent Region IV. I can speak  
8 for my licensee management, unless you want to hear an  
9 independent assessment.

10 MR. GARCHOW: Without the inefficiency issue of  
11 the panel, we would gain some efficiency.

12 MR. BAJESTANI: One other thing that we talked  
13 about is some of the information gets filtered down a lot  
14 when it gets to our level. The guys that are really dealing  
15 with this day to day, they've got more facts, more details.  
16 We want to hear from the guys that are actually seeing this  
17 data day to day. We do get some of the data that's filtered  
18 down.

19 MR. CHASE: What do you think, Frank?

20 MR. GILLESPIE: I kind of have a sense that --  
21 personally, I think people at the table bring certain  
22 information with them, and my druthers, but it's only a  
23 personal druthers, is to avoid duplicating that with panels  
24 coming in, and that was the sense that we kind of did our  
25 list with, but I can go with the sense of the group.

1 MR. BROCKMAN: My thoughts are -- is I'm not  
2 predisposed to the how, it's just the what. Let's make sure  
3 that we've got -- I mean in this team we saw the need to  
4 make sure we can have an industry and an agency perspective  
5 with respect to the timeliness, with respect to the  
6 adequacy, with respect to the accuracy of the data, and that  
7 should be addressed from both the pilot side, most  
8 especially, and then the industry can also bring something  
9 together from the non-pilot side, where there's a lot of  
10 initiatives going on there that could give some insights as  
11 to how this would extrapolate.

12 MR. GARCHOW: Maybe I'd suggest we sort of split  
13 it down the middle.

14 We'll bring the pilot plant data, because Jim and  
15 I do represent, as members of the panel, and then we will  
16 get somebody like Mr. Gibson, as he expressed an interest,  
17 we'll honor it, and we'll get his diverse perspective, from  
18 that angle, and then I think we win.

19 MR. WIGGINS: Just a quick comment.

20 I think one of the things we ought to do in this  
21 panel is we ought to guard against getting our thinking  
22 channeled. I understand, you know, you folks all represent  
23 plants. We ought to guard against the fact that we're going  
24 to be lock-stepped down on the evaluation of this program.

25 We're just going to hear from folks who have a

1 stake in it or have some particular point of view or are in  
2 the panel. I just have a sense that, if we're not careful  
3 -- we should, at least at our panel, allow for folks outside  
4 this circle here to come in and talk.

5 Otherwise, we're going to get ourselves -- I think  
6 we're going to lose something if we don't do that.

7 I'm not aware of anything going on in the agency  
8 right now that is doing that. So, if we have to be the  
9 entity that does that, then so be it.

10 Otherwise, we're going to get ourselves -- you  
11 know, we're going to be marching down on this thing. We  
12 might miss something.

13 So, there are some efficiencies, but I think you  
14 might hear from -- when you get down to our team, you're  
15 going to hear that we also are interested in talking to  
16 people who aren't sitting around this table, even though you  
17 can say we represent those.

18 So, I think you ought to leave the question open  
19 for now, Frank.

20 MR. GARCHOW: We agree with you. We actually  
21 specifically talked about that and said relative to the PIs.  
22 That didn't lend itself. I think when you hear what we want  
23 to do for the risk-informed baseline inspection, we're  
24 reaching out into some very diverse people that we want to  
25 either go talk to separate from the panel or have come in,

1 and that's a logistics issue of how we can get the  
2 information.

3 So, we actually chatted relative to the PIs and  
4 the criteria. We didn't feel there was a -- that was more  
5 of a mechanistic thing that we could get the input.

6 So, I think we'll see that, when we walked around,  
7 that there's going to be a lot of diverse input. We just  
8 didn't see as our team that the PI particular area lent  
9 itself to that, other than getting -- like you said, there  
10 was some non-pilot plant interest and sharing some  
11 viewpoints that I think will provide a forum for that, and  
12 then we wanted each of the group -- anybody that comes in to  
13 talk to us on the PIs.

14 We wanted to hear their perspective on whether the  
15 PIs adequately address the cornerstones and just any  
16 comments that might -- that they might have. It doesn't  
17 mean we have to agree with them, disagree with them, but I  
18 think that we'll get a perspective on PI adequacy relative  
19 to the cornerstone, because I think you have to do that to  
20 the PIs and the risk-informed inspection procedures if we're  
21 ever going to have a shot of rolling up an overall  
22 conclusion, does this really lend itself to health and  
23 safety of the public.

24 So, that was all the -- other than what was  
25 written, that was all that we thought was necessary to

1 address the PI category.

2 MR. CHASE: Would you read that last one, Dave?

3 MR. GARCHOW: I think we just sort of agreed we're  
4 going to have a non-pilot plant come in and talk about PIs  
5 and just their perspectives of timeliness and gathering.

6 NEI is going to give us any of their issues that  
7 the NEI task force has around gathering and submitting PIs.

8 We're going to get the region input on the PI  
9 verification inspections and what they found.

10 But then everybody that comes and addresses, we  
11 just wanted to make sure that they left us with any of their  
12 comments relative to PI adequacy, covering the cornerstone.  
13 So, we'll give it some diverse input, and I think that  
14 addresses Jim's concerns from the first meeting -- at the  
15 end of the day, how do we roll this all up and have it make  
16 sense?

17 Relative to the risk-informed baseline inspection  
18 program, we wanted the NRC's presentation on their  
19 assessment to cover the criteria, and we thought that if you  
20 were ranking them, criteria three, we felt, was of less  
21 interest to us than the other criteria.

22 I mean the program has to be adequate, and when it  
23 does, the hours are the hours. We didn't feel we needed to  
24 spend a lot of time on that in this panel.

25 Question one, question two, question four -- we'd

1 like to see -- you know, it lends itself to a matrix where  
2 we could see the pilot plants and when they actually got the  
3 reports out and when they got the PIMs out, just so we can  
4 see that we meet the objectives in the matrix.

5 I wouldn't expect, necessarily, the conversations  
6 to last too long if they had a good matrix that summarized  
7 the results.

8 Then we wanted the NRC to comment on the quality,  
9 timeliness, and predictability of the inspections relative  
10 to, okay, here was the plan, did the plan get executed, and  
11 was it predictable, and to get some insight to Jim's point  
12 on the last one, we actually want to go out and interview  
13 three senior residents of pilot plants.

14 We actually think having members of this team or a  
15 couple of members of this team going out and doing that, in  
16 a more casual conversation, we'd get some more insight than  
17 if we actually asked them to come in and address a formal  
18 panel.

19 So, we thought we'd just develop some criteria,  
20 and we can -- that's a detail we can work out, but what --  
21 you know, five or six questions we'd want to ask them, we'd  
22 get some diverse input right at the point of attack that  
23 really maybe wasn't filtered by anybody.

24 We also wanted the State of New Jersey and the  
25 State of Illinois -- the ability to come in and make

1 comments on relative to does the information in the  
2 inspection report support the assessment process and support  
3 their needs from the states.

4 We also wanted to reach out and go find a couple  
5 of government officials that were nearby pilot plants, pick  
6 a couple pilot plants, ask the licensing managers who they  
7 routinely interface with in the community, and then again,  
8 much like we did the senior residents, send a couple members  
9 of the panel out and send them a couple of the inspection  
10 reports, the routine resident reports, in advance of meeting  
11 with them, because the possibility exists they may not be  
12 reading them now and have no knowledge, so we'd want to send  
13 them the reports and say, hey, we'd like you to read these,  
14 explain a little, you can write a letter, explain what we're  
15 trying to do, read the reports, and we'd like to just come  
16 chat with you about some insights on what your needs are as  
17 a local community that lives next to one of these plants.

18 Also, we'd provide an opportunity for public  
19 interest groups to come in and comment on the quality,  
20 timeliness, and the information in the reports and whether  
21 they feel that serves whatever interest the public interest  
22 groups have.

23 Then, for the NRC and NEI, in their presentations,  
24 we'd like to see the summary of specific feedback on  
25 specific inspection reports by cornerstone, so it will be

1 done in a summary basis, because what we really want to  
2 guard against is the meeting turning into a -- you know, we  
3 could be here four days going over 50 inspection procedures  
4 down to minutia, but we'd just like to have a sense of the  
5 kind of feedback by cornerstone that NEI and the NRC are  
6 receiving, and people may not know that NEI is collecting  
7 data from each pilot plant.

8           Every time an inspection is done, there's a form  
9 that's being filled out and submitted to NEI for collating,  
10 and I believe -- I'm led to believe the NRC is doing a  
11 similar thing, so we'll actually get two very different  
12 perspectives, I think would give us insight on the -- this  
13 is to question number five under the evaluation question  
14 about are the scope, frequencies, and procedures adequate.

15           That will get us into just some of the feedback  
16 that's occurring.

17           What did I miss?

18           MR. BROCKMAN: I think one of the key things, if  
19 you put that together with the insights, then, on the PIs,  
20 you start getting a synthesis, then, of is there a hole for  
21 a cornerstone that wasn't covered, which certainly is in our  
22 topic to look at there.

23           MR. GARCHOW: So, with this, a couple open issues  
24 that maybe we can address later in the meeting, if this gets  
25 adopted, is exactly the mechanics of how we're going to

1 reach out and touch the senior residents and what we're  
2 calling the local government officials, whatever that means,  
3 the actual mechanics of doing that, between now and  
4 December.

5 So, we have some time to actually go get that  
6 feedback.

7 MR. GRANT: Was there a reason why you limited it  
8 just to the SRIs? Why would you not -- because there are  
9 other significant inspections that get conducted under the  
10 risk-based inspection program.

11 MR. BROCKMAN: It's the viewpoint we need to get  
12 out and get from the individuals who are conducting the  
13 inspections, be it the SRI, be it the DRS, team leader.

14 MR. GARCHOW: That wasn't by design. We focused  
15 on the senior resident and moved on. We didn't really flesh  
16 that out. But you're right.

17 MR. GILLESPIE: It may be that you could just  
18 visit a region. Then you'd capture the DRS people in one  
19 region, may be okay, and the local people. So, there may be  
20 a subcommittee or whoever we decide wants to do it, could  
21 just go to to a region, go to a plant in the region, and  
22 kind of do it as a set.

23 I know that doesn't get the flavor of all four  
24 regions, but you can only do so much.

25 MR. GARCHOW: That completed what we believed we

1 would need to see for the risk-informed baseline inspection  
2 program.

3 MR. GILLESPIE: Okay.

4 Now that our report has been delayed until next  
5 August -- no.

6 How about group number two?

7 MR. WIGGINS: All right. I took the notes, so let  
8 me report it back.

9 We looked at the SDP process, and we looked at the  
10 assessment process. We screened through the overalls in the  
11 back, but we didn't have much to say about that.

12 I guess there is some commonality. In the end,  
13 when you rack all this together and compare it, I think  
14 you're going to see that all the teams wanted to talk --  
15 well, the first two teams wanted to talk to the same types  
16 of people. It's just a question of how it's done.

17 We were interested in talking to combinations in  
18 maybe a panel form, to look at the SDP. If you break it  
19 down into the first two questions, one is just a mechanics  
20 question and two is a truth test.

21 You can get to the first one by looking at -- the  
22 NRC folks that we were really interested in talking about  
23 would be a combination of the SRI and -- the senior resident  
24 inspector, his or her branch chief, and the risk person, the  
25 SRA, the senior risk analyst, from a particular pilot plant,

1 and we'll let the staff figure out which plant.

2 We would hope that you would get a sense in your  
3 own -- the staff's internal efforts on which plant had the  
4 most issues that went through the SDP process, but we'd have  
5 a group that would be a composite of the three key people  
6 from the licensee's side -- or from our side, with  
7 representatives from the plant, plant reps that are a  
8 commensurate level, a management rep and a working-level  
9 person who's into working the risk assessment, and we'd like  
10 them to specifically address the issue of burden.

11 On the NRC side, we'd want some quantitative data  
12 on the -- not so much the timeliness, although that would  
13 certainly be there, but more importantly, the amount of  
14 resources spent to get the answer, and from both the  
15 industry side and the NRC side, we'd like a qualitative  
16 assessment of what it took to -- on the burden -- what it  
17 took to get through the process.

18 That's where we concluded.

19 On the second piece, which is really a much harder  
20 piece -- so we thought we'd open it up to others -- we'd  
21 have those groups. We kind of envision maybe a meeting  
22 where they would be here, although maybe the logistics work  
23 differently, and we'd just build on it.

24 It's principally a qualitative assessment of how  
25 this -- how the SDP process worked, did it come to the right

1 answer.

2 We'd like to hear from a representative of the SDP  
3 and ER panel as it's written here. I guess that's the  
4 headquarters NRC panel that's given a check, an overview of  
5 the use of the process.

6 Particularly, we'd like to hear from that panel on  
7 the nature of problems that require an overturn. We'd like  
8 to hear something about that.

9 MR. CHASE: A what? Overturn?

10 MR. WIGGINS: Overturn, if they overturn the  
11 regional initial call. If the call was overturned, we'd  
12 like to hear about that and why.

13 We also believe there's an opportunity, since this  
14 is a fairly significant part of the program, to hear from  
15 the states. We figured that, based on our observations,  
16 Illinois and New Jersey have been spending the most time  
17 focusing on the program.

18 We think they would have something worthwhile to  
19 say and contribute here, whether from their perspective the  
20 SDP process comes out to the right answer.

21 We'd also like to hear from some public citizen  
22 groups, or a group, a public citizen group on that, some  
23 stakeholder, an advocacy group, someone who has been  
24 focusing on the overall program.

25 Maybe Dave would take the lead in identifying who

1 would be the best person to hear from.

2 We kind of envision this would be a panel  
3 discussion, but if the logistics work differently, then  
4 that's the way it goes.

5 MR. GARCHOW: When you say a panel discussion, I  
6 think maybe what we're going to see as we go through group  
7 three and sort of was envisioned by Frank and I when we did  
8 this is I think we're going to see where we're going to be  
9 able to direct people -- if it's going to be done by  
10 presentation, we can give them the specs for the  
11 presentation before they come here and have it divided up by  
12 these categories.

13 So, then as we're taking notes in our little  
14 note-taking, we're sort of keeping this in some semblance of  
15 order, and I think a panel is probably -- if we let the  
16 panels do a little brief presentation to cover the points  
17 we've asked for and then ask for some question-and-answers,  
18 we'll probably -- in listening to you, that would get us  
19 where we need to go on that one.

20 MR. WIGGINS: Yeah. But this -- I think, by  
21 nature, this is going to look like a qualitative assessment.  
22 It's hard to quantify -- other than getting the NRC people  
23 to discuss the number of calls that eventually were revised  
24 because of the panel review process, it's real hard to  
25 bean-count this number.

1           By saying that you met the 95 percent targets, it  
2 doesn't give you a lot. This is mostly a qualitative  
3 assessment, doesn't come out in the right place.

4           There's another note that we make as a footnote,  
5 and we're sensitive to not unearth things that we decided in  
6 the last meeting, but it needs to be recognized that whether  
7 you use core damage frequency or core damage probability is  
8 still a question that's out there, and it really can affect  
9 the decisions in item number two, because it does affect how  
10 a particular finding would be viewed from a risk  
11 perspective.

12           So, we just noted that it does -- potentially  
13 could affect the outcome of this criteria, and maybe later  
14 in the meeting, we can hear -- in this meeting here -- we  
15 might hear any status that we have on where we stand with  
16 resolving what is the proper measurement.

17           Let's shift to assessment.

18           Assessment was -- the three-part evaluation,  
19 number three, is the overall. This is one that, Dave,  
20 you've already touched on in your group in separate parts,  
21 the PI results and the inspection findings.

22           You put them together. Do you get an overall  
23 reasonable assurance level that the cornerstone objectives  
24 are met? That's a big question in this process. The  
25 technical aspects of this process is the largest question.

1           As far as one and two, we think we'd like to hear  
2 from NEI and the NRC staff on how were non-green performance  
3 indicators or inspection areas acted upon. What actions did  
4 the staff take, per the matrix?

5           We'd also like to hear from those two, the NRC and  
6 NEI, whether there are any actions that needed to be taken  
7 that the matrix would not have had us take, and we'd like to  
8 hear the resources needed on NRC's side to complete the  
9 assessment process, total for the pilot, for all the pilot  
10 plants, on a per-plant, and try to make a rough comparison  
11 to the previous processes, SALP and PPR. That's a  
12 statistical quantitative measure.

13           For the last item -- that's, like I said, going to  
14 be an overall activity -- we think we need to open that up  
15 to a broad range of stakeholders -- the NRC staff, licensees  
16 -- we can have NEI decide who the licensees are -- states  
17 and some public input on this question.

18           I think this could be a very important question we  
19 might want to spend a lot of time on.

20           I guess we're talking the overall, and I guess the  
21 overall -- a couple comments.

22           On page 9 and 10 of the matrix, it doesn't seem to  
23 map well with the issues attached. There's a draft of a new  
24 set of evaluation criteria. It doesn't map with the four  
25 items on page 4.

1           So, we had a little bit of confusion making our  
2 way through it, but I guess we looked at all these, and you  
3 know, I guess they're relatively straightforward assessment,  
4 in our view, that NEI and NRC could make.

5           But I think we had some discussion about what did  
6 we feel about whether the overall -- the industry overall is  
7 ready to execute the program, and we were trying to  
8 recollection what we had decided in the last PPEP meeting.

9           I guess my opinion is this is going to be -- we  
10 already have part of our overall report written, which is  
11 everything we said in this report pertains to how the pilot  
12 program was executed.

13           The issue about whether industry at large and NRC  
14 at large is ready to implement it is a separate question  
15 that needs a separate decision somewhere between November  
16 and April.

17           So, we would challenge the staff, or at least we  
18 would say that we would note that fact, and you know, just  
19 because -- I guess where we're going is just because we got  
20 ourselves through the pilot program, wherever we ended up,  
21 just because we got through it, that doesn't necessarily  
22 mean that everybody is ready to implement this everywhere,  
23 and there's still a lot more work that has to be done to get  
24 to that point, both sides of the house.

25           Any other comments? That's it for team two.

1 MR. GILLESPIE: Yeah. An interesting comment  
2 there, Jim. At the chief nuclear officer's meeting that  
3 they had the EDO -- I want to make sure I get his name right  
4 -- John Scalese from TVA mentioned that it wasn't clear to  
5 him that the rest of the industry could be ready to do this  
6 whole program by April given the efforts that have gone on  
7 in the pilots to get the pilots ready relative to ensuring  
8 that our own staffs understood it, and so, it was  
9 interesting.

10 It was kind of a surprise -- George, would you say  
11 it was kind of a surprise comment at the meeting to just get  
12 laid out there on the table? I don't know that it was a  
13 negative. It was a good comment, but it was a bit of -- a  
14 dose of reality in a very happy meeting.

15 MR. BARNES: Right.

16 MR. GILLESPIE: So, it's a good question. I think  
17 we need to have that question on the table, even though it's  
18 not one of the criteria, and that's the question -- what  
19 does this panel think of the ability of the industry to be  
20 ready by April 1st, given it's a kind of a good  
21 cross-section of people here?

22 So, it's a question. It's not on the criteria,  
23 but I think, in our overall report, we have to address it,  
24 and that includes -- is the NRC ready, overall, to do it,  
25 too?

1 MR. GARCHOW: Steve, based on that, was NEI doing  
2 something different or trying to roll -- was NEI trying to  
3 roll this up? You know, I guess this panel would like to  
4 probably see, at some point, from NEI just the status of  
5 industry readiness.

6 I mean it might be a slide or two, but what has  
7 been done, what's left to be done, and then NEI's  
8 professional opinion on, you know, whether it's going to be  
9 there by April or not.

10 MR. FISCHER: Yeah. The task force has started to  
11 put together a strategy plan for how do we get the rest of  
12 the industry ready to adopt this process. We're identifying  
13 a set of success criteria.

14 How would we answer the question if somebody  
15 formally asked us, is the rest of the industry ready? What  
16 objective evidence would we have that the rest of the  
17 industry is ready to roll this process out, and we're  
18 identifying success criteria with measurable objectives for  
19 each one.

20 MR. GARCHOW: You're about to be asked that  
21 question by a highly-respected government panel.

22 MR. GILLESPIE: Tim, do you guys have an effort or  
23 kind of a schedule that says you're going to look at that  
24 same question? No is okay right now.

25 MR. FRYE: Yeah, we have the same question we have

1 to address, but I don't know when we're going to have an  
2 answer right now.

3 MR. GARCHOW: The same highly-respected panel is  
4 going to ask that question of you, too.

5 MR. GILLESPIE: Okay. Good. This is going to be  
6 interesting. Everyone wrote neatly, right, so Mohan can  
7 consolidate the comments.

8 MS. HAHN: Frank, I'd suggest that, rather than  
9 going on to the third group, that we go back to the original  
10 agenda plan, because we seem to have had people come  
11 specifically to hear the staff presentation.

12 MR. GILLESPIE: Okay. Are we back on -- 11  
13 o'clock, okay. Good idea.

14 Actually, what I was doing is -- so that everyone  
15 wouldn't rush out and only a few of us be left at the table,  
16 like at the last meeting, I was trying to get us through on  
17 time.

18 MS. HAHN: We have time this afternoon to wrap  
19 this up, though.

20 MR. GILLESPIE: Staff presentation. We've asked  
21 the staff to just bring us up to date on where we are and  
22 where we stand.

23 MR. FRYE: We're passing around a set of handouts  
24 of the slides I'm going to use. So, I guess I'll wait a few  
25 minutes.

1 I think the handout is mostly around.

2 Good morning. My name is Tim Frye, and I work in  
3 the Inspection Program Branch of NRR. I'm a member of the  
4 Transition Task Force, and I'm the coordinator for the pilot  
5 program which is currently in progress to exercise the  
6 revised oversight process as part of full implementation.

7 This morning, what I'd like to do is present the  
8 changes that we've made to the pilot program criteria, based  
9 on comments and recommendations that we received at the last  
10 PPEP meeting, and then, following that, I'll also discuss  
11 some of the initial results of the pilot program from the  
12 first two months.

13 We did receive many beneficial comments and  
14 recommendations regarding the pilot program from the first  
15 PPEP meeting. We did review the comments and  
16 recommendations we heard, and we incorporated most of them  
17 into the criteria.

18 Now, we do plan to issue this revised criteria  
19 this week as part of a package of other procedure changes to  
20 be implemented for the remainder of the pilot, a couple of  
21 inspection procedure revisions, revisions to the  
22 significance determination process, and a revision to the  
23 pilot program guideline document.

24 So, the criteria revisions will be contained in  
25 that, and I did include a draft of the revised criteria for

1 your review, and I'll be talking through some of the changes  
2 we made to those.

3 As suggested by the PPEP, the staff did decide not  
4 to use the word "success" in describing the criteria, and  
5 we're simply calling them now pilot program criteria.

6 We concluded that this name better -- this name  
7 change better describes the purpose of the criteria, which  
8 is to evaluate the readiness of the new processes for full  
9 implementation.

10 However, we did keep the thresholds that were  
11 originally developed for many of these criteria. We did add  
12 an introductory paragraph which better describes how these  
13 criteria and their thresholds will be applied to the results  
14 of the pilot program, and probably most of you found it  
15 already, but like I mentioned, the revised criteria are in  
16 your handout, about midway through, it's page one, and the  
17 paragraph that I talked about is right at the top there, and  
18 what I did was -- there's a lot of change bars there. They  
19 reflect changes that occurred even before the last PPEP  
20 meeting.

21 What we did was we noted the changes we made in  
22 response to the PPEP with change bars, also, but then I  
23 underlined them, so you could distinguish the changes that  
24 we made in response to the last PPEP meeting, and one of  
25 those is that paragraph, and again, this paragraph is trying

1 to better describe the criteria and the thresholds.

2 As described in this paragraph, all the  
3 discrepancies will be evaluated during the pilot to  
4 determine the cause and the need for any revisions prior to  
5 implementation.

6 However, the use of thresholds with many of these  
7 criteria, such as the eight-out-of-nine-plants threshold,  
8 will also allow the staff to draw conclusions regarding the  
9 readiness for full implementation, which is why we kept  
10 thresholds.

11 A meeting of threshold for one of the criterion  
12 indicates that, while there may be an isolated problem that  
13 needs to be addressed, the particular attribute of the  
14 program or process being evaluated is generally sound, meets  
15 its objectives, and is ready for full implementation.

16 Failure to meet a criterion threshold indicates a  
17 potential program or process problem that needs to be  
18 addressed prior to full implementation, but it does not  
19 indicate that the process or procedure is unworkable and  
20 cannot be used to support the new process.

21 So, in a nutshell, that's why we decided to keep  
22 the thresholds.

23 Many of the qualitative criteria rely on comments  
24 received from feedback forms and surveys.

25 The PPEP made a recommendation to better describe

1 in these criteria what information will be solicited and who  
2 it will be obtained from.

3 We felt that was a good comment, we incorporated  
4 it, and actually, for most of the overall criteria and for  
5 the last criteria under inspection, you can see -- and these  
6 are underlined again -- you can see how we tried to better  
7 describe where this qualitative information is going to come  
8 from.

9 We did delete the SDP criteria. That was intended  
10 to evaluate the two methodologies in question for the SDP,  
11 delta core damage frequency and delta core damage  
12 probability, and we also did delete the criteria we had  
13 under overall that was attempting to measure staff  
14 preparation. That was another recommendation by the PPEP.  
15 We took those out because they aren't really true pilot  
16 program criteria, but they are important issues that we will  
17 be evaluating for full implementation.

18 Another recommendation that we took was we did  
19 rearrange the overall criteria to better address the agency  
20 overall performance goals.

21 So, there's a better correlation there, and what  
22 we did was we moved one of the assessment criteria that  
23 dealt with does the process provide reasonable assurance of  
24 -- that safe operation is maintained and is it providing an  
25 adequate indication of licensee performance.

1           We moved that -- we kept that criteria, but we  
2 moved it to the overall, because it's really a bigger  
3 picture overall criteria. So, we did rearrange the criteria  
4 in that fashion.

5           And finally, there was a -- for the overall agency  
6 resource criteria, we did reword that to delete the -- a  
7 threshold being resources -- being 15 percent less than the  
8 current processes, and we used the words "projected to be  
9 less," which I believe the panel recommended, and we agreed  
10 with that.

11           So, that's a summary of the changes we made to the  
12 pilot program criteria in response to the last PPEP meeting.  
13 Again, we are looking to issue those this week for full  
14 implementation for the rest of the pilot.

15           So, I guess -- any questions or comments on the  
16 criteria?

17           MR. GILLESPIE: Tim, one question. I don't want  
18 to go out with draft criteria when we put our working papers  
19 together. So, next week we can go final?

20           So, when Mohan puts together our package here,  
21 we'll factor these in. Is that your plan?

22           MR. FRYE: Yeah.

23           MR. GILLESPIE: You're not going to reissue them  
24 as draft criteria. I mean you're going to issue them --

25           MR. FRYE: Right.

1 MR. GILLESPIE: -- and be done. We're done.  
2 Great. That means we're working from the right product.

3 MR. FRYE: Right.

4 MR. GILLESPIE: It meshes nicely.

5 MR. FRYE: Yeah. Just as a little bit of  
6 background, the way we'll get these out is packaged very  
7 similar to how we got the initial pilot program data out.  
8 There will be a similar memo from Bill Dean to the four  
9 regional administrators describing the changes, and there  
10 will be attachments to the memo, a new SDP, a new pilot  
11 program, guideline document, couple of revised inspection  
12 procedures, and they won't be draft, they'll be the real  
13 thing, for implementation.

14 MR. GILLESPIE: Good.

15 MR. GRANT: Tim, just to reiterate something that  
16 Jim talked about when he was talking about the subgroup  
17 report out, in dropping SDP -- I mean CDF versus CDP out of  
18 the SDP, you still have a criterion there that no  
19 risk-significant inspection findings were screened out, and  
20 I think that that question is probably still embedded in how  
21 you define what is a risk-significant finding.

22 MR. FRYE: That's a good point.

23 MR. GRANT: Okay.

24 MR. CHASE: Tim, a question on distribution. Will  
25 NEI get a copy of that so they can send it out?

1 MR. FRYE: Right. What we'll do is we'll Federal  
2 Express the package to NEI, the resident offices, two points  
3 of contact at each pilot plant site, UCS, the states of  
4 Illinois and New Jersey, and again, that's the distribution  
5 we used for the initial pilot program package.

6 MR. CHASE: Okay.

7 MR. FRYE: If there aren't any other questions,  
8 the next thing I wanted to talk about were some of the  
9 initial results from the pilot program, and that's your next  
10 slide.

11 Again, the next thing I'd like to talk about are  
12 some initial results. We have completed two months of the  
13 pilot, so we are just starting to get in some of the results  
14 and being able to analyze them and draw some conclusions on  
15 them.

16 So, I'm just going to go through some of the  
17 information that we have now. A lot of it is some of the  
18 same information that I heard the subgroup say they wanted  
19 to see in October or November, at the next meeting, and you  
20 know, we have some of it now, and of course, at the next  
21 meeting, it will be better and more complete.

22 To date, we've had three pilot plant performance  
23 indicator submittals. For each of these submittals, all the  
24 PIs have been reported on time for all the pilot plants, and  
25 we have been doing some PI verification during the first

1 couple of months of the pilot, and the licensees have been  
2 doing their own review of the PI submittals, and we have  
3 noticed some errors in the PI submittals during the first  
4 couple months of the pilot program, and I think it's slide  
5 four of your package, or page four, shows one of the metrics  
6 that we're trying to pull together to summarize PI  
7 reporting.

8 MR. WIGGINS: Tim, how do you read this? Are the  
9 X's errors, or are the X's inspections? On your third --  
10 fourth column.

11 MR. FRYE: Yeah. The question was what are the  
12 X's? The X's are the errors that we've seen. What we're  
13 trying to do is -- we're tracking this PI by PI. The first  
14 column next to the PI shows the number of plants that we saw  
15 an error at, and then, the other columns are trying to show  
16 a breakdown of how we found the error.

17 We are doing some independent verification where  
18 the PI task leader will be going out to the sites, in  
19 addition to the scheduled PI verification. So, if they are  
20 talking with the licensee or reviewing data and they see an  
21 error, that's a source of information.

22 Next column, PI verification.

23 The column after that is any changes that were  
24 submitted by the licensee documenting an error, and the last  
25 column there is timeliness, which isn't filled in right now,

1 but -- we just didn't get a chance to fill it in, but right  
2 now, all the PIs are being reported timely, as I mentioned  
3 before.

4 But as you can see --

5 MR. GARCHOW: Tim, just to be precise, right --  
6 it's the engineer leaking out -- that's really not an error  
7 rate. You're just bean-counting numbers. You're not taking  
8 a look at --

9 MR. FRYE: Right. That's --

10 MR. GARCHOW: That's probably fine, but it's just  
11 the number of errors.

12 MR. FRYE: Honestly, we're struggling with this  
13 one a little bit to -- we know what we want to do, but being  
14 able to present it the best way -- the idea was to have an  
15 error rate, but that's probably not an error rate right now.

16 But what we are trying to present is the fact that  
17 -- again, this isn't a complete summary of all the PI  
18 verifications we've done, because we've looked at some of  
19 the -- we've looked at some of these and haven't found  
20 problems, but the idea is to show that we have seen problems  
21 in unplanned power changes and safety system functional  
22 failures.

23 Right now, those aren't meeting the criteria we've  
24 set up, so we need to look harder, which we are doing, to  
25 see why those are happening and determine the cause. We are

1 working with NEI to look at the guidance and see what we  
2 need to fix to address those errors.

3

4 MR. FISCHER: Tim, just so we're clear, can you  
5 characterize what's the nature of the errors? Are they  
6 interpretation problems, or are they --

7 MR. FRYE: Yeah, that's --

8 MR. FISCHER: -- errors in collecting the data and  
9 missing things or some of both or --

10 MR. FRYE: We're still working through that, but  
11 right now, what we think the problem is, for the unplanned  
12 power changes, it's probably an interpretation problem and a  
13 guidance problem, and for the safety system functional  
14 failures, what we've seen is a problem with characterizing  
15 failures as safety system functional failures and, on the  
16 initial go, not accurately noting failures that were safety  
17 system functional failures and should have been counted.

18 So, it's probably a guidance problem.

19 MR. FISCHER: Is most of this on historical data?  
20 If it is, that's going to be an issue that we're going to  
21 have to deal with with all of industry when we get going,  
22 you know, come the first of the year.

23 MR. FRYE: Yeah, I think most of it is on  
24 historical data.

25 So, again, we don't know exactly what the problem

1 is, but as you can see, we are having problems reporting  
2 these PIs, which is the goal of the criteria, and setting a  
3 threshold.

4 You know, again, with the idea behind the  
5 threshold, if it's -- if you just -- throughout the pilot,  
6 you see one problem with the PI, you can address that, but  
7 we have confidence that the process or the guidance is  
8 pretty good for that PI.

9 When you start seeing two or three or four hits on  
10 a PI, that's going to be an indication that there's  
11 something bigger you need to address before full  
12 implementation.

13 So, that's an example of how we're going to use  
14 the criteria and the thresholds we've set up.

15 MR. GRANT: Tim, this is all based on our  
16 inspection activity. Is the staff gathering any raw data or  
17 anecdotal information from pilot plants on what they're  
18 doing, going back and looking? I mean this is -- these are  
19 things that we've discovered in the course of our inspection  
20 activity. They may be discovering additional examples or  
21 input, also.

22 MR. GARCHOW: Well, at our pilot plant, we're  
23 doing that, but it would end up being captured here, because  
24 when we find it, we submit a revision to our data, and then  
25 it would have shown up -- in fact, at Salem, we're fixing to

1 send you a revision of a data, because on a scrub we found  
2 an error in 1998.

3 MR. GRANT: And that would show up in this table?

4 MR. GARCHOW: And that would show up. I believe  
5 what you said is when I send the letter in saying it's  
6 correct --

7 MR. FRYE: Right. If we haven't picked it up in  
8 any of the other ways, the expectation is that the  
9 inspectors, when they see a deficiency report or whatever,  
10 that the licensee has identified a problem, they would -- I  
11 mean that should fall under PI verification, also, but it  
12 might not be inspector-identified, it might be  
13 licensee-identified, that the inspectors have followed up on  
14 and documented.

15 MR. GILLESPIE: Tom?

16 MR. HOUGHTON: Tom Houghton, NEI.

17 Tim, if a PI verification inspection finds  
18 something that needs to be corrected and then the utility  
19 corrects it in the next report, you're not going to  
20 double-count between the two columns, right?

21 Your second column is PI changes that the utility  
22 makes?

23 MR. FRYE: Right. No, we wouldn't be  
24 double-counting that.

25 MR. HOUGHTON: Okay.

1 MR. GILLESPIE: I think something that's going to  
2 be important here -- this is probably not for the committee  
3 as a committee, but -- and that's the distinction between  
4 old data and new data and the definitions, because we've  
5 been -- there's a whole group working between NEI, INPO, and  
6 the NRC, trying to come up with good definitions that we can  
7 all agree upon of both availability and reliability, and so,  
8 it's going to be important to know in moving forward, do we  
9 have definitions that, from someday certain, moving forward,  
10 can be consistently applied, which is a different problem --  
11 is what your question was, Steve -- than mining the past  
12 data and having to back-fit a definition where there's a  
13 lack of information and detail.

14 So, we need a clear distinction there, because  
15 then we have to get -- the task force is working off --  
16 doing the other thing, to make sure that we've got  
17 definitions of reliability and availability in this area,  
18 we're all shaking hands and doing the same thing.

19 So, that's a point I think we have to ask the  
20 staff when they come back in November, would be kind of the  
21 next -- just the next level of detail, since this is mostly  
22 historic now, is do you feel comfortable moving forward that  
23 the guidance document that exists --

24 MR. FRYE: Right. And that's the decision that  
25 this kind of metric and the data we're collecting is trying

1 to answer.

2 MR. BARNES: So, given the number of plants, the  
3 number of indicators and the three submittals, I mean this  
4 is a relatively small number, but did it come about  
5 randomly, is it going down, is it just a startup?

6 I mean which way is this little number going, if  
7 you were to trend it? Did we have three the first time,  
8 five the second?

9 MR. FRYE: I don't know if we have a trend yet. I  
10 don't think we know.

11 MR. BARNES: Or was it all at once, all at the  
12 first or all at the second? I'm just wondering, because the  
13 goal here, ultimately, is everybody's got it right.

14 MR. FRYE: Right. Again, the majority is  
15 historical.

16 MR. BARNES: Right. We've just got to clean it up  
17 as we're going forward.

18 MR. FRYE: Right. If that's the only problem -- I  
19 mean that's still a problem that we want to address. That's  
20 part of the evaluation we would do. Again, what's the  
21 cause? We might not need to change the guidance. Maybe  
22 it's okay. Who knows what it could be.

23 MR. GARCHOW: We talked about this earlier, and  
24 when you come back at the first week of November, I would  
25 agree, we're going to -- and we'd ask to see, and I'm sure

1 you'll give us, the next level of detail on the specifics  
2 around what these errors are you're finding, and there's  
3 probably a couple other cuts you could make on that just  
4 besides historical, non-historical that would give some  
5 insight, and we recognize that you've just started doing  
6 this.

7 So, I guess my opinion would be we can sort of  
8 probably let you off the hook on this, since it's only based  
9 on a week or two's worth of data.

10 MR. GRANT: Is this just an example, or is this  
11 the whole story, because this only looks at reactor safety,  
12 and I know that there's some other --

13 MR. FRYE: Well, this is all the results that we  
14 have to date on -- the only reason why I didn't put the rest  
15 of the cornerstones or PIs up is we don't have any hits on  
16 those.

17 MR. GRANT: I thought we did. I thought we had  
18 some in security and in rad protection.

19 MR. FRYE: Yeah. I'll double-check, but we didn't  
20 have any hits reported, so -- yeah, I'll double-check. I'm  
21 not sure what the answer is.

22 MR. GILLESPIE: Next view-graph.

23 MR. FRYE: Actually, I'm going to go back to that  
24 one and talk off that one for a little bit, but we have  
25 received a lot of feedback and comments on the -- some of

1 the inspection procedures that they -- as they've been used,  
2 and we do have some revisions in progress, not ready to be  
3 issued yet, for various procedures, such as equipment  
4 alignment, plant status, maintenance rule implementation.

5 Generally the comments we have received so far,  
6 and we need to -- for the next meeting, we'll have a better  
7 summary of them, but in general, the comments are the  
8 requirements aren't clearly written, they're hard to follow,  
9 so that the inspectors have struggled with doing the  
10 procedures as written.

11 So, that's -- at this point, that's what we're  
12 trying to address, and we'll work on revisions to make them  
13 easier to follow and to have a clearer distinction between  
14 equipment line-up and plant status.

15 There is some confusion as to which -- what you do  
16 in one but you don't have to do in the other one. So, we  
17 are working on some revisions.

18 As I mentioned earlier, we do have revisions ready  
19 for the fire protection procedure and physical protection.

20 The fire protection procedure -- it's  
21 incorporating lessons learned from the fire protection  
22 functional inspection; it's clarifying the requirements for  
23 the routine inspections and the triennial inspection. So,  
24 that's the -- I guess the scope of the revisions to that.

25 For the physical protection inspection, the

1 revision was we were suspending the force-on-force portion  
2 of the baseline inspection for the remainder of the pilot  
3 pending completion of the OSRIs and evaluation of the  
4 results.

5 So, those two inspection procedures will be coming  
6 out this week.

7 If you go to page five of your handout, this is  
8 another one of the criteria we have in the inspection  
9 program. What it's looking at -- it's solely inspection  
10 hours.

11 It is a comparison of the direct inspection  
12 effort, expanded for the first two months of the pilot for  
13 the baseline program, and then it's doing a comparison of  
14 those resources against the regional average for the first  
15 two months of the pilot for the non-pilot plants, and then  
16 it's also comparing the resources for each pilot plant  
17 against the same plant for the same time period before the  
18 pilot.

19 So, those are the two comparisons it's doing, and  
20 again, you have to keep in mind this is for two months of  
21 the pilot program, it's a very limited data set, but it is  
22 demonstrating, at least for now, that, in general, we are  
23 meeting the criteria that the new inspection program  
24 requires less resources than the current processes, and  
25 there's two comparisons.

1 MR. GARCHOW: Tim, I guess, when you come back,  
2 because this is one of the criteria, just need to break out  
3 a little bit some of the things that tend to allow this just  
4 to be an illustration but not to allow the mathematicians to  
5 go crazy, right, because it's heavily influenced on when you  
6 had your last major team inspection --

7 MR. FRYE: Right.

8 MR. GARCHOW: -- and whether -- which of the  
9 pilots have had a major team inspection and which haven't.  
10 So, I would suspect that like Fitzpatrick got one  
11 of the early team inspections --

12 MR. FRYE: Right.

13 MR. GARCHOW: -- and that's why their data is  
14 skewed up.

15 So, when you come back, just be able to note --  
16 you know, be able to point out on this kind of graph a view  
17 of the things that, you know, would explain away something  
18 that at first blush --

19 MR. FRYE: Right. And that's the idea behind the  
20 criteria for any outliers or anything, to again look in the  
21 causes and understand what's going on, but there is a basic  
22 premise that we are trying to evaluate here, and that's with  
23 the use of performance indicators and establishing  
24 performance bands, that we think, overall, less inspection  
25 should be required, and it might be hard to measure, but

1 that is what we're trying to look at with this criteria.

2 MR. GILLESPIE: Tim, I want to just make sure I  
3 understand the graph. On this table, let me just pick  
4 Salem. Pilot plant A, 107 -- that's for two months. What  
5 is that number compared to previous six months?

6 MR. FRYE: Yeah. For Salem unit one --

7 MR. GILLESPIE: Are these monthly averages?

8 MR. FRYE: These are total inspection resources.  
9 For Salem unit one, for the first two months of the pilot,  
10 it was 107 hours of total inspection resources. For the  
11 previous six-month period, the first two months of that --

12 MR. GILLESPIE: Okay.

13 MR. FRYE: -- which is, I think, November and  
14 December, say, of '98, 260 hours were applied to Salem unit  
15 one, and then the last number for Salem one is the regional  
16 average for all the other non-pilot plants during the first  
17 two months of the pilot.

18 MR. GILLESPIE: Okay. So, it's all normalized to  
19 two months.

20 MR. FRYE: Right.

21 MR. GILLESPIE: How much of an influence is -- I  
22 know we were kind of in a -- for the pilot plants, we're  
23 kind of in an odd circumstance, because there was some  
24 regional initiative based on past results that's factored in  
25 here.

1                   What percentage of all of this is kind of old? I  
2 don't want to call it old but previously established  
3 regional initiative versus a reaction to the new program,  
4 just a ballpark?

5                   MR. FRYE: Yeah. I don't think we had a lot of  
6 regional initiative. That's something we'd have to check  
7 and bring to the next meeting, but there was not a lot of --

8                   MR. DEAN: Ten percent.

9                   MR. GILLESPIE: Ten percent is a good answer.

10                  MR. FRYE: Some plants are zero initiative  
11 inspection.

12                  MR. GILLESPIE: Okay.

13                  MR. FRYE: If there aren't other questions about  
14 that, I guess I'll go on to the last couple of bullets on  
15 slide three.

16                  Okay. And actually, the last bullet, which I  
17 didn't talk about, is the fact that another one of the  
18 criteria is an information management system criteria. It's  
19 our ability to get the performance indicators and inspection  
20 findings on the external web page in a timely enough fashion  
21 so that they're publicly available and they support the  
22 assessment results which will also be coming out, and where  
23 we stand right now is we were able to get the July 14th PI  
24 submittal on the external web-page by the end of July, so  
25 that that is publicly available, and we will continue to

1 update the PIs monthly through the remainder of the pilot.

2 The next step is to get the inspection findings,  
3 the plant issue matrices on the web. Our goal right now is  
4 to be able to get that for the end of August, and so, then  
5 you'll have a complete picture of all your data for each  
6 pilot plant.

7 So, that's where we stand right now with getting  
8 information on the external web.

9 MR. GILLESPIE: So, end of August, Tim, you'd be  
10 looking at -- picturing the NRC page right now, the PIs are  
11 kind of on top, inspection is kind of the bottom third of  
12 the page.

13 MR. FRYE: Right.

14 MR. GILLESPIE: You'd then be able to go from that  
15 to the PIM?

16 MR. FRYE: That's the plan.

17 MR. GILLESPIE: The PIM item that reflects --

18 MR. FRYE: Uh-huh.

19 MR. GILLESPIE: -- value depending on whether  
20 you're looking up or looking down?

21 MR. FRYE: Right.

22 MR. GILLESPIE: But then the rest of the PIM would  
23 also be available --

24 MR. FRYE: Right.

25 MR. GILLESPIE: -- on that list. Okay.

1 MR. FRYE: That's the system we're trying to set  
2 up.

3 MR. GILLESPIE: Okay. When will that be linked to  
4 inspection reports themselves, or will it?

5 MR. FRYE: I'm not sure.

6 MR. GILLESPIE: Okay.

7 MR. FRYE: But that's it for the initial results  
8 of the pilot. Although the pilot is over a third of the way  
9 done, there is some lag time in getting results in and being  
10 able to analyze them. This is what we have so far, and  
11 obviously, every month we'll have better results and better  
12 analysis.

13 So, any questions or comments?

14 MR. WIGGINS: I'm going to ask the normal question  
15 we ask. What's going wrong with the pilot thus far? We've  
16 heard a lot of things that are going right. What do you  
17 think is going wrong?

18 MR. FRYE: Going wrong? Well, we do have a lot of  
19 -- we have seen errors with the PIs, which I did talk about,  
20 and we are working hard with NEI. It's not surprising to us  
21 the PIs we're having trouble with. I think we kind of  
22 anticipated that.

23 So, I think that's one area that's going wrong and  
24 we're working to address it, and then I guess the other  
25 area, which I did mention, is the inspection procedure

1 quality. We have received a lot of comments about the  
2 quality of the procedures and the difficulty in implementing  
3 them.

4 The inspectors have successfully implemented them,  
5 but they can be better written and clearer written and  
6 easier to use.

7 MR. GARCHOW: Tim, relative to -- I mean I'm not  
8 aware -- I have no knowledge to the fact that there is, but  
9 I assume that there was some sort of self-assessment process  
10 at the NRC prior to the implementation of the pilot program,  
11 and I guess it would be interesting to hear to what extent,  
12 if you'd of went out to inspectors and asked the same  
13 questions about the previous inspection procedure, quality,  
14 usability, that you would get any different answer relative  
15 to the old procedures versus the new procedures. Do you  
16 have any insight on that?

17 MR. FRYE: That's not something we've done.

18 MR. WIGGINS: Has there been any industry comment?  
19 When the chief nuclear officers were in, there were some  
20 comments provided to the NRC during that time.

21 I guess, Steve, you were reminding me that one of  
22 the issues that popped up was on PI verification.

23 MR. FISCHER: Actually, problem identification and  
24 resolution inspection module. That was the one issue that  
25 they had.

1 I think Tom's going to talk to some of that this  
2 afternoon when he has his presentation.

3 MR. WIGGINS: Okay.

4 MR. GILLESPIE: I think one of the pluses that  
5 could be viewed as a negative -- I view it as a plus -- that  
6 we're seeing out of the pilot is inconsistency. In the  
7 pilot, inconsistency is good, because it gives us a  
8 comparison, and we've had some inconsistencies in the  
9 engineering procedure and how much effort it takes to carry  
10 it out in different places and inconsistencies in problem  
11 identification corrective action, which is good, from our  
12 perspective relative to running an experiment, which is what  
13 a pilot, to some degree, is, because that means we can step  
14 back and look at the different approaches by different  
15 regions and different management structures and make some  
16 conscious decisions and comparisons, was this worth it, was  
17 it not worth it.

18 So, I don't know if that's a negative or a  
19 positive. I view it as a positive. We're not forcing  
20 artificial consistency region to region, inspector to  
21 inspector to the extent where we don't get that test.

22 But on the other side, Tim, that could be viewed  
23 as a negative, because there's -- in corrective action,  
24 there's significant discrepancies, maybe, in how big a team  
25 and how long it's taken between some regions and some

1 pilots, but it's a good discrepancy. It will give us  
2 something to chew into later, I think.

3 MR. WIGGINS: I guess there are some white PIs out  
4 there. Has there been any judgement with regard to how the  
5 white PIs were reacted to, any early information about what  
6 happened when you go through the first step in the action  
7 matrix on this?

8 MR. FRYE: We've had some PIs that were late due  
9 to historical problems, and we reviewed those at the start  
10 of the pilot and determined whether we did or didn't need to  
11 do any followup, but I don't think we've had any new white  
12 PIs yet in the pilot program.

13 MR. WIGGINS: I guess what I'm dancing around is  
14 not that you'd wish any bad things would happen at any of  
15 the plants, but you start to wonder whether there's been a  
16 full spectrum of challenges out there that you could see how  
17 the program reacts to those challenges and compare it to how  
18 you would react, maybe, under a different or a prior regime,  
19 you know.

20 There hasn't been any -- I don't know if there's  
21 been any events that are more than just, you know, kind of  
22 routine occurrences. I don't know that there's been any  
23 inspection areas or PIs that have gotten outside of white.

24 MR. GILLESPIE: Two yellows.

25 MR. CHASE: We've had a PI go from green to white

1 back up to green. We did a root cause analysis. It's in  
2 the EP area on protection action recommendations. We  
3 started off low and, before we could take corrective action,  
4 dropped into the white the next month.

5 We did a root cause, taking corrective actions,  
6 and we had a ERO inspection activity last week that verified  
7 our corrective actions, and they walked away with no  
8 findings and no observations.

9 So, they looked at what we were doing in root  
10 cause analysis in that area and they were satisfied.

11 MR. DEAN: Bill Dean from NRC.

12 I'd like to make one comment, and this kind of  
13 pertains to an observation that was made earlier about  
14 readiness of industry, and I think one thing that we have to  
15 recognize is that the pilot program is a limited experience,  
16 six-month period of time, nine plants.

17 We will not exercise every aspect of the program,  
18 okay, and it's important to realize that we have on top,  
19 after the first full year of implementation, a report to the  
20 Commission to provide feedback on the first full year of  
21 implementation.

22 There are going to be continued modification  
23 revision to the program.

24 So, I think it's important to recognize that we're  
25 going to continue to gain experience when we get into full

1 implementation and make alterations to the process as a  
2 result of those.

3 MR. WIGGINS: Yeah, I recognize that the  
4 circumstances may not present themselves, but I guess I'm  
5 suggesting that, you know, anything that does come up, you  
6 have to look at it two ways, I think.

7 You have to look at it, you know, how is it  
8 treated under the program and compare it to some -- I hate  
9 to say feeling, because you think it's a subjective -- you  
10 kind of try to figure out what you would have done in a  
11 prior regime and you decide whether there's an argument to  
12 remain with the pilot way of dealing with it.

13 Otherwise -- I don't think anyone expects -- I  
14 don't think it's a reasonable expectation for the NRC to be  
15 in a position that it's not reacting to problems that are  
16 out there.

17 It has to react. There's a question in terms of  
18 what the reaction is, but it has to react, and we ought to  
19 be careful that we're not assuming that the pilot oversight  
20 program is the correct reaction in all cases.

21 I'm not saying we ought to go back and jump to the  
22 old system. That's not what I'm saying. I think you've got  
23 to take whatever opportunity comes up and capitalize on it.

24 MR. BROCKMAN: Jim, I agree with you, and I think  
25 some of the things we also have to look at -- for example,

1 the example that Jim brought up on the response  
2 organization, looking at data we would or would not have  
3 even had last time, and under this particular aspect, I mean  
4 that they went from 91-percent success rate on making  
5 recommendations to 89, it probably would have been data that  
6 wouldn't have even been captured before that allowed us at  
7 this time to do an inspection activity that may have not  
8 been there.

9 We need to look at both sides of the coin, those  
10 we don't do and those we do do. So, I think you're correct.

11 Let me take one other point.

12 Bill, food for thought just on the graph you've  
13 got on the pilot plant direct inspection effort. If you  
14 look at this thing, you see some big changes on there. I  
15 think some of them may very well be temporally driven by the  
16 summertime, when you've got heavy vacation schedules.

17 You may be much better comparing this to the same  
18 calendar time of last year, as opposed to just going back  
19 six months, because half of our pilot program is in during  
20 the summertime, and it could give a false impression on your  
21 data.

22 So, I'd just suggest that for consideration.

23 MR. WIGGINS: Well, to a certain extent, you have  
24 -- I was thinking about this, too. You have what you could  
25 say is the effect of small numbers. He doesn't have enough

1 time to do the evaluation, and at the end, I think he will  
2 have at least six months, and he can play a number of -- he  
3 can look at it in a number of ways statistically, you know,  
4 here are the six months reflected as a two-year cycle and  
5 add in what you would have done two years and then compare  
6 it to other two-year cycles. That's probably the best way  
7 of doing it in the end, but he's going to have to figure  
8 that out.

9 MR. DEAN: And once again, as we've told the  
10 Commission, we don't feel comfortable in making any sort of  
11 recommendations relative to resources until after a full  
12 year of implementation.

13 MR. FISCHER: Just one other point I'd like to  
14 make responding to, I think, the point you made, Jim, about  
15 we really haven't seen that much yet that would, in our  
16 opinion, maybe test the process out, but I think we have to  
17 keep in mind that what we're testing here is the  
18 implementation of this process, but a lot of work did go  
19 into the development of the process, there was a lot of  
20 benchmarking that went in, where the staff actually did go  
21 back and take a look at past significant findings that they  
22 knew existed at plants, ran them through the process to see  
23 what color would come out using tools like the SDP and the  
24 performance indicators, and it did, indeed, show, from their  
25 validation, that plants that had some significant problems

1 in the past would have been tagged and identified, and the  
2 actions taken were fairly consistent with the action matrix  
3 that was developed.

4 So, while we're not seeing them in the pilots,  
5 that doesn't mean that it hasn't been, you know, validated  
6 to some extent.

7 MR. WIGGINS: Well, there were these things done  
8 prior to the second Commission meeting, yeah, I realize  
9 that, but I guess the point I'm making is you have to take  
10 every experience as an opportunity to learn, and you have to  
11 -- you know, it may take more evaluation on Frank's staff's  
12 part and maybe your part, you know, NEI's part to look at,  
13 all right, here's a real live test under this regime, is  
14 that still -- are we still coming out the same -- the right  
15 place.

16 Otherwise, you just -- otherwise, you, in effect  
17 -- although you may not think you're doing it, in effect you  
18 subconsciously have agreed that the program is actually  
19 correct, because everything you do then is consistent with  
20 you're just implementing it the way it's supposed to.

21 You've got to challenge it, I think. You've got  
22 to be in a position of saying is this the right answer, and  
23 maybe -- you know, I think the expectation is, the  
24 overwhelming majority of times, the answer is going to be  
25 yes, the approach taken for the example you brought up

1 sounds like it's -- you know, sounds like it's a fair  
2 approach, not having the details, but you have to ask that,  
3 is that the right thing?

4           You know, would Region IV have reacted the same  
5 way?

6           Now, Tim brings up, well, we wouldn't have reacted  
7 in the past, so this is a -- I think that's a valid  
8 consideration. So, okay, seems to be not a problem.

9           Move on, take the next challenge, and see what it  
10 deals with.

11           MR. GILLESPIE: I think we're probably not  
12 capturing all of the things that have been going on within  
13 the staff, but I know, at least recently -- I think it was  
14 even a TVA plant but not a pilot plant -- there was a  
15 question on containment isolation valves, where the region  
16 chose to kind of exercise the SDP process as part of its  
17 evaluation of the safety significance of it, so that you  
18 might say they were doing it for practice.

19           Ends up that it was not a significant valve. It  
20 went in the corrective action program and it's getting  
21 corrected.

22           Now, would it have gotten corrected as fast -- is  
23 it getting corrected as fast under the new process as it  
24 would have under the old process? We're not really  
25 capturing that anecdotal follow-up information, and we're

1 not getting a lot of real live tests, Jim, of the more -- I  
2 mean I hate to say it, but the pilot plants are actually  
3 operating quite well.

4 MR. BROCKMAN: I'm not upset with that.

5 MR. GILLESPIE: I mean we've had some exercises at  
6 Sequoyah.

7 They've got a transformer yard that happens to be  
8 physically at the lower end of the facility, which is  
9 subject to possibly some flooding that's raised some  
10 questions, and that's going to a panel, and that's something  
11 we'll probably hear about later when it comes back.

12 We've had another occasion when something went to  
13 a panel.

14 So -- but it's been rare. It's infrequent. We've  
15 got a panel and they're ready to be a panel, but it's not  
16 happening.

17 So, as you say, we do have to be cautious as we go  
18 along. The plants happen to be running very well.

19 With that, I'd like to suggest that, before we  
20 break for lunch, that we allow group three to finish and  
21 give some food for thought, and then we'll talk about do we  
22 want to take an hour for lunch, 45 minutes, and maybe  
23 progress along so that we're done in a timely way today.

24 Okay.

25 Some people have to be out of here by four

1 o'clock, so maybe we want to take a 45-minute lunch or just  
2 a 30-minute and just run upstairs and get a sandwich and get  
3 to work.

4 I think -- I was taking notes for group three.  
5 So, let me, if I could, go through that.

6 Jim, let's bring up -- we talked and put a  
7 constraint on ourselves that other groups might not have put  
8 on themselves -- gee, could people at the table bring  
9 information to bear so therefore we don't need an outsider,  
10 but we could reconsider that while I'm going through the  
11 notes.

12 We had enforcement and information management  
13 systems. I did try to put myself on the easiest panel.  
14 It's the advantage of making up the panels.

15 MR. CHASE: Put me on the toughest.

16 MR. GILLESPIE: Under enforcement, there was  
17 really only one criteria, and we had kind of a comment that  
18 we would -- for that one criteria, are enforcement  
19 timeliness actions taken in a manner consistent with the  
20 assessment of inspection findings that result from the SDP,  
21 and Jim Lieberman was with us at the time.

22 Jim had to leave, but we came up with kind of,  
23 I'll call, three sub-bullets that kind of go under that, and  
24 let me just read those, because it's the kind of thing that  
25 would go in a letter asking someone to talk about this.

1 Does the action matrix maintain incentives for a  
2 high standard of safety and compliance, which goes kind of a  
3 step beyond the mechanics that criteria one says, can you  
4 grind out the inspection action.

5 The second question was does the enforcement  
6 process, based on the SDP, cause compliance to be achieved  
7 commensurate with safety, which is one of the things we were  
8 trying to get to by having compliance be after safety, and  
9 the third item was are there dis-incentives for  
10 self-identification because of the assumption on corrective  
11 action programs and the neutrality of findings and  
12 specificity in inspection findings.

13 This is kind of a paste-together one at the last  
14 minute, but the fundamental question was, because the safety  
15 significance of a condition or situation is kind of neutral  
16 as to whether -- who found it when we evaluate it, is that a  
17 dis-incentive, and that goes to one of the underlying  
18 assumptions of the whole program, and that's that corrective  
19 action programs, if they're working, you shouldn't drop out  
20 of the green, and so, it's almost like self-identifying that  
21 you have a problem with your corrective program if you  
22 identify something that's out of the green.

23 I might be saying it a little more severely, but  
24 that's kind of the essence, Jim, of what that question was.  
25 It was a dis-incentive into things.

1           So, those were -- under enforcement, we'd ask  
2 people to come in and talk to the enforcement criteria but,  
3 in their discussion, to kind of discuss their views on those  
4 kinds of things, and we came up with kind of the same panels  
5 that everyone else did.

6           Because enforcement is so visible and it's kind of  
7 the visible end of what we do as regulators, we started  
8 with, potentially, journalists as kinds of surrogates of who  
9 advertises what we do to the public, public interest groups  
10 other than -- you know, David represents UCS, but there are  
11 other interest-holders and public interest groups, non-pilot  
12 plants and how they see this idea of negative incentives,  
13 and this was an interesting one that Jim suggested -- and he  
14 comes -- Jim comes from a different perspective, being the  
15 hard-nosed Office of Enforcement guy for 20 years, and this  
16 one might deserve some discussion -- union representatives  
17 in the operators association and their view of how they see  
18 enforcement and, in fact, the whole process working, and  
19 that was kind of a new twist, and I'd like to ask, does  
20 anyone have a sense on -- they're a stakeholder, and where  
21 Jim comes from is -- and this was something that has come up  
22 in other discussions -- that if it gives the appearance that  
23 the NRC is backing off, will other avenues be used?

24           Do people think we're backing off? Do people who  
25 would use our allegations system -- will they feel they have

1 to go through that system versus going through the normal  
2 process, that the NRC isn't doing its job now, and these are  
3 the stakeholders that Jim sees when he deals with DOL cases  
4 and stuff.

5 So, it was an interesting perspective. It was a  
6 different point of view to bring them in and ask their  
7 opinion on this new process from that enforcement  
8 perspective. Do they feel comfortable things are still  
9 going to work the way they feel they're supposed to work?

10 Anyone's thoughts on this? This was a twist on  
11 me. I hadn't --

12 MR. WIGGINS: Well, you ask a question and I  
13 always have an opinion.

14 MR. GILLESPIE: Well, that's why I asked.

15 MR. WIGGINS: We need to be careful if you -- you  
16 know, don't cross-wire what we're doing here. You're  
17 looking at enforcement under the context of the program.

18 MR. GILLESPIE: Yeah.

19 MR. WIGGINS: If you're looking at harassment and  
20 intimidation and wrongdoing matters and any of that, those  
21 are what I would characterize as kick-outs from this  
22 process. They're going to be dealt with classically.

23 Those are major issues that bear on the overall  
24 integrity of the process, and they're going to -- you know,  
25 they're clearly not something that this -- I thought we

1 clearly said --

2 MR. GILLESPIE: There's agreement on that.

3 MR. WIGGINS: We clearly said that those things  
4 are -- we're handling them the way we've handled them in the  
5 past.

6 MR. GILLESPIE: Jim was just throwing this in, I  
7 think, as this is a set of stakeholders that no one had  
8 discussed. They do have an interest.

9 MR. BROCKMAN: I think it's an interesting set of  
10 stakeholders just to add to a lot of the things that we were  
11 talking about when we're looking at that, the external  
12 stakeholders, and even though some of them may be internal,  
13 they come at it through a different ring.

14 You talk about pros or something like that, that's  
15 a thing that doesn't go through all the utility management  
16 chain, gets an unbiased or a different perspective on  
17 things.

18 The union representation here may provide a  
19 different forum for presentation. It's interesting to  
20 consider, but I wouldn't limit it just to here.

21 I think, when we're talking to external  
22 stakeholders, it's something we ought to consider just as  
23 part of that day or two of getting their thoughts on many of  
24 the topics.

25 MR. GILLESPIE: Yeah. What Jim was thinking of

1 was the Licensed Operators Association is kind of a  
2 consolidated group, and the Atomic Chemical Electrical  
3 Workers Union is kind of, I think, a cross-cutting group,  
4 and also, the fact that they hadn't been considered.

5 I mean Jim was thinking very broadly when he  
6 suggested this.

7 MR. GARCHOW: I had a couple of comments on the  
8 journalists. For this particular piece, I could see asking  
9 the journalists, do you understand our reports, can you read  
10 them and can you decipher them, but if you're asking the  
11 journalists to actually pass a judgement on the efficacy and  
12 whether this incentivizes utilities to perform well, then I  
13 think you're asking the journalists to start having an  
14 ability to influence the news, and that sort of bothers me a  
15 little bit relative to this.

16 I could see asking the journalists can you read  
17 our reports, can you get to the web-page, do you understand  
18 what you're reading. That's probably all fair game. But  
19 when we start asking them to comment on, you know,  
20 enforcement and whether we think -- whether they personally,  
21 as a newspaper, think something, that's sort of interesting.

22 Other than maybe writing an editorial on the  
23 editorial page, I really don't understand what input they  
24 would give for the enforcement piece.

25 MR. CHASE: Can we draw a relationship between

1       them reading the web-page and them thinking about what type  
2       of enforcement should be occurring?

3               MR. GARCHOW: Yeah. Those are all the links that  
4       I can see being effective.

5               MR. GILLESPIE: Let me go to management  
6       information systems, which I thought was going to be one  
7       we'd step away from, but it ends up that Jim just made the  
8       connection because we made that same connection when we came  
9       to the web-page and what information was going to be  
10      available, and here, there were three evaluation questions.

11              We maintained, in our little group, kind of a  
12      consensus that question number two, the time and reporting  
13      and budget systems, which are internal to the NRC, were not  
14      something that this panel would have an interest in and  
15      opinion of or really even care about, that's kind of  
16      internal NRC, but --

17              MR. GARCHOW: Other than readiness, right?

18              MR. GILLESPIE: Other than readiness.

19              MR. GARCHOW: The comment on overall readiness --  
20      that was just a piece of overall readiness.

21              MR. GILLESPIE: And number one and number three --  
22      we had -- I'll articulate kind of our sub-topics to these.  
23      Is the information complete and timely and understandable to  
24      allow an understanding of performance by all parties, and  
25      this is where we were -- it was the information that we

1 would be presenting, and you know, it could be on the  
2 web-page, but initially, it could just be in writing.

3 But it's the information that this person would  
4 view from the outside looking in, and we included in this  
5 licensees being able to see how other licensees are doing,  
6 knowing that everyone likes to kind of compare themselves to  
7 everyone else.

8 So, it was kind of -- this is where journalists  
9 came in. Non-pilot licensees also kind of came in here, and  
10 public interest groups, because now this is the information  
11 source. This is the end product that they're seeing.

12 So, that was one question.

13 Second question, will the process be ready, and  
14 what will be available to all parties when we go  
15 industry-wide, and I know, in that, we would be asking the  
16 NRR staff involved in supporting Bill and the computer  
17 systems and our chief information officer staff to maybe  
18 come in and tell us whether they'll be ready and then  
19 include the regions, and do the regions feel comfortable not  
20 only will we mechanically be ready with the computer system  
21 but will they be trained on it, if there's an innovative way  
22 to do inspection reports or something else involved.

23 So, that would be kind of a short staff briefing,  
24 but it's a staff that normally we wouldn't hear from.

25 And the third question -- I covered that -- is the

1 staff trained and ready for information?

2 So, we came up, again, with public interest  
3 groups, journalists, non-pilot plants, and now the techy  
4 side, if you would, the information systems side of the NRC  
5 to kind of give us some insights, did it look like they  
6 would be ready and what would be ready, because it could be  
7 a combination of hard copy, still, and computers, or it  
8 could be all computerized, or what would be the status?

9 That's kind of where we came out on information  
10 management systems.

11 Steve.

12 MR. FISCHER: Did you give any thought to -- maybe  
13 you included it in the public interest groups but a Wall  
14 Street utility group? There's a stakeholder that, you know,  
15 made great use of the previous assessment process.

16 MR. GILLESPIE: You've brought that up before. I  
17 didn't, and in fact, I kind of consciously, I think, shy  
18 away, as a regulator, from that venue, but they are users of  
19 the information. But I kind of view as the -- and I don't  
20 know.

21 I'm willing to be open, but I view the  
22 relationship of a company with its banker between the  
23 company and its banker, but they are a stakeholder.

24 MR. FISCHER: Yeah, they're a stakeholder, and I  
25 would, you know, limit it to just that narrow area of

1 management information systems, is the information giving  
2 you, you know, something that's useful to you, can you  
3 understand it and comprehend it, given that we've taken away  
4 a previous source?

5 MR. GILLESPIE: Okay.

6 MR. FISCHER: Not ask them to pass judgement on  
7 the adequacy of the program or anything like that but just  
8 is it clear and understandable?

9 MR. GILLESPIE: The usefulness of the information,  
10 which is what comes out at the end. All right. Jim, that  
11 sounds good to me.

12 MR. GRANT: Frank, did you say that you recommend  
13 dropping the issue on RITS?

14 MR. GILLESPIE: Only for this panel, because --

15 MR. GRANT: There's a nexus with fee billing, and  
16 that would be the only thing that others might be interested  
17 in besides us, whether changes are necessary and whether  
18 RITS is supporting that.

19 MR. GILLESPIE: There's a nexus here, but is it  
20 something we want to spend time and effort writing about?

21 MR. GRANT: Probably not.

22 MR. GILLESPIE: Any --

23 MR. BROCKMAN: It may be another yes-or-no type of  
24 thing.

25 MR. GILLESPIE: Okay.

1 MR. BROCKMAN: I mean, as simple as the system is,  
2 are the new modules listed, yes or no?

3 MR. GILLESPIE: Well, if we have the CIO coming in  
4 -- and we could ask Tradici to come in, so it would be like  
5 maybe someone that's supporting Bill from NRR, the CIO, and  
6 the CFO coming in.

7 That would be three people, and that would kind of  
8 encompass the question on how are you going to deal with  
9 fees, will the bookkeeping system be ready. Would that make  
10 sense? It doesn't need multiple -- kind of a mixed panel,  
11 as the first group said?

12 MR. GRANT: This is another, to me, almost a  
13 quasi-implementation, as opposed to is this concept on  
14 track?

15 MR. GILLESPIE: Yeah. Can we count what we're  
16 doing and then can we send a bill for it?

17 MR. GRANT: Yeah.

18 MR. GILLESPIE: With that, we actually -- what I  
19 would ask is kind of the pseudo-chair for each group, if you  
20 could take the notes and try to make them as readable as  
21 possible, understanding we do have a transcript, so we're  
22 going to have a fall-back to the actual words that were  
23 said, but if each could just mark it group one, two, and  
24 three and give the best notes you have to Mohan as an  
25 assembly point, I would very much appreciate that, and that

1 would help us to move forward from here.

2 One question. That's on joint groups, and maybe  
3 we could talk about that, since we'll now have time this  
4 afternoon, and this was -- I think group one mentioned it,  
5 and it might be a way to get diverse discussion going, and  
6 that's to make sure that any group we had to come in to talk  
7 to us that would be -- let's say if it's a three- or  
8 four-person panel, that you put a public interest group, a  
9 non-pilot plant, and someone else on the same panel to talk  
10 to the same topic at once, or would you suggest two public  
11 interest groups, or three, staying together and just talking  
12 to their parochial interests?

13 It's two different approaches, and there was a  
14 recommendation to go one way.

15 Anyone want to give any thoughts on what would be  
16 the best way, you think, to receive the information, because  
17 it's going to make a difference on how we send out letters  
18 and let people know what kind of panel we're asking them to  
19 be on.

20 MR. GARCHOW: I could see that, if you did it the  
21 former, not the latter, you'd have to really set some  
22 time-frames.

23 So, we'd say, okay, we'll hear the NEI assessment  
24 on PIs for 15 minutes, we'll give the NRC 15 minutes to  
25 answer the questions we ask, and then we'll offer, you know,

1 10 minutes to any interested public and then, you know, some  
2 question and answers from the panel to whomever, and then,  
3 at some point, if you're going to try to chair this so it  
4 doesn't last forever, there's going to have to be very  
5 precise time blocks where that kind of input has to get  
6 over.

7 MR. GILLESPIE: The other option would be group  
8 them together, and then NEI knows they've got this time  
9 block, NRC knows they have this time block, and here is what  
10 we want addressed in your time block, which is a little  
11 easier and more disciplined than a mixed panel.

12 I'm just thinking maneuvering and making it  
13 happen, but is there a particular panel where people would  
14 like to see actually diverse views sitting at the same table  
15 at the same time?

16 MR. BROCKMAN: Let's think about that over lunch.

17 MR. GILLESPIE: Good. Okay.

18 MR. GARCHOW: Before lunch, how about play out the  
19 rest of the agenda, so we sort of know what we're shooting  
20 for this afternoon?

21 MR. GILLESPIE: Okay.

22 Right now, NEI would be on at one o'clock, which  
23 would be a 45-minute lunch. We've done the break-out team  
24 recommendations. So, the two to 3:30 slot -- but what I'd  
25 like to do is -- evaluation matrix and schedule -- what we

1 would do is, after the NEI presentation, see if anyone has  
2 any additional thoughts on what we've talked about this  
3 morning.

4           What I might ask Heidi and Mohan to do is -- if  
5 this is possible. I'm not trying to put you on the spot, by  
6 eyeball the notes and come up with an estimate of how many  
7 panels we might be talking about for the next meeting. Is  
8 that reasonable?

9           MR. THADANI: Yes.

10           MR. GILLESPIE: And if it's like four panels and  
11 we estimate it's an hour of discussion, an hour of  
12 questions, four panels, about eight hours, that's -- four  
13 panels is a full day for information gathering. If it comes  
14 out six panels, then we're at a day-and-a-half, and that  
15 would be just kind of a gross input for setting up the next  
16 meeting.

17           So, I would offer that, after the NEI, we'd give  
18 Heidi and Mohan a chance to just give us their ballpark of  
19 what -- how many panels it looks like we'd be looking at, if  
20 that's okay.

21           MR. GARCHOW: Maybe we could trust Heidi -- if we  
22 try to build something as a 15-person team, we'll be here  
23 all night.

24           I guess I would like to trust Heidi just to chew  
25 on this during the NEI presentation and maybe through the

1 first break and say, okay, I've got the notes, here is an  
2 approach to make the next meeting valuable and maybe also  
3 address in that how we might go after these interviews,  
4 because I think a couple of groups talked about maybe not  
5 necessarily having people under pressure standing up and  
6 talk but getting -- having some members engage in a  
7 conversation, see if we can't get some diverse input that  
8 way, and maybe you can just throw that all in the blender,  
9 give the panel a recommendation on how we might do that  
10 efficiently and effectively.

11 MR. GILLESPIE: Yeah. It kind of came out that it  
12 sounded like a smaller group might visit a region, visit a  
13 site that's in reasonably close proximity to a region, which  
14 kind of gives a deep vertical slice, for those people who do  
15 engineering inspections, of the whole process from beginning  
16 to end with kind of all the stakeholders.

17 MR. BROCKMAN: And Frank, one of the other things  
18 we talked about last time -- and I don't know how this fits  
19 in right now, but we talked about, for trying to get public  
20 participation and what have you, looking at where meetings  
21 were going to be -- I mean that's one outreach, to start  
22 getting that, and we've got that whole issue, probably,  
23 still to come and deal with.

24 MR. GILLESPIE: Yeah, let's talk about that after  
25 lunch, because what I want to do is be careful that, as a

1 panel, we don't necessarily -- I'm going to suggest that we  
2 shouldn't take on a staff burden, that the staff does have  
3 to outreach, but we have to estimate, would going to a  
4 single plant in a single region be an outreach enough, or  
5 holding our next meeting in Texas, would that be -- you  
6 know, and inviting people from Texas.

7 The bad part about that is, if we're going to  
8 invite multiple panels, Washington might be an easier place  
9 for the panels. It depends on what the panel -- but Texas  
10 is easy to get to, Chicago.

11 MS. HAHN: Can we make a recommendation on that --

12 MR. GILLESPIE: Yeah.

13 MS. HAHN: -- at the afternoon session?

14 MR. GILLESPIE: Yeah. And just eyeball what are  
15 the kind of people?

16 Let's take lunch and be back at one, and we'll  
17 hear from NEI.

18 Thank you.

19 [Whereupon, at 12:11 p.m., the meeting was  
20 recessed, to reconvene at 1:00 p.m., this same day.]

## A F T E R N O O N   S E S S I O N

[1:01 p.m.]

1  
2  
3           MR. GILLESPIE: Our next presentation is from Tom  
4 Houghton, who's representing NEI, and this is, in general, I  
5 guess, going to be a status on where NEI stands on saying  
6 where they stand.

7           MR. HOUGHTON: The material I'm going to cover  
8 today is where NEI stands in its -- what we're calling a  
9 strategic plan for the new process, and then, after that,  
10 touch on five issues which we think are worthy of thought,  
11 as we go into the process, and some of the things we already  
12 talked about this morning.

13           Our strategic plan which we're in the middle of  
14 implementing and writing up with our task force, which meets  
15 every other week, has four key areas -- performance  
16 indicators, the pilot program itself, industry readiness,  
17 which I'm going to devote most of my time to here today, and  
18 industry implementation followup.

19           The elements of the performance indicator effort  
20 are the manual itself and updating the manual, validation of  
21 performance indicators, and data reporting, and in doing  
22 this, we work every other week in public meetings with the  
23 NRC staff and bring up issues that need to be resolved.

24           We get input from all the pilot plants on a  
25 biweekly conference call, and then we have a meeting prior

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1 to the NRC public meeting on the following week.

2 As far as the performance indicator manual goes,  
3 we identify open issues, resolve them through -- either at  
4 the meetings or through frequently-asked questions that we  
5 receive from people, we prepare what we think an answer is,  
6 and then that gets sent to the NRC, the NRC reviews it, and  
7 at the public meeting, the issue is aired and resolved or  
8 it's deferred for another meeting for discussion.

9 We are also revising the manual, the 99-02, and  
10 the plan is that the manual will be revised -- the first  
11 revisions will be coming out either this week or next week,  
12 which covers some questions which have been raised, such as  
13 number of significant decimal places, which may seem  
14 unimportant, but it makes a difference, on a threshold.

15 A more important one, the definition of  
16 unavailability, we believe has been resolved to the  
17 satisfaction of the maintenance rule group and the PI group,  
18 and we came to agreement on that definition.

19 We also had some changes that we made into the  
20 containment PI so that that was clearer as to as-found,  
21 as-left, min-max, and that sort of thing, so that people  
22 could be consistent in how they report that.

23 MR. CHASE: Tom?

24 MR. HOUGHTON: Yes.

25 MR. CHASE: Will any of these changes affect PI

1 that we've already reported?

2 MR. HOUGHTON: No. The changes will take effect  
3 at the time the revision comes out, and what will happen is  
4 that we will do a line-bar change, issue the pages that have  
5 changed, NRC will send those out in a formal correspondence  
6 to -- through their chain, and we will put it out directly  
7 to the pilots, and we'll put it on our web-site, and we'll  
8 send an administrative point of contact letter to all the  
9 utilities, so they all know what the change is.

10 The plan is to come out with Rev. C of the manual  
11 after November 30th, I believe is the aiming point right  
12 now. We decided not to revise the whole manual, just the  
13 pages that were -- that had changes to them.

14 Validation of performance indicators -- issues are  
15 coming up.

16 There have been issues about what are unplanned  
17 power changes, issues regarding unavailability, and safety  
18 system functional failures has been an area where the  
19 definition is a little cloudy, and there have been  
20 discussions going on and continue to go on.

21 I know that, September 8th or 9th, there's going  
22 to be a meeting out in Quad Cities to resolve some of the  
23 issues about safety system functional failures.

24 That is a tough indicator, I think everybody  
25 agrees, because of the definition and the history of it.

1 Data reporting -- we have been working from an  
2 Excel spreadsheet thus far, which the pilot plants fill out,  
3 send in to NEI. NEI then looks for any glaring errors,  
4 inconsistencies, and then it's sent to NRR.

5 The plan that's going on now is that we're working  
6 with a web developer who is going to develop a program such  
7 that all utilities, including the pilots, can send in their  
8 data to a web-site on a server at NEI, and that will avoid  
9 problems of people meddling with the Excel spreadsheet,  
10 which people can do.

11 That effort -- we're aiming to be able to have  
12 that up and running so that all of industry can start  
13 testing the system in mid-October, is what our aiming point  
14 is now.

15 We'll see after, as our web-developer goes, but  
16 that will let the whole industry start trying out the system  
17 in mid-October, in anticipation of a -- of data submittals  
18 to NRC by the whole industry in mid-January. That's the  
19 aiming point right now.

20 Okay.

21 So, that really is what we're doing in terms of  
22 the performance indicators.

23 I guess we're one step behind in still having the  
24 word "evaluation" in our criteria for the pilot programs.  
25 We have not developed our criteria, but our criteria -- in

1 looking at the NRC's criteria, they are not -- won't be  
2 inconsistent at all, but they will probably be more aimed at  
3 the utility's satisfaction with the program, as opposed to  
4 its -- as opposed to NRC's side -- in other words, what --  
5 the value that the utilities are getting from the PIs, and  
6 that will feed into, I think, some of the questions that  
7 were being talked about today and provide some good data on  
8 that.

9 Identification of issues and resolution of issues  
10 is very similar to what I talked about for the performance  
11 indicator manual. As questions come up on findings or come  
12 up on inspection modules, they're being fed into our  
13 meetings and into our discussions, into our public meetings.

14 The lessons learned -- we intend to collect from  
15 the pilot plants their good practices, any desk-tops,  
16 procedures, training, the role of QA, and those sorts of --  
17 that sort of information, and then we will be putting that  
18 out to the industry in a workshop probably in -- I think  
19 mid-December is what we had said for a workshop.

20 So, we'll have an industry workshop to -- where  
21 the pilots will have an opportunity to talk about what  
22 worked, what wasn't working, cultural issues, and that sort  
23 of thing.

24 And finally, we'll have an industry comment to the  
25 PPEP and in response to the Federal Register notice. Those

1 comments to the FRN are due at the end of November. So, I  
2 think that dovetails with what the panel here is doing, and  
3 that will involve getting input from the pilots, putting it  
4 out to the whole industry for comment, and then getting our  
5 comments in by the end of November.

6 So, that's what we're doing in the area of pilot  
7 programs.

8 I'll go a little more in-depth on industry  
9 readiness, because I think that's been something that  
10 interests the panel and will be of great importance in  
11 making the whole program work.

12 There are five elements up here:

13 The first are the evaluation criteria, which we  
14 have come up with.

15 Secondly, what are the lessons -- getting the  
16 lessons learned from the pilot program, which I just  
17 discussed with you, out to the industry.

18 Training and communication to the whole industry.

19 Implementation of the performance indicators so  
20 that the whole industry can have confidence that they can  
21 provide them accurately and in a timely manner.

22 And finally, industry readiness reporting.

23 Okay.

24 These are our thoughts on the criteria for the  
25 industry to be ready, and one of the important things that

1 we keep in mind when we do something like this is that we  
2 are not a regulator of the industry, and so, we can  
3 recommend, we can provide input, coaching, advice, even  
4 admonition, I suppose, but we can't be the assessment agency  
5 for the industry.

6 But what we want in this regard for a criteria is  
7 that the lessons learned from the pilot program have been  
8 promulgated to the industry both in writing and at workshop,  
9 that there is a mechanism to answer and promulgate emerging  
10 questions that's in place and is functioning, and we  
11 envision the meetings, public meetings to continue probably  
12 the first year during the implementation such that there  
13 continue to be opportunities to quickly raise issues or  
14 questions that come up and resolve them so that everybody  
15 learns, not just the individual licensee, that there is a  
16 mechanism to update the manual and to interact with NRC  
17 after full implementation, that the training is conducted on  
18 key elements of the process and cultural issues.

19 We would be doing that both in workshops, such as  
20 the workshop we had last week on significance determination  
21 process, which went very well and which was taught by NRC  
22 staff who taught the residents in SDP.

23 Communication resources of NEI are available to  
24 NEI members, that we are cranked up in our communication  
25 area to provide insights and information to industry as they

1 communicate with the public, that there is industry  
2 engagement -- by that, I mean participation of utilities at  
3 workshops, generating questions, and being involved.

4           So, while we won't be able to say that somebody's  
5 ready, we certainly will know whether every utility is  
6 participating in workshops, whether they're sending their  
7 data in to us, and we can then perhaps go to anybody who is  
8 lagging or is having a problem and help them out  
9 specifically.

10           So, we will be targeting looking at making sure  
11 nobody is left behind.

12           Reactor licensees demonstrate capability to submit  
13 accurate and timely data. We think that, over a couple  
14 months, we'll be able to see how well people are doing in  
15 submitting their data. We won't be doing any V and V, but  
16 we will be able to look for obvious problems or answer  
17 questions that people have and see if they're able to do  
18 this.

19           We intend to have a workshop -- our intention is  
20 that we'd ask utilities to submit data in mid-October and  
21 then we'd have a workshop later that month, after they've  
22 tried it, to work on questions and issues that came up while  
23 they were doing it, so that rather than give the --  
24 everybody's had some training it so far, but what we'll want  
25 to do is let them actually try it out and then give them the

1 training.

2 And finally, licensee executives express support  
3 and readiness to proceed.

4 Again, this won't be a sign-on-the-dotted-line  
5 thing, but it will be -- there will be three NSIAC meetings,  
6 meetings of executives, of CNOs, at NEI over the next couple  
7 months, at which we will be briefing them on the key issues  
8 and looking for any problems or show-stoppers that they  
9 appear to have, and then, in January, we'll be looking for  
10 them to let us know whether there are any serious problems  
11 in the program.

12 So, that's how we will come about to saying  
13 industry is prepared.

14 Any questions so far?

15 Okay.

16 The lessons learned from the pilot -- we'll make  
17 available -- as I said, we'll make available copies of the  
18 procedures, desk-top guides, training materials,  
19 communication materials, etcetera, and we'll have a subset  
20 of our task force which is going to gather those and look  
21 for the best practices.

22 The pilot plant managers will discuss lessons  
23 learned during our workshops, and we'll look for them to  
24 talk not just about how do we get the PIs out on time but  
25 how do we look at the way we're doing business, how do we

1 ensure that we maintain compliance and focus ourselves on  
2 the most risk-significant issues and work towards risk  
3 significance, not towards issues of -- which might have been  
4 -- a lot of time might have been spent on in the past.

5 We'll provide a list of pilot plant contacts to  
6 everyone so that they can call up particular people that  
7 have expertise.

8 Our staff is available to answer questions as we  
9 go along.

10 We'll include examples of SDP determinations in  
11 our -- in the training materials and in the workshops that  
12 will be held.

13 And issues raised with NRC and the resolution is  
14 maintained in the frequently-asked questions located on the  
15 NEI member web-site.

16 So, that's the lessons learned that we'll get out  
17 to the industry.

18 MR. CHASE: On that last one, Tom, is that out  
19 already, very frequently-asked questions?

20 MR. HOUGHTON: It was up on our web-site. Our  
21 web-site got updated, and I think it's back up again. I'll  
22 get back to you on whether it's actually -- it's in process  
23 of getting back up.

24 MR. GARCHOW: Tom, do we have a mechanism for  
25 sharing that with the NRC? Do we provide a hard copy of

1 those FAQs and the answers?

2 MR. FISCHER: Yeah, I can address that for you.  
3 Actually, what we've done is we've worked out a process with  
4 the NRC staff for how do we get their agreement or  
5 concurrence and the responses that we give to the  
6 frequently-asked questions, and that's something that's gone  
7 over periodically, and when we get the answer, we post not  
8 only the question but also the agreed-upon response on the  
9 web-site.

10 I think the NRC is duplicating that, as well, and  
11 putting on their web-site.

12 MR. GILLESPIE: Yeah. The same questions come up  
13 on our side. So, we're sharing the questions and answers,  
14 so both constituencies get to see it.

15 MR. HOUGHTON: And we're not putting up any  
16 answers until we have NRC's agreement on what the resolution  
17 is, unless it's a question which does fall into the world of  
18 regulation. I mean there might be just questions about how  
19 do you do something or a process thing.

20 Training and communications -- we have had a  
21 significance determination process workshop, and it was  
22 quite impressive.

23 The people working on the SDP have gone the next  
24 step beyond the two tables and have provided some very  
25 specific guidance on what equipment goes with what event

1 sequences and explained in more detail what redundancy means  
2 and how to take credit for that, and after about an hour or  
3 two of explanation and examples, most people in a room of  
4 100 were able to go through them and come pretty  
5 consistently to the same answers.

6 I don't know how it worked at the NRC's training  
7 sessions, but it was quite impressive that people were able  
8 to actually use this tool consistently after a couple of  
9 hours.

10 So, we were quite pleased with the workshop, and  
11 there were about 100 people, all the pilots and quite a few  
12 other plants there looking at what was going on.

13 MR. FISCHER: I might just add on that, from my  
14 perspective at the workshop, the thing that really made the  
15 process work was the plant-specific identification of  
16 systems that go with what scenarios and what events, and  
17 without that, I don't think we would have had any degree of  
18 consistency.

19 So, that's a real key element, and I know that, so  
20 far, those have been developed for the -- or are in the  
21 process of being developed for the pilot plants, but that's  
22 a fairly rigorous effort to develop that for all of  
23 industry.

24 But I just don't see how the SDP is going to work  
25 efficiently until you get to that stage. So, that's

1 something that really has to be in place, I think, before  
2 this rolls out industry-wide.

3 MR. GILLESPIE: Does everyone understand what  
4 those diagrams were? Because we internally found ourselves  
5 with the question of what's a train, what's a system, and  
6 three pumps, but the pumps come together with a common  
7 header, which have a common valve, and so, it actually did  
8 become very, very important to understand the  
9 configurations.

10 MR. HOUGHTON: Okay.

11 As I said, we're thinking, probably the end of  
12 October, we will have another workshop for all of industry  
13 and talk about the PIs and questions they're having in  
14 implementation and then follow that in mid-December sometime  
15 with talking about the action matrix, cultural issues, and  
16 other lessons learned, such that, by the middle of January,  
17 everybody should be able to submit their first set of data  
18 to NRC accurately and in a timely manner.

19 There are many other workshops going on. There  
20 are different utility groups, ANS, all kinds of different  
21 meetings going which we are participating in and NRC staff  
22 is participating in. So, there are a lot of avenues out  
23 there.

24 NRC also plans a series of regional workshops  
25 ranging from January through April, I believe. Is someone

1 here to nod their head about that?

2 MR. FISCHER: Tom, I might just add also that one  
3 of the other things we started doing with last week's  
4 workshop is we've identified a core team of training  
5 personnel from different utilities around the country, and  
6 we're going to use them as sort of, you know, train the  
7 trainers opportunity.

8 They got trained last week on the SDP. Now what  
9 they are going to do is make themselves available to the  
10 rest of the industry on a regional or grouping of plants  
11 basis starting in early September to give that benefit of  
12 the SDP workshop directly to people who couldn't take the  
13 time to come to a workshop here in Washington, and we plan  
14 to do similar things on the other workshops, as well. So,  
15 it's a way to roll it out further.

16 MR. WIGGINS: Tom, can you just take a moment to  
17 elaborate on what industry sees as the cultural issues  
18 associated with the implementation and the new process?

19 MR. HOUGHTON: Yeah. Well, let me say -- one or  
20 two things I can say.

21 Although I don't think we've seen any evidence of  
22 it yet, this process aims at risk-significant issues, and we  
23 want to continue making it very clear that compliance is  
24 required. It's not an option. Compliance is required. And  
25 restoring compliance is something that needs to be done

1 right away.

2 That's maybe a prophylactic approach we're taking  
3 to make sure that happens.

4 Another issue is that people need to -- in  
5 interactions with staff and with questions that are asked,  
6 they need to shift to the -- what's the risk significance  
7 mind-set, as opposed to whether it was in my FSAR or not.  
8 Okay?

9 In other words, what's the risk significance of  
10 the issue we're talking about, let's get that settled and  
11 decide whether we need to spend time on the issue or not.

12 Now, sometimes that could take quite a while to  
13 do, but it's very important and it puts us all on the right  
14 wavelength of we're trying to enhance safety, that's our  
15 primary goal. Okay?

16 And that's something that is a different way of  
17 approaching things for people who -- there are ways of  
18 dealing with things that we have now, and we need to try and  
19 shift that focus a little bit more towards what's  
20 risk-significant and put our resources there.

21 Do any of the pilot people want to say anything  
22 about cultural issues?

23 MR. BARNES: I can give you one, Jim, just an  
24 example.

25 Standby liquid control on a BWR -- tech specs

1 allows you to take one pump out, seven-day LCO, typically,  
2 but if you go a little further and look at the ATWS issue,  
3 requires both pumps. So, now you have to think of it from a  
4 different perspective than you did in the past.

5 That's the kind of stuff that I'm seeing, is just  
6 what Tom was saying, is it's thinking differently than  
7 previously.

8 MR. WIGGINS: So, this is essentially getting away  
9 from just what the tech specs would allow and --

10 MR. BARNES: -- look a little further.

11 MR. WIGGINS: -- look into what's the risk  
12 assessment really tell you you need with regard to the  
13 equipment. Okay.

14 MR. FISCHER: I might just add, it's really trying  
15 to get them to get out of what I would call maybe the more  
16 legalistic licensing basis arguments and positions that  
17 would be put forward, and certainly, the licensing basis and  
18 design basis is important and you still have to pay  
19 attention to that, but what you ought to really do is decide  
20 whether -- what's true risk significance of the item that  
21 you're dealing with first and then deal with how much rigor  
22 do I then need to go in beyond that.

23 MR. WIGGINS: That's a good point, because I think  
24 that's fair to have some type of a framework that we could  
25 have a -- then industry and NRC can have a dialogue at the

1 inspector level in terms of what priority is the question.

2 I mean we're just -- Dave and I were talking just  
3 before we started, and there are questions and there are  
4 questions. You know, inspectors have questions, and then  
5 they have -- really, they have things that are observations  
6 or real questions.

7 So, it gives a -- at least it's a consistent  
8 framework, maybe, to discuss how important is the question,  
9 do you have to solve it today or this month or something.  
10 Okay.

11 So, that's basically where you're going.

12 MR. CHASE: It's a learning curve on both sides of  
13 the fence.

14 MR. GILLESPIE: Let me ask a question. This might  
15 go to Steve or the pilot plants.

16 Do you see this process fostering any additional  
17 license amendment requests, and where I'm coming from is, if  
18 something's in your tech specs or you're doing something  
19 because it's in some plan or something, yet it comes out  
20 risk insignificant and compliance is still required, do you  
21 see as you go through the process one of the fixes for some  
22 things might be get this off my license, get this out of my  
23 plan?

24 MR. CHASE: Aren't you doing a risk-based tech  
25 spec approach?

1 MR. GILLESPIE: Yeah, but right now -- and I'm  
2 thinking more on a plant-specific basis -- what we have got  
3 is an oversight program that has gotten ahead of these other  
4 generic efforts on requirements, and some of the solutions  
5 might be, if everyone agrees this is risk-insignificant but  
6 it's a compliance issue, would be an exemption or an  
7 amendment or get it out of my QA plan or something else.

8 MR. CHASE: There's two sides of that, because we  
9 have that stuff in our tech specs that aren't risk-informed,  
10 but yet we have stuff that's outside the tech specs that is  
11 more risk-informed.

12 MR. GILLESPIE: Yeah, and it goes both ways. I'm  
13 reacting, actually, to what George said, because you took  
14 one the other way.

15 MR. FISCHER: Yeah. At last week's workshop, this  
16 item was discussed, and it was realized and recognized that  
17 the oversight process is out ahead of efforts like  
18 risk-informing the tech specs and risk-informing Part 50 but  
19 that we're liable to get some pretty good insights out of  
20 this program as we apply it and start this cultural thinking  
21 change that we're trying to get put in place, will help  
22 identify where we do need to make the changes in things like  
23 tech specs and the Part 50 regulations for the power plants.

24 MR. GARCHOW: When we did the maintenance rule and  
25 even getting ready for this, we found cases where our

1 current tech specs maybe weren't inclusive enough.

2 So, we'd implemented admin tech specs, different  
3 names for those, but we put management controls in that, in  
4 some cases, are more restrictive than tech specs, and then  
5 we followed up with the license submittal to work through  
6 the normal licensing process.

7 So, when you go down this road, you have to take  
8 whatever it gives you, because sometimes you find when you  
9 take this approach that the tech specs weren't written from  
10 this perspective, they were written from another  
11 perspective, and it would probably be not unreasonable -- it  
12 would be unreasonable to think that it was going to be a  
13 perfect match when you put a different perspective in place.

14 MR. BARNES: So, the answer is it's too early to  
15 tell, but it appears that there may be something that comes  
16 up, just like you said, Frank. There may be an amendment  
17 that comes out of this, for different plants. It depends on  
18 how your specs are written and things like that.

19 MR. GARCHOW: That could be adding or deleting.

20 MR. GILLESPIE: Yeah.

21 MR. HOUGHTON: Okay.

22 I discussed that NEI management will brief the  
23 chief nuclear officers at the NSIAC meetings and look for  
24 feedback from them on issues and problems as we go through  
25 this.

1           Finally, our communications group is going to look  
2 at what the needs are of our customers in the public affairs  
3 area and what help we can give to them in terms of being  
4 ready to handle the program as it comes out.

5           Performance Indicator Implementation. As I  
6 explained to you we have web site development going on for  
7 industry to practice submitting data and there are -- this  
8 is a cottage industry of people preparing PIs right now, and  
9 we interact with those people, gosh, on a daily basis  
10 through e-mail and with questions and so forth. And we will  
11 be bringing it all together through our web site so that  
12 everybody gets a number of months to practice prior to the  
13 January submittal.

14           We will do the training, as I said, and we will be  
15 able to assess how people are doing in the data and how well  
16 they will be able to do in terms of getting it done in a  
17 timely manner.

18           MR. GARCHOW: Hey, Tom, what -- give a  
19 perspective, even if you don't have a number. To what  
20 extent are the non-pilot plants practicing? Would you say  
21 that 90 percent of the plants are actively gathering data  
22 and trying to tabulate and what is the number, roughly, if  
23 you don't have an exact number?

24           MR. FLOYD: Our sense is that almost every plant  
25 has probably done some looking at the performance indicators

1 and looked backed historically to see what their PIs would  
2 look like. We are actually getting data submitted to us now  
3 on about 47 units out of the 103, okay, on a trial basis.  
4 So we are getting some insights.

5 Now, it is a little bit -- on that last bullet, it  
6 is a little bit hard to evaluate whether or not, you know,  
7 people are able to meet the 14 day requirement. If you look  
8 at the plants that are all in the pilots, I mean you have  
9 heard already that all the pilot plant reports have gone in  
10 on time. In fact, yesterday's went in also, which was the  
11 due date for the August report for all nine pilot plants.

12 So for the pilots that are able to do it, the  
13 feedback we are getting from the rest of the industry that  
14 are participating in shadow plant follows is that they are  
15 having trouble meeting the 14th date. Now, I don't know  
16 whether that is because it is not a commitment, and,  
17 therefore, with it not being a commitment, they don't get  
18 the resources or it doesn't get the attention, it is sort of  
19 a side job right now, so I mean that could be part of it.  
20 And I am not sure if we are going to be able to sort that  
21 out until it is actually a commitment to get it in on a  
22 certain date.

23 MR. HOUGHTON: One of the issues I talk about  
24 falls to this cultural QA and the reaction that NRC takes  
25 when data is not correct. So that will be an issue to talk

1 about in a minute.

2 MR. GARCHOW: You know, we need to really get that  
3 input on the PI stuff, because some of the issues may, you  
4 know, in that that could be some really real issues. I mean  
5 it is the pilots that were part of the process and helping  
6 provide input from day that one were in leadership  
7 positions, it is to get the data in because some of us are  
8 in positions where we can set up the systems and just make  
9 it happen. That may or may not -- that level of knowledge  
10 and that level of oversight and making it happen doesn't  
11 exist out in the hinterlands for the other plants, so the  
12 issues they have, I mean we have got to be careful, as this  
13 panel, that we make sure we listen to some of those issues,  
14 because in those issues could be some real things that we  
15 might be able to make some improvement.

16 MR. HOUGHTON: We may also find with some of them  
17 that there are some plants which are outliers because of  
18 specific system alignments, either they are very old plants  
19 and don't have all of the systems in the same alignments  
20 that fit a couple of the unavailability PIs, or they may  
21 have extra systems such that they can do more online  
22 maintenance and, ironically, threaten the green-white  
23 threshold. So that is something that we are going to learn  
24 from collecting more of the data.

25 MR. CHASE: One more comment on the PI. We have

1 to keep in mind that when we go to full implementation there  
2 will be a quarterly submittal, three months, rather than  
3 just monthly. So it may or may not be a factor to think  
4 about.

5 MR. HOUGHTON: Oh, in the timeliness.

6 MR. CHASE: In the timeliness, right.

7 MR. HOUGHTON: Yeah, because they can be  
8 collecting data throughout the quarter rather than at the  
9 end of the quarter.

10 MR. CHASE: And some may just wait till the end of  
11 the quarter to try to collect three months.

12 MR. HOUGHTON: Industry Readiness Reporting. The  
13 task force, we will brief the -- well, we will brief the  
14 panel with the task force's conclusions on progress toward  
15 readiness as it was laid out in the schedule this morning.  
16 We will be writing comments to the Federal Register Notice  
17 on progress towards readiness. And, as I said, the NSIAC  
18 will be reviewing, from an executive point of view, issues.

19 And once we start the program, more or less the  
20 same template as we showed in the other parts. We will have  
21 evaluation criteria, a mechanism for ongoing communication,  
22 identification, resolution of issues and revisions to the  
23 program. So this, again, will be the same sort of thing  
24 with follow-up of issues as they arise, meeting with NRC in  
25 public meetings, coming to resolution of the issues for the

1 program and keeping it a living document.

2 This would include, by the way, issues as to new  
3 performance indicators or replacement performance indicators  
4 which need to be tested prior to any actual use, such that  
5 we can be sure what the thresholds are, what normal  
6 performance is and what the meaning of them is. So those  
7 issues are going on. They are issues concerning using EPIX  
8 at INPO for data. There are -- it will be a living program.  
9 One important aspect, just making sure that a new  
10 performance indicator provides value either in showing that  
11 you meet the cornerstone or leaving the need for inspection  
12 resources in that area, but it has to have a value, it can't  
13 just be just to have a nice additional indicator, because  
14 that wastes both of our time if that occurs.

15 That is all I had on our preparations and our  
16 thoughts on assessing helping industry be ready to implement  
17 the program, and I think it fits together. There was a  
18 brainstorming session at a public meeting prior to last  
19 week's -- I guess three week's ago now, at which all of the  
20 milestones and issues and "needs to be done" type things  
21 were being thrown up on the board, and there will be a  
22 follow-up meeting about that next Wednesday afternoon at the  
23 public meeting, where we will build on what we learn from  
24 that. So I think that would be of value to panel members.

25 Some of the issues I want to talk about, and this

1 isn't a complete list, but it is some items that are food  
2 for thought. The first items on there, SDP is on there just  
3 because it has been kind of -- it appears to be a success so  
4 far and I wanted to not just have a list of things that we  
5 thought were problems. But the workshop went very well.  
6 People appear to be happy with the construct and the way it  
7 focuses you on what is important.

8 A key item that was discussed at the workshop was  
9 the importance of stating what your assumptions are and the  
10 fact that the SDP is not designed for events, it is designed  
11 for the actual situation at the time. In other words, you  
12 are supposed to go into it with what the actual condition  
13 was. How long was the piece of equipment unavailable, et  
14 cetera? What sequences occurred? What redundancy was  
15 actually available? Not hypothetical. So that was an issue  
16 there.

17 The non-reactor SDPs appeared to go well also.  
18 Steve and I attended the security session and I think there  
19 was some enlightenment as to what some of the things meant.  
20 It is still not completely clear what some or little risk is  
21 in that one, but through examples, I think that is going to  
22 become clearer. And we did have an issue in that one about  
23 -- it appears that you could -- if, hypothetically, someone  
24 could get to a piece of safety equipment such as a diesel  
25 that theoretically, not actually, that you would have a

1 worse PI result than you would have if you actually had the  
2 diesel out of service for a period of time.

3           So it is an inconsistency between the security SDP  
4 and the reactor SDP in terms of significance. And it may be  
5 that the SDP for security could feed into the reactor SDP,  
6 since we are really just talking about a piece of equipment,  
7 or a room, for instance. You know, one of the examples in  
8 the SDP workshop was you have a problem with coolers for a  
9 room or something like that, and it has got two different  
10 pumps in it for different systems, and you look and see what  
11 the total effect was from reactor -- from the reactor SDP.  
12 You could do that in the security area, too.

13           The fire protection SDP is leading in that  
14 direction, where it is going to feed into the reactor SDP.  
15 So this is all starting to make sense in that these other  
16 programs which have been programmatic can be shown how they  
17 fit into the reactor risk point of view. Okay. But there  
18 is still work to be done in that area.

19           The second issue I have up here, corrective action  
20 program, is probably one that everybody needs to think about  
21 and it gets to -- it is a bedrock of the program and it gets  
22 to what is our aim. Is our aim primarily on what is the  
23 outcome, safety significance of a problem in the corrective  
24 action program, or is it a programmatic issue? From the  
25 inception of the program, the emphasis has primarily been on

1 what are the results rather than what is the process to get  
2 to the results, and yet it is a difficult issue. And what  
3 should a corrective action program inspection consist of,  
4 and to what -- how do you go about doing that? And I think  
5 the pilots will help us to see how that is implemented in  
6 the field. We need more thinking on it.

7 I think that we have a bit of a disadvantage in  
8 the pilot in that we don't have a year's worth of  
9 inspections under the new system which include a corrective  
10 action program look in each inspection, because once you  
11 have that, when the corrective action program inspection  
12 comes up, you would have a set of findings to look at to see  
13 whether the corrective action program handled them properly  
14 or not. So I think that will be -- that will help focus  
15 more on results at that time, rather than the process  
16 itself.

17 Common meaning of colored findings. Third issue.  
18 There is a potential of hopefully, at least in the public's  
19 mind, I think one would expect a yellow in one corner, in  
20 one PI area or finding to be similar to the same color in  
21 another area, and yet we might have a disparity between,  
22 say, a yellow in EP or security and a yellow in reactor. I  
23 talked about that a little bit before in terms of a diesel  
24 out of service. But that, again, that is something to think  
25 about such that we try to line up the risk to the public

1 such that a yellow in one area means the same thing as in  
2 another area, and that is difficult, but it is certainly  
3 worth struggling with. It is certainly worth our effort.

4 Best effort on historical data, and, by the way, I  
5 am not trying to give the party line here, I am just trying  
6 to throw questions out. I am biting my tongue a little bit  
7 because I want to.

8 Best effort on historical data. When we started  
9 the pilot, the understanding was give your best effort on  
10 the historical data. You could use the WANO unavailability,  
11 even though the definition is different. There are some  
12 questions that have come up on past unplanned power changes  
13 and on the safety system functional failure, which are good  
14 to air. I mean it is good to air those differences and have  
15 a learning experience from it.

16 Our feeling is, though, that for the historical  
17 data and probably for the beginning of not just the pilot,  
18 but also the regular program, that there ought to be an  
19 amnesty period where we are talking about good faith effort  
20 in doing these indicators, until everybody learns. And the  
21 agency needs to decide what it wants to do in terms of that,  
22 but I think it would be -- whatever the decision is, it  
23 needs to be clearly delineated for both inspectors and for  
24 licensees as to what the rules are in terms of old data.  
25 Okay.

1           We can waste a lot of time on data that doesn't  
2 matter. The benefit, as I said, is it a learning  
3 experience, so that everybody knows, ah, that is how you  
4 count the standby gas treatment system, okay, or this is  
5 what we mean by an unplanned power change. How does that  
6 relate to a prepared plan? And are we talking the hours, et  
7 cetera, et cetera, so that we all learn? So that an error  
8 is either a learning experience or not.

9           Now, obviously, a willful submittal is obviously  
10 indefensible. That is very clear.

11           This best effort is important culturally, QA and  
12 in terms of timeliness of the PIs. I am sure you all have,  
13 you know, had this -- how all these elements play together  
14 here. The more strict we are with incorrect data, the more  
15 difficult it will be to get it through the screen in the  
16 utility. Okay.

17           It could lead -- utilities are saying, well, I am  
18 going to do a full review of this, just like I would a FSAR  
19 change, because I don't want to get hit, and I don't want to  
20 have a serious hit. It is a management tool and so I think  
21 we need to figure out how to walk the line between this is a  
22 management tool and not a criticality calculation. I will  
23 just leave that out there as another thing to think about.

24           Finally, an old PI or old inspection finding.  
25 This hasn't happened at a pilot as far as I know, but in

1 discussing the supplemental inspection guidance that is  
2 coming out for the columns of the action matrix, the third  
3 column over in which you have a degraded cornerstone, you  
4 can have a yellow or you can have two whites in the  
5 cornerstone.

6 Now, if one were to have a problem with  
7 unavailability, let's say, or RCSI, okay, and that number  
8 will carry on for two years because of the period of time  
9 and the number of hours involved with that problem. And if  
10 the problem is fixed, and by fixed I mean a root cause has  
11 been done, corrective action is done, NRC resident or region  
12 has come and looked. They are satisfied, you see good  
13 performance going on for that piece of equipment. And then  
14 -- but it is carried because that is the way the calculation  
15 goes.

16 If another white occurs another white occurs a  
17 year and a half later, and it is not on that system, or it  
18 is not in that same root cause, one needs to be careful  
19 about what action is dictated for being with whites in the  
20 same cornerstone. Okay. Again, it is an issue of looking  
21 at management direction and how one decides what actions to  
22 take. It makes sense to people. The same thing can happen  
23 with an inspection finding, because it is carried for a year  
24 on the matrix. So it should be more that the two concurrent  
25 whites, okay.

1           Those were probably the more important of the  
2 issues that we have been grappling with. There are a lot of  
3 smaller ones, important also, but I think maybe not worthy  
4 of your time today. That is all I have. Are there any  
5 other questions, or any questions?

6           MR. CHASE: Are these issues you bring here being  
7 addressed by the task force?

8           MR. HOUGHTON: Yeah, they are being addressed by  
9 the task force. They are being addressed at the regions and  
10 at NRR, that way, and we are coming together with meetings.  
11 And, you know, a lot of these things have -- the devil is in  
12 the details, right? It is just like the Supreme Court  
13 doesn't decide moot cases. We need cases where we have all  
14 the details, because one issue can trump another, so you  
15 need to know everything that is going on in them.

16           Okay. Thank you.

17           MR. WIGGINS: Just one. On the corrective action  
18 program piece, I find it interesting that -- and it may have  
19 been just what you said, but what I heard you say, it  
20 certainly is a bedrock activity for this program, but the  
21 current focus that you are looking at is what should the  
22 inspection of that area consist of. Is that -- that is what  
23 I heard. Is there any thinking in terms of industry kind of  
24 staking out a position on what the program ought to have in  
25 it?

1 MR. HOUGHTON: Let me let Steve.

2 MR. WIGGINS: Which would naturally bring along  
3 what the inspection would look at.

4 MR. HOUGHTON: You bet.

5 MR. FLOYD: Yeah. It was asked of us, I think,  
6 oh, a month or so ago, by the NRC staff, if the industry  
7 would be willing to work on maybe a guidance document as to  
8 what would be the elements of a corrective action program  
9 that, from experience, appeared to be useful. And we have  
10 just last week gotten approval, through the various  
11 management changes, to have the industry start work on  
12 developing such a guideline, with the target of having it  
13 available at least as a pretty solid draft by the end of  
14 November.

15 MR. WIGGINS: Is that right? That is good. I  
16 hadn't heard that. I think I know where the request came  
17 from.

18 MR. FLOYD: Late breaking news.

19 MR. HOUGHTON: Pretty new.

20 MR. WIGGINS: I think I can understand where the  
21 request came from, and that is good response. I think that  
22 is a good way to go, because, in the end, it renders the  
23 question about what should be inspected, it makes it a lot  
24 easier, because there was a framework. You know, there is  
25 at least a framework that there is a consensus view of what

1 the essential elements of an effectively operating program  
2 are, and then you use performance-based examples to check  
3 the premise.

4 MR. FLOYD: Exactly.

5 MR. WIGGINS: You know, we are not out there  
6 looking at things in a manner that is more ad hoc than it  
7 needs to be, so that is good.

8 MR. FLOYD: I think this is in direct response to,  
9 you know, the comments made by the chief nuclear officers at  
10 the EDO meeting a couple of weeks ago, where at least for  
11 the couple of plants that had had the problem identification  
12 and resolution inspection, and for those who had read the  
13 inspection module, they felt that it was perhaps a little  
14 too heavily focused on the process or the mechanics of a  
15 corrective action program. If we had some of sort of  
16 guideline that everybody said, yeah, okay, my program is  
17 going to have these basic elements, then you don't need to  
18 go look at those, you know, in great detail.

19 MR. WIGGINS: Well, you test it differently.

20 MR. FLOYD: Test it differently.

21 MR. WIGGINS: You inspect it differently, because  
22 that gives you a clearer path, to just take specifics to  
23 make the sure the program is operating on the specifics in a  
24 reasonable way, rather than having almost a blank sheet of  
25 paper you have to figure out what the program is to begin

1 with. That's good. Good.

2 MR. GILLESPIE: Any other questions?

3 MR. HOUGHTON: I am turning my five minutes in.

4 MR. GILLESPIE: Okay. Tom, you are turning your  
5 five minutes in.

6 Can we keep going or do we need a five or 10  
7 minute break? A five minute break. Okay. A five minute  
8 break.

9 [Recess.]

10 MR. GILLESPIE: Okay. Let me invite everyone back  
11 in, and we are trying to stay on time, and we are actually  
12 kind of there. This a wrap-up session.

13 One comment. As we kind of hear from Heidi on how  
14 the score card came out, and this is a caution that was  
15 given to me by Ken Brockman and Jim, Jim Wiggins, and that  
16 is, did we -- it was kind of like from this morning -- Did  
17 we just create so many groups to come in and talk to us that  
18 we are going to put ourselves on information overload? And  
19 I think that was a good caution.

20 So, as we listen to how the score card came out,  
21 and then sit back and finalize it for our next meeting, keep  
22 that in mind. There has to be information we are getting  
23 from a group that has information to give us, and not just  
24 to meet and listen to someone because it would be kind of  
25 interesting. We have to have kind of a mental criteria.

1           With that, let me turn it over to Heidi and let's  
2 -- Dave.

3           MR. GARCHOW: I also think we have to realize when  
4 he go through here, Heidi, right, is that some of the  
5 groups, we only needed a couple of specific pieces of  
6 information.

7           MR. GILLESPIE: Which may be a written request.

8           MR. GARCHOW: Right, which may be able to be -- I  
9 was just thinking, that may be able to be done written or,  
10 you know, we may give them a 10 or 15 minute time block and  
11 be done with it and move on, because this doesn't mean that  
12 each of these is a two hour time block or we would be there  
13 forever.

14          MR. GILLESPIE: Right.

15          MS. HAHN: Okay. Let me start out with the  
16 caveats, which was that when I put this matrix together, I  
17 did it based on your chicken scratch and my memory, neither  
18 of which were perfect. I tended to lump things together,  
19 so, for instance, the very top thing is NRC regions. For  
20 some of the criteria, that was SRIs, for other ones it was  
21 SRAs.

22           I just lumped them all into one thing, because  
23 what I had going through my mind was that we would have  
24 specific items that we wanted the regions to address. They  
25 would have a list of questions, and they would probably have

1 one representative who had gotten input from many other  
2 people representing their point of view. And the only  
3 reason I made that as an assumption was to limit the time  
4 that this panel had to spend getting that input. So to the  
5 extent that we are able to streamline, written input might  
6 be an option as well.

7 But my mental model for this was giving people the  
8 items that we wanted them to address, and having about 10 or  
9 15 minutes per panelist to them come back and answer the  
10 questions. If you do the math, putting aside the  
11 presentations from NRC headquarters, Tim and company, that  
12 are not counted in my count, you have got about five hours  
13 worth of presentations from these various panels, if you  
14 limit them to 10 minutes per panelist.

15 So, that suggests me to me that you are looking at  
16 a meeting that is at least a day-and-a-half, maybe two days  
17 long, to be able to hear from all of these people, as well  
18 as from headquarters, as well as have the opportunity to  
19 address additional questions to either these panels or the  
20 headquarters presenters.

21 I would recommend, even though this will be  
22 inconvenient for some of these panelists, organizing your  
23 sessions by the subject of the criteria. So hear from  
24 everybody about PIs before going on to the next subject. I  
25 think that that will be much easier for you as you are

1 trying to digest what you have been told, and you will then  
2 also have the opportunity to present questions, if they  
3 arise in your mind as you are hearing these presentations,  
4 and get insights from a variety of people on the same  
5 question, which you wouldn't be able to do if you did it by  
6 panelist rather than by subject.

7           That being said, I think we should be as  
8 considerate as we can be of the panelists' time and so we  
9 might decide not to address the criteria in the order that  
10 we have been talking about them up until now. We might  
11 group them differently depending on who we want to hear  
12 from, so we can hear from them and let them go.

13           The other thing that this suggests to me is that  
14 it is probably worth considering having the next two  
15 meetings in regions. And the reason for that is you are  
16 looking for input from regional staff, NRC staff, you are  
17 looking for input from the states, you are looking for input  
18 from local governments. It was a question in my mind to  
19 what extent you wanted to involve local public advocacy  
20 groups or local media, but you hear me say local over and  
21 over again. And so, logistically, it probably will be  
22 difficult to get the sets of people that you want if you  
23 require them to come to Washington. That is a question, but  
24 one that I think bears considering.

25           MR. BROCKMAN: Heidi, I think likewise, though, if

1 you are looking at local, we may not be talking regional  
2 offices either. The local participation for our office down  
3 in Region IV is not there. I would want to focus at the  
4 Omaha area, if I was looking there. That is the central  
5 point for my two plants. So I think the thought on being  
6 out away from D.C. is a good thought, but let's not  
7 necessarily focus ourselves on King of Prussia, Atlanta.

8 MS. HAHN: No, I was not making that assumption.  
9 As a matter of fact, I had in my notes New Jersey as one  
10 possibility.

11 And then Dave, I guess, asked to make some  
12 recommendations about the interviews. And the thing that  
13 came to mind, again, assuming that we would be out near some  
14 of the pilot plants, would be whether the teams you were in  
15 today made sense to you or need to be reconstituted, that we  
16 might choose to have small sub-teams serve as champions for  
17 each of the criterion areas. And it was the risk-informed  
18 baseline inspection folks who wanted to do interviews, that  
19 perhaps they could do those interviews in the day prior to  
20 the PPEP meeting, so it would save them a day's worth of  
21 travel.

22 The other possibility would be to try to do  
23 telephone interviews, but my opinion on that is that you  
24 lose a lot of the -- the difference between what somebody  
25 might be saying and what they might be fully expressing if

1 you could see all their body language.

2 That is all I had and I throw it out as a basis  
3 for discussion. So I am going to get off the stage.

4 MR. GARCHOW: Just from my perspective, I thought  
5 you did a good job with that, and I guess rather than again  
6 trying to build a product here by consensus that would be  
7 difficult at best, for my input, I am willing to allow you  
8 to work with this over the next week or two and get it out  
9 to us and trust that the product that you have by sitting  
10 here will work, and it is just a matter of working, Frank,  
11 on the logistic details of where. Maybe our discussion here  
12 can be giving you some suggestions on where, but then just  
13 sort of letting you be in the directive mode and let us  
14 follow you, as opposed to spending a lot of time on  
15 something that -- just the detail of how, but maybe not add  
16 value.

17 MR. GRANT: Let me just, and I think you mentioned  
18 this a little bit before, but I just want to make sure when  
19 we set forth on this, we can go and do a lot of these  
20 things, but we have got to make sure that we are on the line  
21 of pilot plant evaluation, as opposed to information  
22 dissemination, because there are groups up there that  
23 probably have no idea what we are talking about when we  
24 invite them to come talk to us about their feelings on the  
25 pilot plant. And I don't think that our job is to educate

1 all these groups -- I don't think it is, which we may be  
2 embarking on when we start talking about some of these.  
3 Public interest groups, local governments I think in  
4 particular may be a challenge when we invite them to come  
5 talk to the panel, because I am not sure they have a clue  
6 what a pilot plant is.

7 MR. FLOYD: Yeah, I think that is a real good  
8 comment. It will probably add to the time that it takes,  
9 because I think to get any reasonable input or perspective  
10 from some of these groups on what it is we are trying to do,  
11 you are going to have to give them about an hour-and-a-half  
12 overview presentation of what the whole process is about for  
13 them to comment intelligently. It could add more to the  
14 agenda, and now you are into the information mode.

15 MR. GRANT: Right. You are in the information  
16 mode, and they probably need to chew on that somehow and see  
17 how does -- you know, I mean I don't think you can do that  
18 and then ask them, you know, after a five minute break to  
19 come back and tell you what they think. I think they are  
20 going to have to, you know.

21 MR. GARCHOW: Maybe we hit an intermediate  
22 position, right. One of the -- having been involved in the  
23 process for a long time, one of the objectives was making  
24 sure that we gave -- one of the cornerstones, was public  
25 communication, and the public being served. And the public

1 is all kinds of people, including the licensee and others.  
2 It all falls into this public.

3 So maybe we can -- I know in some pilot plants,  
4 because we have talked about this at NEI, most of the pilot  
5 plants have embarked on a communication initiative. At  
6 Salem and Hope Creek we have gone out into the local  
7 community, as has the Bureau of Nuclear Engineering, done  
8 some talks with some of the people that they interface with  
9 in New Jersey, about this process. So we have outreached in  
10 the local community. So there are people we have contacts  
11 with in our community that this isn't foreign to.

12 I don't see the value of necessarily bringing them  
13 in to a panel, but it would be maybe worthwhile to send them  
14 a couple of inspection reports or some of the products,  
15 spend a little time reviewing what they are and give them an  
16 opportunity to maybe submit something in writing or collect  
17 an interview if we happen to be, as Heidi mentioned, by the  
18 plant.

19 But I would agree with you, people like the  
20 unions, I mean we have done no stakeholder work other than  
21 with the union people that work at our plant, but if you  
22 called the leadership in New Jersey and asked them, they  
23 wouldn't know what you were talking about. And maybe  
24 probably wouldn't even care, actually.

25 MR. BROCKMAN: Why are we preconditioning the

1 surveillance test? If we are going out there and we have to  
2 artificially feed somebody to try to solicit their  
3 information, then that is information I want to get in the  
4 raw. The change has had no impact. They haven't even noted  
5 it. That is significant information, as opposed to trying  
6 -- I mean if you are trying to get it, I suppose go out  
7 there and feed people into something, and then get them to  
8 make an insight. I am not in -- I think it would be wrong  
9 to go out and try to force-feed and educate and then ask for  
10 an opinion. If you have seen no difference, business is  
11 normal in the community, then that is the impact on the  
12 locals, business is normal in the community.

13 MR. GARCHOW: Let's ask whether we ought to do it  
14 then.

15 MR. WIGGINS: There is -- I guess a question could  
16 be raised on who should -- you know, the idea of public  
17 reaction to this is certainly a valid question. One could  
18 wonder whether that is a question for this panel or whether  
19 that is a question for the staff that is putting the program  
20 together to address, and set that aside.

21 But I guess I wonder, you know, we -- I don't know  
22 that we are going to have the opportunity to talk to  
23 everyone you would always like to talk to.

24 To a certain extent we went through this exercise  
25 this morning and we got what I call the maximum solution

1 approach, which is each of the teams decided how to get the  
2 end-all and be-all answer to the question they had in front  
3 of them without worrying about what the other teams were  
4 doing. That is not what we are -- we need to be here. We  
5 need it to be some type of an optimized approach. We have  
6 got to be able to get in, do something meaningful, get  
7 something, and get out and make a deliverable on this.

8 Now, that being said, and I know you -- I agree  
9 with Dave, we don't want to spend too much time going over  
10 this. I will just offer, just -- this is a very good visual  
11 presentation, because if you look at it, I see pattern up  
12 there. There's patterns. There's hits on certain groups,  
13 public advocacy groups and states take hits rather than  
14 media. Maybe if we just focus on our attention on, we can  
15 have high hits.

16 I see a staff, an NRC piece there, that is staff  
17 and regions. I see an industry piece that is NEI, pilot and  
18 non-pilot plants as a potential composite panel. There is a  
19 public advocacy panel. There is a media panel, or a state  
20 panel. And then everything else is things it would be nice  
21 to do if we could get around to it, but maybe we can avoid  
22 -- not avoid it. But just, you know what I am saying? If  
23 you would see the pattern of the Xs are, it says where we  
24 think the major information is.

25 MR. BROCKMAN: My memory of the previous was we

1 were talking about considering having meetings in local  
2 areas to open up if members of the public had insights that  
3 they wanted to present, it could provide them a forum to do  
4 it. Not to go out and try to educate them to get it, but it  
5 was to provide an opportunity for additional sources of  
6 information if they wanted to come forward.

7 MR. WIGGINS: I would rather ask the regions and  
8 their plants in the area what they are doing about it rather  
9 than have the PPEP try to go out and advertise the program.  
10 Maybe we ask the NRC staff and industry, whoever that is,  
11 you know, is there some move afoot for the regions and the  
12 industry in the area to somehow do something? Of course,  
13 you raise issues about, does it look like, you know, you are  
14 too together on this? But that could be some other thing.  
15 That could be a public confidence initiative that the  
16 regions would run or that we would suggest as a part of our  
17 report that the staff consider doing, but we don't need to  
18 do it necessarily.

19 MR. GILLESPIE: Yeah, our finding has to relate to  
20 the criteria on the acceptability of the new program, not on  
21 our ability to necessarily communicate. That has a lot to  
22 do with public acceptance, and that could be a comment. But  
23 we are not -- we are looking at this set of criteria. So  
24 let me bring it back to that.

25 Geoff, could you just mention what Region III is

1 doing? You have got your two pilot plants I think coming to  
2 a meeting in the next several weeks?

3 MR. GRANT: Yeah, both Northern State Power and  
4 ComEd are going to come to a public meeting, I think it is  
5 September 7th, actually. And we are also inviting -- you  
6 know, meeting notices will go out, but we are trying to make  
7 contacts at all the other Region III sites to invite them to  
8 come, too, just to listen. And we don't have an agenda  
9 finalized yet, but it is going to be talking about I think a  
10 number of things that we have been talking about today,  
11 basically, kind of some interim feedback, lessons learned to  
12 date, insights that have been developed on both sides. So,  
13 yeah, besides the other sites, we will probably invite any  
14 of the interest groups that have shown any interest to date  
15 also.

16 MR. WIGGINS: When is that going to be?

17 MR. GRANT: September 7th.

18 MR. WIGGINS: I would be interested to hear how  
19 that makes out, because we had, after hearing that -- and I  
20 think maybe even Region IV may be considering something like  
21 that, or you may have had some --

22 MR. GRANT: That was a rumor.

23 MR. BROCKMAN: After hearing it, we got interested  
24 in doing it, too.

25 MR. GRANT: He heard that we had this great idea

1 and said he was going to do it, too, and I said, oh, wow.

2 MR. WIGGINS: I think Dave brought up a good  
3 point, too, that one of the problems with our membership on  
4 this panel is we have got to watch what hat we have on at  
5 the time, because we are talking about things that the  
6 regions want to do, and as regional managers, we think we  
7 might be able to pull them off, but they are not PPEP  
8 issues.

9 MR. GRANT: Right.

10 MR. GILLESPIE: Let me see if we can help narrow  
11 this down a little bit.

12 MR. GRANT: Frank, just one -- again, I think  
13 another thing to keep in mind is we ought to go for, you  
14 know, the most bang for the buck. The staff ought to be  
15 probably doing most of those things. It is embedded, a lot  
16 of this embedded in their evaluation criteria. They will  
17 have the specifics on who they are going to talk to in some  
18 of these survey forms and things like that.

19 I guess I anticipate that the staff, in their  
20 evaluation, you know, because that is what they are tasked  
21 to do, too, ought to be hitting a lot of those Xs  
22 themselves.

23 MR. GILLESPIE: They are going to have to  
24 basically get information from these same sources that we  
25 are auditing.

1 MR. GRANT: Right.

2 MR. GILLESPIE: We are inspecting the inspectors  
3 in this case, so we are kind of looking for -- just to touch  
4 some bases to give us information we wouldn't otherwise have  
5 any anecdotal information on, as a check so that we can come  
6 to an opinion and then compare our opinion to the staff's.  
7 And if the staff says, you know, we talked to 27 more people  
8 than you guys did, and you hit the outlier, but here is what  
9 the other 26 said, that is okay. In January we would see  
10 that difference.

11 So, again, I am going to get to -- is there some  
12 paring down of this list? And let me suggest one is, and  
13 that is because we put it on from my group, is take unions  
14 off. It only had one hit. The sense of the discussion was  
15 that they are not active participants in the idea of the  
16 implementation of the program and not a lot of bang for the  
17 buck on that one. I would draw a line through that one.

18 MR. GARCHOW: Frank, Mr. Wiggins here is often  
19 busy, he is multi-tasked, and he actually came up with a  
20 suggestion of just having four time blocks in the four  
21 divisions, to drop off some of the ones, and then we can  
22 give this -- just let them come in and make presentations,  
23 answer the questions, and then allow -- have these groups  
24 together where we could ask them questions and answers as a  
25 group after each group made their specific presentation.

1           So, Jim, do you want to go ahead and -- I have got  
2 two of you here.

3           MR. GILLESPIE: Speak up. Jim was known to be, he  
4 never needed someone in between us.

5           MR. WIGGINS: I just gave it to him to see if it  
6 sounded right.

7           [Laughter.]

8           MR. WIGGINS: I just followed up what I said  
9 before, I have got four -- I boiled it down to four groups  
10 and I think it services the thing. The first group would be  
11 an NRC group. That would be representatives of NRR, the  
12 program people and the regional reps. So, I mean you have  
13 three, four people, that is the first panel. We talk about  
14 the issues that we wanted to talk to those folks about.

15           Then there is the industry --

16           MR. GARCHOW: Stop. Hang on right there. I am  
17 just trying to get this clear. We would allow them to  
18 collectively make a presentation to address the specifics  
19 and then we would allow time in the process for us, after  
20 they make their presentation, to ask questions and answer,  
21 and then when that time is done, we move on to whatever the  
22 next.

23           MR. WIGGINS: Yes.

24           MR. BROCKMAN: Is that across the six areas or  
25 within each area?

1 MR. WIGGINS: I think we have some specific things  
2 we want to talk to them about. That group, you want to talk  
3 about certainly the first four, at least the first four.

4 MR. GARCHOW: So we might be able to get what  
5 Heidi said and do it two ways. Try to arrange those where  
6 you catch most of the same topics, the same day.

7 MR. WIGGINS: Largely the six, but, you know, I am  
8 just looking across the columns, right.

9 MR. BROCKMAN: Okay. You are going -- you are  
10 arranging horizontally.

11 MR. WIGGINS: I am arranging the topics  
12 horizontally.

13 MR. GARCHOW: And then maybe the order could be  
14 done in a way to catch Heidi's concern, and then we have  
15 just got to recognize that it is not a perfect world.

16 MR. WIGGINS: Otherwise you have people -- let me  
17 just finish the idea. And the next group would be an  
18 industry panel, NEI would be represented. You would have  
19 some people from the pilot plant, you would have some  
20 non-pilot plant representatives, and they could speak to the  
21 issues, leave it at that.

22 Then states, we would ask Illinois, we would ask  
23 New Jersey, since they have spent a lot of time, and they  
24 are here today, and maybe they could facilitate, or there  
25 might be others that could be invited to participant, and

1 just, they can address the issues there.

2 And then lastly is just publici and other advocacy  
3 groups, UCS, Public Citizen and a media rep. Maybe you get  
4 the McGraw-Hill person that covers the NRC beat and see if  
5 that person would be willing to attend, and then you just  
6 see what you want to get out of that group. And each of  
7 these you allow an hour or so for a combination of  
8 presentation and Q and A, and it gives you something to chew  
9 on.

10 MR. GARCHOW: Very good.

11 MR. GILLESPIE: So, in essence, just a summary,  
12 what we are doing is, the first line on Heidi's chart is  
13 still solid, NRC, and if we held this in a regional office,  
14 that gives us access then to regional management and other  
15 points of view also.

16 Second line, Jim, you combined NEI, non-pilot  
17 plants and pilot plants in a single panel.

18 MR. WIGGINS: Yeah.

19 MR. GILLESPIE: Okay. Then state, and if we held  
20 it in a regional office, it might be possible for state  
21 representatives to be a catalyst maybe to get, if there is  
22 local interest that you know about, it might -- if the  
23 regional office is close enough to the plant, and the state  
24 is willing to come, there might be a local person who is  
25 willing to ride in the car, or take their car or come in, or

1 whatever, we could arrange for them to get in.

2 So you would be taking state, local governments  
3 and kind of -- that is one panel, kind of --

4 MR. WIGGINS: All right. Government, if you want.

5 MR. GILLESPIE: Government. Would that be?

6 MR. WIGGINS: Yeah, maybe.

7 MR. GILLESPIE: And then we have got two other  
8 groups left that you would push together, public interest  
9 groups and media.

10 MR. WIGGINS: I guess I will tell you, my mindset  
11 is it would have to be here, but that is because of folks  
12 who can't -- have limited budgets, have representatives in  
13 Washington. But you have to figure that out.

14 MR. GILLESPIE: Well, I think -- but that gives us  
15 some working ground, because the logistic question would be  
16 -- the regional people and NRC people won't have a problem  
17 with -- would not have a problem, I don't think, with the  
18 region. Is that fair enough to say for the regional reps?

19 NEI, pilot plants, which major airport you fly  
20 into, whether it is here or Philadelphia, or Atlanta, or --

21 MR. FLOYD: Not an issue.

22 MR. GILLESPIE: Not an issue. States is kind of  
23 sensitive because it is hard for the states to get long  
24 distances, so it would be hard for an East Coast state to  
25 end up probably in Texas.

1           The media groups, I would have to talk to Bill  
2 Beecher in Public Affairs, I don't know. If it a guy from  
3 New York, he can -- he is kind of probably in different -- a  
4 regional office would be fine. If it is the guy from AP, I  
5 think he runs out of the AP desk here in Washington, that  
6 would be a potential problem. I am thinking logistics. I  
7 have got a people on invitational travel now, and that is  
8 probably okay, a couple.

9           MR. BARNES: How much in-depth interest is there  
10 in this media?

11           MR. GILLESPIE: Well, I am going to ask. What I  
12 would like to do is take the option to ask our Public  
13 Affairs people if there is any interest. If the answer is  
14 no, then I would opt for dropping it.

15           MR. GARCHOW: Have the public affairs person come  
16 in and talk to us.

17           MR. GILLESPIE: And that would be okay. And that  
18 would be part of the NRC, so what I would do is I take as  
19 the IOU to see is it even worth doing.

20           MR. BARNES: I mean it may be just a matter of  
21 having a little press release and a follow-up meeting with  
22 them or something.

23           MR. GILLESPIE: Well, and this is -- and, George,  
24 this is a problem that we had when we had the initial  
25 meetings at all the pilot plants -- some of you guys that

1 went to those, when Al Madison and Bill Dean went out, --  
2 who is the public? Because this panel needs to talk to a  
3 public who has already had sufficient interest, who have  
4 educated themselves on what we are looking for information  
5 on. We should not be in the position of educating them,  
6 because them not knowing or not being involved is a piece of  
7 information in and of itself.

8           And that is why I would have to talk to Bill  
9 Beecher in our Public Affairs office on that one. Maybe,  
10 you know, maybe there isn't the interest and, therefore,  
11 there would be no panel.

12           MR. BROCKMAN: I would suggest that we still offer  
13 the option and not pre-decide.

14           MR. GILLESPIE: Yeah, I would make the offer, but  
15 I would use Beecher and company down there to do it.

16           MR. FLOYD: Here is one other thought on that,  
17 Frank, it sounded like the first three groups could be held  
18 regionally.

19           MR. GILLESPIE: Yes.

20           MR. FLOYD: The last one probably, if you are  
21 going to have it, to get the local public interest group  
22 folks and the local media, that are the only ones that  
23 probably know too much about this process, people that are  
24 following it in the trade press, maybe you do that one here  
25 in Washington, and it is done on a different day. We could

1 have a two-hour panel maybe at our November meeting or  
2 December meeting. It doesn't have to be done just for the  
3 November meeting, and that might be one way to skin it.

4 MR. GILLESPIE: Okay. That is a good option. So  
5 we would be basically going with Jim's four-and-a-half  
6 groups, it might be five if you split public interest groups  
7 and media, and I think those, in my mind, at least are kind  
8 of like two distinct groups. You know, mixing Public  
9 Citizen and their point of view with a reporter on the same  
10 panel doesn't -- it just doesn't necessarily mix.

11 MR. GARCHOW: I am not hung up on it necessarily  
12 being a panel. I am more into having the groups come in and  
13 make their presentation, to ask -- answer the questions we  
14 ask, then have us to have a chance for question and answer.  
15 It doesn't mean they have to be mixed here together in some  
16 sort of panel format.

17 MR. GILLESPIE: Okay. And that is -- Heidi was  
18 suggesting that you organize it so that you go through all  
19 the PIs with everybody and solicit the information by the  
20 way we are going to have to use it, which would indicate a  
21 slightly different format. It might be a very long table  
22 with us and very long table. I am not sure.

23 Heidi, your thoughts?

24 MS. HAHN: Well, I guess I am going to throw that  
25 back to you, because we have two different organizational

1 proposals on the table. One is to organize by topic and  
2 hear from everyone on that topic before moving on to another  
3 topic. The other is to hear from a particular panel on all  
4 issues that we have asked them to address and then move on  
5 to another panel.

6 MR. GARCHOW: Correct.

7 MS. HAHN: Both would work. I just need to know  
8 which one you prefer.

9 MR. GARCHOW: If we both keep our notes, you know,  
10 if we just take good notes, and we provide them back to  
11 Mohan sorted by the category areas, what we talked about  
12 this morning would work. Because I think that we have to be  
13 efficient in the people coming to see to us, and Jim's  
14 approach at least seems to have an efficiency around people  
15 coming in, answering our questions. We chat with them and  
16 then, you know, they are done.

17 MS. HAHN: My only concern with that is that if  
18 you have already talked to the industry folks and they are  
19 gone, and while you are talking to the NRC folks, a question  
20 arises that you would like to hear industry's opinion on,  
21 you have lost the opportunity.

22 MR. GARCHOW: But this panel has the  
23 representation of all the groups essentially, even with --  
24 even the public group, so if that came up, we could also  
25 make an assignment to one of the panel members to go get

1 that from their constituency. Steve for NEI, Jim for the  
2 region, myself and Jim for a pilot plant. So I think we  
3 have the bases covered if that were to come up.

4 MR. GILLESPIE: Okay. I think we are down to, and  
5 we can work with this later, a smaller number of horizontal  
6 lines, a sense that part of this, the majority of this could  
7 be done in a regional office setting probably more  
8 efficiently than shipping everybody in here. And then there  
9 is a catch-up piece maybe for December with what might be  
10 considered the media group and public interest groups, that  
11 they would be the catch-up, if appropriate in December.  
12 Does that --

13 MR. GARCHOW: One day may not be enough, though,  
14 if we are going to give -- if we are going to have to see  
15 some details, I mean, so when the NRC comes in with the  
16 results of their assessment and NEI, I mean at some point we  
17 really have to take the time for the details if we are going  
18 to have a chance of getting any kind of meaningful comments.

19 MR. FLOYD: It might be a day-and-a-half.

20 MR. GARCHOW: Pardon?

21 MR. FLOYD: It might be a day-and-a-half for the  
22 first three groupings.

23 MR. GILLESPIE: Okay. But then I kind of like  
24 Heidi's suggestion, do it by PIs, risk-informed baseline,  
25 SDP, and just -- there is something about hearing all the

1 information on a topic at the same time, but -- just throw  
2 it out, I am not sure how we deal with the logistics,  
3 because it is a very big group, but that is okay. I mean,  
4 heck, the Commission can hold stakeholder meetings in this  
5 very room, and they put the big round tables like this. So  
6 I think we can work the logistics. But what -- I do want to  
7 be respectful of people's time. So what would be the sense  
8 of the group? I mean I can kind of fold either way,  
9 personally.

10 MR. GARCHOW: Your last approach, I would say you  
11 do it here for two days, give people enough information and  
12 time and let everybody assemble here for the day-and-a-half,  
13 because we might to reserve half a day for just a pilot  
14 plant discussion and collating of our notes or whatever that  
15 would be, and have everyone assembled here, because if you  
16 didn't do it that way, you would have them coming twice if  
17 we use Steve's approach of catching up in the December  
18 meeting. So if you are using that approach, I think you  
19 have to go someone and get it done for the two days. Maybe  
20 that could be a region, but it would have to be somewhere.

21 MR. GILLESPIE: Okay. Anyone want to put a  
22 proposal? Does that mean that we are looking at a  
23 day-and-a-half meeting the first week in November in  
24 Washington?

25 MR. BAJESTANI: Yeah.

1 MR. GILLESPIE: Okay. A day-and-a-half meeting,  
2 and we will have to deal with the stakeholders and those  
3 people who might -- we might have to deal with invitational  
4 travel or something that we can deal with if there are some  
5 people that we need to come in.

6 MS. HAHN: For yourselves, I would plan for a two  
7 day meeting. I think Dave has got a good point, you are  
8 going to want process time, too.

9 MR. GILLESPIE: Yeah, we need time to make sure we  
10 have got notes that we can start the assembly of Revision 0  
11 coming in about a week after that, that everyone is on the  
12 same sheet of paper, so there are some process questions.

13 MR. THADANI: Yeah, we are going to need two days  
14 for that meeting.

15 MR. GILLESPIE: Yeah. Okay. Two days, first week  
16 in November, and it would basically then focus on everyone  
17 but media and public interest. Does that make sense?

18 MR. GARCHOW: I thought we agreed if we are going  
19 to get it over with, that we would just go ahead --

20 MR. GILLESPIE: Just get it over with here. Okay.  
21 Two full days, get them all here. We can send out the  
22 invitations. I mean people can turn us down. And maybe we  
23 shouldn't be preconditioning it, as Ken would say, worrying  
24 about their time. If they have a true interest, they are  
25 going to want to come and be heard. And we give them the

1 opportunity to come and be heard.

2 That would allow us then to kind of organize by  
3 topic, which is, to me, a much easier way to digest it. And  
4 maybe you get some give and take between diverse views.

5 MR. BROCKMAN: I would suggest everybody look and  
6 probably the 3rd and 4th is what you are shooting for. That  
7 is Wednesday and Thursday, which is right after election  
8 day. You don't want to --

9 MR. GILLESPIE: Okay. Third and 4th of November.  
10 Do we have -- I don't have my calendar with me, but I will  
11 take a chance here. Do we have a consensus on the 3rd and  
12 4th of November?

13 MR. GARCHOW: It is far enough out, let's make it  
14 happen.

15 MR. GILLESPIE: Wednesday and Thursday. Two days,  
16 we will start then -- everyone seems to be here before 9:00.  
17 Would it be preferential to just start at 8:00?

18 MR. GARCHOW: Sure.

19 MR. GILLESPIE: Since everyone is going to be  
20 probably coming in the night before, let's just start at  
21 8:00 and go to 5:00, and when we are worn out, 6:00 if  
22 necessary.

23 MR. WRIGHT: Is that replacing October 26th?

24 MR. GILLESPIE: Yes. That would replace October  
25 26th. That gives -- I think NEI, Steve, your guys would

1 have a little more time to digest some information. You  
2 said it was better to push it off until then.

3 MR. FLOYD: Yes.

4 MR. GILLESPIE: Okay. Heidi, do we have enough to  
5 work with to come up with an agenda for that meeting? Good.

6 And what we will do is send -- try to put some  
7 invitation letters together and we will be contacting people  
8 separately.

9 I know, Dennis, you are here from New Jersey. But  
10 is there another state that you have talked to, Gary, who is  
11 -- is North Carolina --

12 MR. ZANNONI: Gary is planning on calling some  
13 states.

14 MR. WRIGHT: I am going to call them.

15 MR. ZANNONI: As far as you know, they will  
16 participate in some manner.

17 MR. GILLESPIE: Okay.

18 MR. GARCHOW: There is nothing to stop you, Frank,  
19 but putting a letter out to the state governments of the  
20 people of the pilot plant states and letting them know that  
21 this is there.

22 MR. GILLESPIE: Oh, we will. We will.

23 MR. GARCHOW: And maybe even say that Dennis, if  
24 he would agree to sort of be the contact point for some  
25 states --

1 MR. GILLESPIE: Well, here is what I was going to  
2 do is I was going to try to have some people who would be  
3 more peers call and see where the interest is, so that when  
4 I send a letter -- I hate rejection. So then when we send a  
5 letter out, they would be expecting it and they would be  
6 kind of primed that we would be sending a letter to someone  
7 who has enough interest to want to come in.

8 MR. BAJESTANI: Based on the initial meeting that  
9 NRC had with all the pilot plants. You know, we had that  
10 local meeting.

11 MR. GILLESPIE: Yeah.

12 MR. BAJESTANI: There has got to a list of  
13 interested parties. I am using it specific in our area, you  
14 had one news that always shows up for meetings like this,  
15 and there was another individual. Do you have -- do you  
16 guys have lists of interested parties?

17 MR. GILLESPIE: We have got the attendance lists  
18 from those meetings. We will eyeball those. Bill Dean has  
19 them because they kept an attendance list for all those  
20 meetings. And so if the people signed in, and if we don't  
21 have a phone number of something, and it is someone local,  
22 we may give you a call and see if you have a phone number  
23 for them.

24 MR. BAJESTANI: Okay. That is at least a  
25 reference point.

1 MR. GILLESPIE: Let's see, media may drop out,  
2 that is the one that may just drop out.

3 MR. GRANT: Clearly, local government will, too.  
4 You aren't going to get too many small town mayors who are  
5 going to fly in here.

6 MR. GILLESPIE: Yeah. And, Geoff, your point was,  
7 is implementation of this process of interest to those  
8 people? Because they are not nuclear safety -- they want  
9 the plant to be safe, but they tend to be dependent on the  
10 federal government and the state government, I think, for  
11 those assurances.

12 MR. GRANT: Quite frankly, they want you to tell  
13 them, instead of the other way around. They don't have a  
14 lot of insights.

15 MR. GILLESPIE: Yeah. In which case, it is not a  
16 high input group to pull together.

17 MR. GRANT: I don't want to minimize it, I mean  
18 they may have something, but as soon as you -- if you are  
19 looking for local participation, as soon as you have it back  
20 here, you are probably not going to get very much.

21 MR. GILLESPIE: Yeah, because we need people who  
22 participate and observe what is going on. We are not in an  
23 education mode, we are in a receiving mode. So local  
24 governments may be off the table then.

25 So we have taken unions off the table and local

1 governments off the table as far as pursuit. Okay. Good.

2 We have got a date, an agenda, a process.

3 MR. GRANT: How much -- yeah, process is what --  
4 you think we have a process or is that --

5 MR. GILLESPIE: Let me go back to where I was this  
6 morning. What we are going to do is take the work sheets  
7 that we had in the back here and I think keep them  
8 organized, so you will see a work sheet that says PIs, and  
9 then there will be the two items. There will be room then  
10 to take notes under that, and then under that, for each of  
11 the criteria, there will be room for your recommendation,  
12 your personal recommendation as a member of this panel, and  
13 a brief basis of that recommendation. And so what we will  
14 do is virtually give you the outline of the report in hard  
15 copy, in electronic form. Hard copy so that you could then  
16 take notes in this next meeting, and electronic form so you  
17 could then put your thoughts together over the next  
18 week-and-a-half after that meeting, and submit it, and that  
19 gets us going on Revision 0 of the report.

20 So we have an IOU, besides letters to people to  
21 invite them in and focus them on what we would like to hear  
22 from them on, is to put together what I will call a common  
23 work sheet so we all have exactly the same forms and formats  
24 electronically, and that will allow the cutting and pasting.

25 What I would think would happen would be we will

1 see duplication going from Revision 0 to Revision 1, that we  
2 will try to do here. There will be duplication in  
3 recommendations, but the bases, everyone's personal basis on  
4 why they think something should be the way it is might be  
5 similar but slightly different. And what that does is, in a  
6 cumulative effect, form the basis for the consensus  
7 recommendation, and it gives us a large basis for each  
8 single recommendation then when you kind of paste it  
9 together.

10 MR. GRANT: When you say recommendation, what are  
11 you looking for? You mean go/no-go, thumbs up/thumbs down  
12 on the criteria?

13 MR. GILLESPIE: I think on each criteria we have  
14 to make, yeah, a recommendation would -- or a comment would  
15 be that this criteria appears to have been met.

16 MR. GRANT: Okay.

17 MR. GILLESPIE: Based on our personal observations  
18 and information gathered, and this has been met, and my  
19 basis for that is these people came and talked to the panel,  
20 my personal involvement with pilot plants in my region, this  
21 plant, this plant, and this plant. So it is kind of a  
22 go/no-go of the criteria, but then the basis becomes the  
23 real meat of it, because the yeses and noes will be easy to  
24 line up, but then those basis comments will actually form  
25 the technical substance that we would be giving the staff,

1 particularly if there is a disagreement.

2 MR. GRANT: Okay.

3 MR. GILLESPIE: It doesn't look like this is going  
4 as smooth, let's say, in risk-informed baseline inspection.  
5 The inspection procedures still really do need a lot of work  
6 and we have seen this in this one, this one and this one as  
7 examples. And that gives the staff then something to bite  
8 into that they can address by January. Okay. Does that  
9 make sense to everyone?

10 MR. GRANT: Yes.

11 MR. GILLESPIE: It puts us in a cutting and  
12 pasting mode back here through the month of November, and  
13 what we would try to do is we would try to iterate Revision  
14 0 not needing comment. Revision 1, we will try to mold  
15 things together, eliminate some duplication, asking for then  
16 comments back. And then we will try to evolve a Revision 2  
17 to hold a meeting on in December, so it starts looking like  
18 a report. So the December meeting could actually be a  
19 writing session. Everyone would have something in front of  
20 them, and we will just go in and strike out, add in, and  
21 literally create the report at that meeting. So that is --  
22 and that is kind of the calendar we tried to lay out. That  
23 is the process.

24 MR. GARCHOW: Now, we don't have to get 100  
25 percent agreement.

1 MR. GILLESPIE: No, minority views --

2 MR. GARCHOW: We are looking for a consensus.

3 MR. GILLESPIE: A consensus.

4 MR. GARCHOW: So I think to the extent that you  
5 can give us something to review, then have some grounds  
6 rules, I mean you really have to have a hard spot to  
7 dissent, then I think we will have a chance to actually get  
8 something through. But the thing you missed is  
9 recommendations. It may be valuable for us to come up with  
10 some consensus recommendations since we are going to be into  
11 it to that much detail.

12 MR. GILLESPIE: Okay.

13 MR. GARCHOW: To the extent that we can, I would  
14 think that we owe that to the NRC staff to have those  
15 recommendations, if they are investing the time in bringing  
16 the information.

17 MR. GILLESPIE: Then in the format we will have,  
18 there has got to be the criteria, agreement or disagreement  
19 that the criteria was met, a basis for that agreement or  
20 disagreement and recommendations underneath that.

21 MR. GARCHOW: If any.

22 MR. GILLESPIE: If any. So that kind of evolves  
23 the format for the work papers we put together, and we will  
24 try to work that. Then we are all kind of in a common mode.  
25 So after the next meeting, then we each individually then go

1 into a writing mode and we will try to assimilate it and be  
2 done in December, and then do that last increment.

3 I am hoping when we give this to the staff, that  
4 the staff then will do the reconciliation between their  
5 comments and these comments, so that we should be able to  
6 agree or disagree with the reconciliation of the staff in  
7 January and not go in trying to rewrite a whole lot of  
8 stuff. And, again, in an advisory mode. If we can get this  
9 to the staff in December, we are playing the advisory role  
10 in a timely enough way where they can do something with the  
11 advice.

12 MR. GARCHOW: Or not.

13 MR. GILLESPIE: Or not do it, but it is their  
14 option.

15 With that, Heidi, have we missed anything? I  
16 think we have made it through the agenda.

17 MR. GRANT: A quick question. The process in  
18 inviting these people here, what are you going to give them?  
19 Just, you know, we will be available on some umpty-squat  
20 date and here is the topic we would like you to talk about?  
21 I can see if you clearly -- when you go all the way from the  
22 NRC, inviting NRC here, most of the people who are going to  
23 be coming are going to be very familiar with what we are  
24 talking about. But if you go to the other end of the  
25 spectrum, they are going to be pretty unfamiliar. Maybe it

1 gets to, you know, Ken wants kind of the raw input. But are  
2 we going to provide them any information? What is the --

3 MR. GILLESPIE: Yeah, I think -- I am going to  
4 kind of recap the discussion we just had. I think we are  
5 down to, for the most part, knowledgeable individuals.

6 MR. GRANT: Non-pilot plant probably.

7 MR. FLOYD: They are pretty knowledgeable.

8 MR. GILLESPIE: They are pretty knowledgeable,  
9 yeah. I will tell you what, we will only invite non-pilot  
10 plants which have knowledge, and we have got a good sense of  
11 who they are.

12 MR. FLOYD: Okay.

13 MR. GRANT: Okay.

14 MR. GILLESPIE: How is that? Yeah, I think what  
15 we did was we said one of the panels is NEI, pilot plants  
16 and non-pilot plants combined. I am going to look to Steve  
17 to basically honcho putting that panel together.

18 MR. FLOYD: Okay.

19 MR. GRANT: Okay.

20 MR. GILLESPIE: And then when Steve gives me the  
21 names, we will have an invitation letter that we will send  
22 to them. And that is what I mean, I would like to have a  
23 positive, not just randomly send someone saying we would  
24 like you to come and talk.

25 MR. GRANT: Right.

1 MR. GILLESPIE: And so we are focusing on  
2 knowledgeable audiences.

3 MR. GRANT: And we are going to focus the  
4 questions, or are we just going to give them the criteria  
5 here? Are we going to try and focus --

6 MR. GILLESPIE: I would try to go through and take  
7 some of the focus comments that we had from this morning, so  
8 that besides the criteria, there might be three, or four, or  
9 five specific topics or questions that would go with it, and  
10 that gives them something to really come in and focus what  
11 our interest is under that criteria.

12 MR. GRANT: Okay.

13 MR. GILLESPIE: It kind of puts bounds around it.

14 MR. GRANT: And using your suggestion, we are just  
15 going to trust that Mohan and Heidi are going to do that?  
16 We don't have to see that again before it goes out?

17 MR. GILLESPIE: Now, we will put the agenda  
18 together. I think there is enough information there that we  
19 can do invitation letters, an agenda, but you will see us  
20 coming back out.

21 The NRC panel, there was kind of a sense that --  
22 is this sense still there that we would want a senior  
23 resident?

24 MR. BARNES: Sure.

25 MR. GILLESPIE: An SRA.

1 MR. GRANT: Yes.

2 MR. GILLESPIE: Particularly on the SDP process.

3 MR. GRANT: Yes.

4 MR. GILLESPIE: So you will be getting a call back  
5 on that kind of representation, you know, maybe an SRA from  
6 one region. Do you need the senior resident and the SRA  
7 from the same region? Are we trying to see how does this  
8 work as a team?

9 MR. GRANT: There is two different ways of going.  
10 One is the distributed look, the other one is, you know, the  
11 vertical team look.

12 MR. GILLESPIE: Yeah. Preferences? No  
13 preference? Okay. We will make a decision later.

14 MR. GARCHOW: So, Heidi, as I understand it, each  
15 individual person or group will have some criteria, to hear  
16 Frank, and then we would expect -- I mean my sense of what I  
17 just heard is the agenda would be laid out where we would  
18 hear NEI, let's say, the NEI, pilot, non-pilot. We would  
19 hear some collection of three presentations for those, and  
20 then, together, they would have a time slot for us with a  
21 fixed period of time, a half hour, 20 minutes, whatever it  
22 is, figure it out based on your experience. We would just  
23 be able to ask questions and clarify to help us with our  
24 notes. And then at some point that time would be over and  
25 we would move on to the next group. Is that sort of how

1 everyone sees it working?

2 So the senior resident may not have a piece of the  
3 presentation, he may be there listening to the presentation,  
4 but we maybe want him or her there available for some  
5 specific questions and insights from what that person has  
6 seen during the question and answer period.

7 MR. GRANT: Sure. So we would specifically target  
8 individuals within that panel beforehand to make  
9 presentations?

10 MR. GARCHOW: Yes. That is what I would suggest.  
11 And then we have the criteria from this morning. I mean I  
12 know how NEI works, so I know Tom is fixing to just get an  
13 assignment when this meeting is over. Right, Steve?

14 MR. FLOYD: Yes.

15 MR. GARCHOW: So we would give that guidance to  
16 Tom, and so when he came in his presentation would hit the  
17 mark with what we agreed upon this morning, and the  
18 criterion, his knowledge, with some objective -- and maybe  
19 in your letter, Geoff, say provide objective evidence where  
20 it exists, because there may be other things we didn't talk  
21 about, that provide some objective evidence. Those are the  
22 kinds of things that we are going to want to see.

23 MR. GILLESPIE: Each panel, actually, Geoff, I  
24 think could be a little different. The industry panel is  
25 one thing where -- what we don't want to do is get tied up,

1 and this happens at the stakeholder meetings to a degree.  
2 After everyone goes through their opening comments, it is 10  
3 minutes left in the meeting, and there is kind of limited  
4 discussion. And what we need to do is set up -- us take a  
5 shot a coming up with the panels, and the panel that might  
6 have a regional branch chief, an SRA and an SRI on it, we  
7 might in fact not need opening comments from then other than  
8 we will give them the kind of questions we are looking for.  
9 Do you think this can be consistently carried out? Do you  
10 think -- and kind of give them the three or four questions  
11 we want them to focus on, and not put them on the spot of an  
12 opening statement.

13 And that may vary panel to panel. So let us try  
14 to put the panels together and then step back and say, for  
15 that particular panel, what is kind of the best approach so  
16 we don't get tied up just on the global pictures, because we  
17 want specifics. I know we are taking more and more of a  
18 burden on here. Does that -- Heidi, does that make sense?

19 MS. HAHN: Yes.

20 MR. GILLESPIE: There is a little difference  
21 between --

22 MR. CHASE: I would like to make sure that each of  
23 the cornerstones are covered.

24 MR. GILLESPIE: Yeah.

25 MR. CHASE: Like, do we expect the senior resident

1 to cover the EP cornerstone and then the RP cornerstone?  
2 Are we going to have an inspector from each of those areas?

3 MR. GILLESPIE: No, I think we have got to focus  
4 on the criteria that are there. We are making a judgment on  
5 the criteria and, quite honestly, there was only a couple  
6 that really referenced are the cornerstones completely  
7 covered. So I don't think we need to make a finding for  
8 each criteria against each cornerstone. That matrix then I  
9 think gets kind of overwhelming. We are sampling.

10 So if the easiest thing to do, and I will be  
11 honest, is to focus on reactor safety, because that is where  
12 the most people are participating, then that is probably  
13 okay.

14 MR. BROCKMAN: But I would think there is -- I  
15 mean from the regional viewpoint, there is a certainly a  
16 difference between the reactor safety inspection program and  
17 the projects, the resident inspector program. I think as we  
18 are going along, that we are going to find out within the  
19 agency that we are going to want to have a reactor safety  
20 rep.

21 MR. GILLESPIE: Yeah, we will just put the panel  
22 together --

23 MR. BROCKMAN: If we get a senior resident  
24 inspector, we are going to want a reactor safety input if we  
25 have got questions as to how --

1 MR. GILLESPIE: Yeah, but do we want a reactor  
2 safety inspector or would a reactor safety branch chief  
3 actually be better, that has got the two pilot plants?  
4 Looking across EP, HP safeguards.

5 MR. BROCKMAN: My choice would be a plant support  
6 branch chief, but I mean I don't think that is for us to  
7 decide.

8 MR. GILLESPIE: Okay. No, that is a good input,  
9 that it would be a plant support branch chief for that  
10 group.

11 MR. BROCKMAN: You can cover a lot of topics. Or  
12 a deputy division director or even something like that, give  
13 a broad brush thing as to how it applies and when you are  
14 going out with the regional inspections -- can they plan  
15 them, can they be applied, do they work? If we have got  
16 questions in that area.

17 MR. GILLESPIE: Particularly in the planning and  
18 the disposition of items found in those areas, because there  
19 is some controversy connected with the non-reactor safety  
20 SDPs. Okay.

21 MR. GARCHOW: I have one dissenting issue, though.  
22 This is a fine approach, I can buy into it in the consensus.  
23 But let's just make sure we know what we are not getting  
24 when we hear this, and if that is okay, that is okay. What  
25 we are not getting is -- what we would get in this format is

1 somewhat of a packaged approach, and to the extent, I am not  
2 sure how much dialogue we are going to get into when people  
3 are sitting up in a panel up ahead, as opposed to, you know,  
4 getting right -- and maybe we don't need to, but there was  
5 some thought by Team 1 that getting down and having a chance  
6 to have an interface with some senior resident inspectors or  
7 maybe some of the regional initiative inspectors, to see  
8 right at ground level what this looks like would be valuable  
9 input to judge the process. Now, whether that is enough  
10 value to overcome some of the logistics of trying to make  
11 that happen, I guess I don't know.

12 But we are not going to get that kind of raw  
13 feedback with this kind of panel approach, because I could  
14 imagine that, much like our employees have a different  
15 communications style around us when some of the senior  
16 leadership is around them, in public meetings and how free  
17 they are to say stuff, or feeling how free they are to say  
18 stuff, I think we would get some of the dynamics in this  
19 room with people sitting up in a panel, especially with  
20 their leadership.

21 MR. GRANT: Well, and that is a good point because  
22 we are getting up on that. And that gets back to something  
23 I was saying, and that was the staff should be doing a lot  
24 of where those Xs are, that we are not.

25 MR. GARCHOW: Right.

1 MR. GRANT: And there would be nothing to prevent  
2 us, if we knew what their program or their plan was, to go  
3 do that. I have no idea how they are going to solicit input  
4 on inspection procedures. They have feedback forms right  
5 now. I don't know if they are going to limit themselves to  
6 that, or if they are going to go out and sit down with them.  
7 If they do, if we knew that in advance, I suppose that some  
8 of us could go. But attend those, there is nothing that  
9 would stop us.

10 MR. GILLESPIE: And we have got to let -- I think  
11 the staff has to do what the staff -- I have to wear two  
12 hats. The staff has to do what the staff has to do, and  
13 they don't have details, thought process right now beyond  
14 the forms. I mean they are still trying to finalize the  
15 criteria and getting beat up by people like us on criteria.

16 But I think we have to be dependent upon each of  
17 us to bring certain information to the table. Geoff, you  
18 have to be able to bring what your inspectors' gripes are at  
19 the pilot plants, to the table, and throw that out for us.

20 MR. GRANT: Sure.

21 MR. GILLESPIE: And Jim and Ken, we can't talk to  
22 everybody.

23 MR. GARCHOW: I would agree with that.

24 MR. GILLESPIE: There is inherent information with  
25 the people sitting here, just by virtue of what our jobs are

1 and we have to bring that. So you need to bring the  
2 inspectors' view, as you see it, what their gripes are.  
3 What do your branch chiefs see as the holes?

4 And what we would be doing really with this panel,  
5 these people that would be coming, would be getting a second  
6 verification of what you are seeing yourselves by way of  
7 getting it on the table. So we are an audit verification  
8 process. We are not trying to do what the staff needs to  
9 do, and that is cover the waterfront. Because we will drown  
10 in information then.

11 MR. GRANT: Yeah, I am saying the same thing. You  
12 will get a flavor by doing it this way. All the input that  
13 you are talking about, I can bring it, but it is already  
14 being sent to the staff.

15 MR. GILLESPIE: Yeah. So we are going to test a  
16 test program here, we are not necessarily needing to verify  
17 every -- it is, are the criteria generally met? That is  
18 what we need to do. We are trying to verify that the  
19 staff's details, when we see them in January, are in the  
20 ballpark.

21 MR. GARCHOW: With that clarification, I am  
22 satisfied.

23 MR. BARNES: I have a quick one. So are we going  
24 to cover each of the areas? Are the panels that we bring,  
25 they are going to cover each area?

1 MR. GARCHOW: Yes.

2 MR. BARNES: I only bring it up because I mean we  
3 look at the enforcement, we say, well, there is no -- you  
4 know, we haven't really had to test it yet, and maybe we  
5 won't, hopefully. But, you know, this is a new way of doing  
6 enforcement, and we really need to somehow come up with  
7 something to say that, yeah, we have looked at this, and  
8 this should work. Even if we haven't exercised it, at least  
9 have some assessment that it is okay. I mean because then  
10 the next test will be is when we actually have to do it.

11 MR. GILLESPIE: Yeah, but I am trying to  
12 understand your question, George.

13 MR. BARNES: It doesn't look like we were paying  
14 much to the enforcement side up there when we looked at who  
15 we wanted input from.

16 MR. GARCHOW: Were there some Xs in enforcement,  
17 Heidi?

18 MR. BARNES: Well, it was just from outside  
19 groups, it wasn't from the industry or the staff.

20 MS. HAHN: I have corrected it so it has staff and  
21 industry.

22 MR. BARNES: Okay. All right.

23 MS. HAHN: For both enforcement and information  
24 management systems.

25 MR. BARNES: Okay. But the original one didn't,

1 right? Okay.

2 MR. GILLESPIE: Heidi is fast.

3 MR. WRIGHT: Well, it seems to me that these  
4 panels we are talking about, for the most part are  
5 represented -- we are a mirror image of these people. I  
6 mean we have got industry, we have got regional managers.  
7 We got the state, and each of us can go out and query those  
8 groups. I mean that was my plant to do anyway with the  
9 states. I know how much -- and, you know, some of them want  
10 to actually come and present comments themselves.

11 MR. GARCHOW: That is a good point.

12 MR. WRIGHT: My concern is, what is the thrust of  
13 this? What is the purpose for bringing extra people?

14 MR. GILLESPIE: Okay. I think the thrust, if I  
15 could say it, is to supplement the inherent knowledge and  
16 views and experience of the people around the table. So it  
17 is to supplement, because the reason the people here on this  
18 panel are on the panel is because of their current positions  
19 and jobs and participation. So it really is just a testing.  
20 We are not trying to develop an independent database to say  
21 this works. It is other people who may have a different  
22 view, but who are in similar positions on how this works.

23 For example, I know there is industry people that  
24 really don't like the timing, the 14 days. That is a real  
25 kind of big bugaboo. It is not clear to me that people

1 wouldn't come in and question the significance determination  
2 process, and is it too loose for public advocacy groups? It  
3 is not tight enough. And that might be, well, we agree  
4 having a process and a standard is the right thing to do,  
5 but now let's negotiate how tight that standard is. Those  
6 are the kind of comments that we might get that might not be  
7 things we would put on the table. I could guess at that,  
8 but I don't know if that is their view.

9           So it is a supplement for the people around the  
10 table. It is not independent, totally different.

11           MR. WRIGHT: Well, I understand that, but I  
12 thought we were going to do that by having representatives  
13 from these various groups that are represented here go out  
14 and to talk to those people, bring their comments back. But  
15 I guess you want them to come in person.

16           MR. GILLESPIE: Yes. Sense of the group? What we  
17 have been doing is really talking about, yeah, having them  
18 come in person and be here, and be heard and be recorded, so  
19 that if there is a diverse view, it is on the record. And  
20 if there is a supportive view, it is also on the record.  
21 Which is a little more formality. Yeah, you are right,  
22 Gary, it is a little more formality than kind of each of us  
23 canvassing our peers.

24           MR. WRIGHT: What I was thinking of was, you know,  
25 I would go to the states, talk to them about each topic that

1 they had an opinion on, and just present. New Jersey likes  
2 this, they don't like that. They like this, they don't like  
3 this.

4 MR. BARNES: I don't mind that as long as we are  
5 willing to put a time limit on the view.

6 MR. WRIGHT: Sure.

7 MR. BARNES: If we are just going to let somebody  
8 come and give a view, I think we ought to limit it. I think  
9 someone could come in and spend all day.

10 MR. GILLESPIE: No, no, no. Yeah, there has to be  
11 a strict agenda and a view.

12 MR. BARNES: Okay.

13 MR. GILLESPIE: Yeah, time limits and segments.  
14 Otherwise, we would never get --

15 MR. WRIGHT: Well, that was my thrust. And do  
16 this a lot quicker.

17 MR. BROCKMAN: And, Gary, there is a unique part,  
18 I think, a little bit about the body which you serve and  
19 which you represent that may make that philosophy and that  
20 technique much more applicable in your area, and as long as  
21 they are comfortable with empowering you with, you know,  
22 making a presentation for them --

23 MR. WRIGHT: Or it wouldn't necessarily be me to  
24 make the comments.

25 MR. BROCKMAN: Whomever. Whomever. But if they

1 are comfortable with that, fine. But I mean if there are  
2 those that say -- I mean if Aubrey comes up and says, no, I  
3 want to come up and speak my own piece about what Arizona  
4 thinks about it, then it may be appropriate to provide him  
5 that opportunity. And I think that is what we are getting  
6 to here, is within the supplemental part of it. But, yeah,  
7 if everybody else is comfortable with a central person  
8 coming in and speaking for that -- in that one voice for  
9 that states, I wouldn't see a problem with that.

10 MR. WRIGHT: Well, I think some of these are more  
11 conducive to that than others.

12 MR. GILLESPIE: Yes. Again, it is different kind  
13 of panels for different kinds of topics and different  
14 groups.

15 Dennis, what are your thoughts? New Jersey, I  
16 know you are not on the group, you have visited us twice.

17 MR. ZANNONI: We are ready to present.

18 MR. GILLESPIE: New Jersey, I am going to guess,  
19 knowing your boss, wants to speak up.

20 MR. ZANNONI: I think it goes back, you know,  
21 sharing valuable information.

22 May I address this esteemed government panel?  
23 Dennis Zannoni, Bureau of Nuclear Engineering, New Jersey.  
24 We are seriously involved in this process and look forward  
25 to sharing our comments, as they come in, in whatever format

1 you guys decide is appropriate. Gary and I have been  
2 working together and I think Gary's point is that we  
3 probably don't expect a lot of the states to come here, but  
4 offer an invitation. That is fine. But we can also  
5 probably contact them over the phone, get some feedback if  
6 they can't come, and share it.

7 MR. GILLESPIE: Okay.

8 MR. ZANNONI: I think that would probably work.  
9 It looks like so far we have two states, maybe there are  
10 some others. But we will find out in the next couple of  
11 weeks.

12 MR. GILLESPIE: Good. I think that is consistent  
13 with what we said, that while we might talk to a senior  
14 resident, and an SRA, and a branch chief, and a DRS branch  
15 chief, the real meat is going to come from Ken and Geoff.  
16 And part of the discussion is the sharing of that for their  
17 peer group. But then you would still be looking to call  
18 your peer group, which is the other states, even if only one  
19 or two states would want to come and speak directly. And  
20 that is what I mean, they would be coming supplementing what  
21 you are already bringing to the table.

22 MR. FLOYD: And just to make it clear, I think the  
23 process that has worked out is where you can then document  
24 your own insights as well as insights that you have gathered  
25 outside of the panel presentation is when you address each

1 of the criteria, whether you think it has been met or not,  
2 and what is your basis for making that determination, that  
3 is where you can put all that input and information.

4 MR. GILLESPIE: Yes.

5 MR. WRIGHT: Well, that is what I was thinking.  
6 You get one person collating all of the information, that  
7 you could cover it much more efficiently.

8 MR. GILLESPIE: Okay.

9 MR. WRIGHT: And I guess if we had people -- that  
10 is kind of what you are proposing, each panel member have a  
11 speaker and then the others can chime in.

12 MR. GILLESPIE: Yeah, right. Okay. Heidi,  
13 anything else?

14 MS. HAHN: Yes. We let one thing drop off the  
15 table and it is actually related to this conversation. When  
16 we were talking about having the next meeting in a region,  
17 we also talked about having the team that wanted to conduct  
18 interviews do it in conjunction with that meeting. We have  
19 now moved the meeting to Washington, and we didn't pick up  
20 the thread of how those interviews are going to get  
21 conducted.

22 MR. GRANT: I think we dropped the interviews.

23 MR. GARCHOW: There is nothing to stop us from  
24 doing that.

25 MR. GILLESPIE: Individually.

1 MR. GARCHOW: And the gentleman, Gary is going to  
2 do it, I plan on doing it.

3 MS. HAHN: I just wanted to be clear that we are  
4 taking care of that in the context of the discussion we just  
5 finished.

6 MR. BROCKMAN: Individually, as opposed to a  
7 group.

8 MS. HAHN: Right.

9 MR. GILLESPIE: And the basis for any decision or  
10 what you write up in your section of your draft of the  
11 report, if the interviews lead you to agree or disagree, you  
12 should just note that in there. Talked to these people and  
13 this came out of it.

14 MR. GARCHOW: Just because we have one data  
15 source, remember, it is a consensus opinion, so just because  
16 we have one data source of one person saying one thing, that  
17 really doesn't necessarily drive an overall conclusion when  
18 you take the whole picture.

19 MR. GILLESPIE: Okay. I have a vote to adjourn.  
20 I do have to offer, since this is a public meeting, any  
21 members of the public? Dennis, do you have anything else  
22 you want to add?

23 MR. ZANNONI: Just a couple of points. It will be  
24 quick.

25 Dennis Zannoni, New Jersey, BNE. When we found

1 out that the comment period end date in the notice was  
2 November 30th, we did question the fact that, you know,  
3 there are a lot of inspections that are occurring in  
4 November and some I think right up till two weeks before.  
5 And I know everybody is zeroed in on that timeframe. But we  
6 are caught because it takes us a little longer to move this  
7 stuff and get it in writing and submit it. How flexible is  
8 the NRC going to be in receiving some of the comments after  
9 the date? You don't have to answer that now.

10 MR. GILLESPIE: Yeah. No, that is not this panel.  
11 That is just my other hat on.

12 MR. ZANNONI: Well, it is practical, too, because  
13 I mean I have been talking also with NRC folks, and they  
14 understand that that is going to be, you know, they have to  
15 get their sheets in and they have to get comments in in very  
16 quick order.

17 MR. GILLESPIE: Yeah. I will tell you the truth,  
18 we are going to endeavor to take any comments and try to  
19 incorporate them in whenever they come in. So, you know,  
20 the 30th was so the staff could prepare a report through the  
21 month of December.

22 MR. ZANNONI: Right, I understand.

23 MR. GILLESPIE: They had to draw a line. But I  
24 think a phone call to Al Madison. Comments wouldn't be  
25 ignored if they came in a week later.

1 MR. ZANNONI: Yeah. Just -- I can work that out  
2 with Alan, I am sure, just a week or two. But I just wanted  
3 to note it, because it is important, because I think some of  
4 them also are being not postponed, just there are some folks  
5 that are rescheduling and they seem to be pushing further  
6 back. So our ability to really assess the way we want to  
7 assess is going to be on the back end, as opposed to the  
8 front end and now.

9 MR. GILLESPIE: Okay. Some of the annual and  
10 biannual inspections probably got pushed around this time.

11 MR. ZANNONI: Yeah, like the fire inspection one,  
12 too, which is important, I think is later in the period.  
13 And that is going to take a little bit more time to assess.

14 MR. GILLESPIE: Okay.

15 MR. ZANNONI: It is not that we can't do it, it is  
16 just the fact.

17 MR. GILLESPIE: Yeah.

18 MR. ZANNONI: The only other comment was when the  
19 NRC was presenting today, they mentioned that the experience  
20 was based on two months. And I was wondering if the -- and  
21 this is probably a question for Tim. A lot of inspectors, a  
22 lot of industry people are cycling through LERs, inspection  
23 report events that they think are worthwhile to be put  
24 through the SDP process. And there wasn't any talk or  
25 discussion about the amount or the volume of that experience

1 that has occurred to date. And I think that is really  
2 important, because I know from our perspective, we are  
3 actually working the SDP process, writing it around results,  
4 and then we are calling the inspectors, asking them what  
5 results they got. And if we are close, then we have a sense  
6 of confidence that we are moving in the right direction and,  
7 also, then we can tell our management that, you know, we are  
8 getting more comfortable with the way this thing is  
9 approaching.

10 So it wasn't mentioned, but I hope that they  
11 address it, I guess, at one of these future panel meetings.

12 MR. GILLESPIE: Yeah.

13 MR. ZANNONI: Because, in fact, I don't think  
14 there is a lot of findings coming as a result of the --

15 MR. GILLESPIE: No, and that is probably why it is  
16 not getting a lot of press. Tim? I know we are doing a lot  
17 looking at how to use the SDP process for events, or at  
18 least just starting it. But I don't think that is a place  
19 for this panel, but I think it is at least a topic of  
20 interest that maybe at some point the staff needs to put on  
21 an agenda for a public meeting. It sounds like it is  
22 something that is needed before January. Does that make  
23 sense?

24 MR. FRYE: Yes.

25 MR. GILLESPIE: Because you are right, there is --

1 MR. ZANNONI: Or a sense of how much is being  
2 done. I mean I talked to some inspectors, you know, they  
3 will say, well, we reviewed these LERs or these items, and I  
4 don't know if that is being documented or tracked.

5 MR. FRYE: Well, the LERs would be documented in  
6 the inspection reports that we will see throughout the  
7 pilot. So that is where the record will be of the issues we  
8 reviewed and the LERs we reviewed and the types of things  
9 that went through the SDP.

10 MR. ZANNONI: Okay. So that is being captured  
11 somewhere.

12 MR. FRYE: Yes.

13 MR. GILLESPIE: Okay. But the real question is,  
14 is it being tabulated in some form that says there are some  
15 insights coming from it or not coming from it, or generally  
16 consistent?

17 MR. FRYE: Right.

18 MR. GILLESPIE: It is?

19 MR. FRYE: And that would be part of our SDP  
20 evaluation that we doing.

21 MR. GILLESPIE: Okay.

22 MR. FRYE: One of the sources of input are LERs.

23 MR. GILLESPIE: Okay.

24 MR. GARCHOW: That isn't going to surprise if we  
25 don't see much, though, because, Steve, help me out with the

1 number, but we went back and looked at three years worth of  
2 data for 106 plants and came up with -- 45 sticks in my  
3 mind, the number of events that actually would screen  
4 through, the number of occurrences that would actually  
5 screen through the significance determination process. It  
6 was a very small number.

7 MR. FLOYD: I think it was a little more than  
8 that. I think it 1997 LERs round numbers were around 1200  
9 and I think about 150 screened out of Phase 1.

10 MR. ZANNONI: No, I know that. But I mean as a  
11 sense of confidence building and experience, and then  
12 everybody get on the same page of arriving at the same  
13 results is important for us, because then we know that there  
14 is a sense of consistency in the results, not necessarily,  
15 you know, whether or not do they arrive at findings or  
16 anything, whether or not everybody is reviewing them  
17 together, that is all.

18 MR. GILLESPIE: Okay. Tim, can you just take as  
19 an IOU, and the question you are taking back is, at a future  
20 public meeting, workshop kind of environment, to address the  
21 question of evaluation of both inspection results and LERs  
22 using the SDP. And it is a sense then, as I get it, it is a  
23 sense of scope. You would like to know that someone is  
24 doing it for your plants in your state.

25 MR. ZANNONI: Well, yeah.

1 MR. GILLESPIE: And what kind of results --

2 MR. ZANNONI: As these things have come up, I mean  
3 my conversations with the inspectors have been, yeah, we are  
4 cycling them through, you know, and we are working the  
5 process to, if anything, just learn fundamentally. But I  
6 don't know what the results of that learning are. And if it  
7 is captured, it is captured, that is fine.

8 MR. GILLESPIE: Yeah. I think only because there  
9 is very limited results coming out that rise to any  
10 significance. So I guess your question then is, is someone  
11 looking at them? Because there is no evidence that they are  
12 looking at them, because the only evidence you see is by  
13 exception, and there aren't very many exceptions. And what  
14 you are looking for is some assurance that someone is  
15 looking at them, so that when you know you are looking at  
16 them and come to the same conclusion, that it is meaningful,  
17 someone else -- it is kind of a comparison.

18 MR. ZANNONI: Let me try it one more time.

19 MR. GILLESPIE: Okay.

20 MR. ZANNONI: I think that, from my conversations  
21 with the inspectors, is that when they are identifying  
22 things, they may be just potential or it may be they think  
23 it may lead somewhere in the SDP process. They are working  
24 the SDP process. And I am sure they are learning things  
25 from that. And like I said before, we are cycling it

1 through. We call them and find out, all right, it didn't  
2 even make it to the Phase 1, and then said, fine, okay, we  
3 reached the same conclusion. I mean where do you go to find  
4 out, you know, where that experience is? That all -- they  
5 have doing it, I think, for a while.

6 Because I think at the end of the previous  
7 inspection period, my understanding was that all opened  
8 items were also going to be cycled through the SDP process.

9 MR. FRYE: We will talk about that at the next  
10 meeting when we talk about the results of applying the SDP.  
11 But to answer your question, all the issues are being  
12 documented in inspection reports, the LER reviews and the  
13 issues.

14 MR. ZANNONI: Well, maybe part of it is because I  
15 haven't seen the inspection report yet either, the new ones.

16 MR. GILLESPIE: Okay. That may be the --

17 MR. ZANNONI: Okay.

18 MR. GILLESPIE: That may be a matter of just  
19 publishing the inspection reports and then seeing if there  
20 is still a question existing.

21 MR. BROCKMAN: And the second part of that, also,  
22 is a lot -- I don't know a lot, but several licensees are  
23 already to the point where they are running LERs, the SDP,  
24 through it, and it is incorporated into the LER write-up  
25 when it is coming in.

1 MR. GILLESPIE: Yeah. Which is actually very  
2 beneficial, because Tim's group, although this isn't Tim  
3 because he has got the pilot program, but they have got the  
4 assignment to look at how do you use this system and events  
5 analysis, and how do we screen events when they come in. So  
6 there is a movement to try to use the same importance  
7 determination process for both events and inspection  
8 findings. And I think we are going to more and more move as  
9 an agency in that direction, so that is very beneficial.

10 MR. BROCKMAN: In some instances it would help if  
11 the licensees understood the SDP a little better before they  
12 did that.

13 MR. GILLESPIE: Well, that is where the system --  
14 that is where the new stuff we are starting to put in the  
15 SDP documentation about systems -- What is a train? What is  
16 a system? What is functionality? -- becomes extremely,  
17 extremely important.

18 MR. FLOYD: Last week's workshop should help on  
19 that.

20 MR. BROCKMAN: I hope so.

21 MR. GILLESPIE: With that, any seconds? Anyone on  
22 the panel?

23 [No response.]

24 MR. GILLESPIE: We will then be in touch. I thank  
25 you all for coming. We had to have a planning session. I

1 do also appreciate, and although Bill Dean was very  
2 frustrated when he left our last meeting, the next day he  
3 felt much better.

4           And although Tim could have killed us, actually,  
5 the first product was very worthwhile. When we were going  
6 to do this planning meeting for the first meeting, but  
7 diverted and looked at the criteria themselves, that was the  
8 right time to do it. It was the right time to give the  
9 comments and advise to the staff so they can go final and  
10 not feel that someone is second-guessing them after the  
11 fact. So I know this kind of turned the first two meetings  
12 around, but it ended up I think being very much the right  
13 thing to do, so I thank everyone for their patience on that.

14           And we will be getting in contact with you, but  
15 please hold November 3rd and 4th open, and we aware by the  
16 schedule. After that, you will have approximately seven  
17 working days to turn your input around. And then we are  
18 going to try to be task masters and hold to a schedule on  
19 ourselves, turn it around in five working days, and get  
20 through those iterations so we can have a productive report  
21 ready to go in December.

22           Thank you, everybody.

23           [Whereupon, at 3:16 p.m., the meeting was  
24 concluded.]

25

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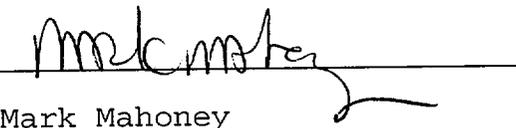
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NAME OF PROCEEDING: PILOT PROGRAM EVALUATION PANEL

CASE NUMBER:

PLACE OF PROCEEDING: Rockville, MD

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## Second PPEP Meeting Schedule August 17, 1999

9:00 a.m. to 9:30 a.m. Introduction/Meeting objectives

9:30 a.m. to 11: a.m, Breakout sessions

Each Breakout Team will develop input strategy for assigned area. Focus should be on specifying specific information to be provided by NRC, NEI, and interviews of the NRC Utility, and public personnel necessary to provide information for the PPEP to draw conclusions.

**Team 1**            PI Reporting, RIBLI Program  
D.Garchow, K. Brockman  
Gary Wright, M. Bajestani

**Team 2**            Significance Determination  
Process Assessment  
J. Wiggins, G. Barnes  
D. Lochbaum, S. Floyd, G. Grant

**Team 3**            Enforcement, Information  
Management Systems  
J. Lieberman, F. Gillespie  
B. Mallett, J. Chase

11:00 a.m. to Noon

Noon to 1:00 p.m.

1:00 p.m. to 2:00 p.m.

2:00 p.m. to 3:30 p.m.

3:30 p.m. to 5:00 p.m.

Staff Presentation

Lunch

NEI Presentation

- Implementation Problems
- Lessons Learned

Breakout team presentation

Evaluation Matrix Finalization  
and Schedule finalization

- 10/26 PPEP Meeting
- Panel members provide comments
  - Selected reporters to brief PPEP (Bill Beecher)
  - Selected pilot plant states to brief PPEP (Gary Wright)
  - Pilot plant/non-pilot plant licensees to brief the PPEP (NEI to arrange-Steve Floyd)
  - Public interest groups brief PPEP (David Lochbaum)
  - All invited to send in follow-up comments
- 11/10 PPEP members to send in their assessments and comments. Mohan will start cutting and pasting.
- 11/17 Mohan to send composites to each member
- 11/19 Heidi/Mohan to prepare draft version of the report. Mohan to send the draft report to the members
- 11/30 Members to send comments on the draft report.
- 12/06 Heidi/Mohan to update the draft report and send to the PPEP members.
- 12/08-09 PPEP Meeting
- Criterion by criterion success
  - Overall success
- 01/03/2000 Heidi/ Mohan to complete PPEP Final Report.
- 01/07/2000 Distribute the staff report
- 01/13-14-15 PPEP Meeting- A final comparison of the Panel's evaluation to the staff's evaluation, NEI evaluation and other entities' perspectives-conclusions.

## **Note to PPEP Breakout Teams**

The attached evaluation matrix is based on the criteria as discussed at the July 28, 1999 meeting. The staff has since revised the criteria. Important changes have been flagged in the table. The latest version of the criteria is attached at the end of the evaluation table. Breakout teams should compare the criteria in the table with the revisions and reflect the changes in their deliberations.

PILOT PLANT EVALUATION PANEL (PPEP)

EVALUATION MATRIX

Evaluation Area	Evaluation Question(s)	Criteria	Review Method	Required Input
PI Reporting	<p>1. Can PI data be reported accurately by the industry in accordance with reporting guidelines?</p> <p>2. Can PI data results be submitted by the industry in a timely manner?</p>	<p>1. Each PI is being reported accurately for at least 8 out of 9 pilot plants</p> <p>2 all data is submitted by each pilot plant within one business day of the due date</p>	<p>__ NEI Assessment                  __ NRC Assessment                  __ Interviews                  Name:                  Title:</p> <p>__ NEI Assessment                  __ NRC Assessment                  __ Interviews                  Name:                  Title:</p>	

PILOT PLANT EVALUATION PANEL (PPEP)

EVALUATION MATRIX

Evaluation Area	Observations/Conclusions
PI Reporting	

PILOT PLANT EVALUATION PANEL (PPEP)

EVALUATION MATRIX

Evaluation Area	Evaluation Question(s)	Criteria	Review Method	Required Input
<p>RIBLI Program</p> <p><b>[See Revision]</b></p> <p><b>[See Revision]</b></p> <p><b>[See Revision]</b></p> <p><b>[See Revision]</b></p>	<p>1. Can the inspection planning process be performed in a timely manner to support the assessment cycle?</p> <p>2. Are the inspection procedures clearly written so inspectors can consistently conduct the inspections as intended?</p> <p>3. Are less NRC resources required to provide adequate oversight of licensee activities through inspection?</p> <p>4. Can inspection reports be written &amp; the plant issues matrix (PIM) updated in timely manner to support assessment process?</p> <p>5. Are the scope &amp; frequencies of the baseline inspection procedures adequate to address their intended cornerstone attributes?</p>	<p>1. scheduling of all required inspections for the upcoming period &amp; the issuance of a 6 month inspection look ahead letter within 4 weeks from the end of an assessment cycle for a least 8 out of 9 plants</p> <p>2. resources expended to perform each routinely performed inspection procedure are within 25% of the average for at least 8 of 9 plants</p> <p>3. direct inspection effort expended to perform baseline &amp; regional initiative inspection activities are less than the resources that would have been expended under the current inspection program</p> <p>4. inspection reports can be issued within 30 days of end of inspection period &amp; PIM updated within 14 days of issuance of rpt.</p> <p>5. reviewing &amp; evaluating the feedback rec'd from the inspection procedure feedback forms &amp; stakeholder surveys to determine the need for any scope or frequency changes to the baseline inspection program.</p>	<p>__NEI Assessment __NRC Assessment __Interviews Name: Title:</p>	

PILOT PLANT EVALUATION PANEL (PPEP)

EVALUATION MATRIX

Evaluation Area	Observations/Conclusions
RIBLI Program	

PILOT PLANT EVALUATION PANEL (PPEP)

EVALUATION MATRIX

Evaluation Area	Evaluation Question(s)	Criteria	Review Method	Required Input
<p>Significance Determin. Process</p> <p><b>[Deleted]</b></p>	<p>1. Can the SDP be used by inspectors &amp; regional mgmt to categorize inspection findings in a timely manner?</p> <p>2. Can inspection findings be properly assigned a safety significance rating in accordance with established guidance?</p> <p>3. Is using the change in core damage frequency (<math>\Delta</math>CDF) the appropriate methodology to evaluate the safety significance of issues to support the assessment &amp; enforcement processes?</p>	<p>1. phase 2 evals. can be completed within 30 days of phase 1 eval., 90% of phase 3 evals. can be completed within 90 days of the phase 1 eval. &amp; 100% of phase 3 evals. can be completed within 120 days of phase 1 evaluation</p> <p>2. a sample of inspection findings chosen for 95% assurance demonstrates that at least 95% of the findings were properly categorized by the SDP. This sample review will confirm that no risk-significant inspection findings were screened out. By end of pilot, there shouldn't be instances where the SDP&amp;ER Panel changes and SDP determination performed by the regions</p> <p>3. based on the results of a comparison of the safety significance of issues using <math>\Delta</math>CDF &amp; change in core damage probability (<math>\Delta</math>CDP) analysis. This review &amp; comparison will be performed on issues generated during the pilot &amp; historical safety significant issues.</p>	<p>__ NEI Assessment __ NRC Assessment __ Interviews Name: Title:</p> <p>__ NEI Assessment __ NRC Assessment __ Interviews Name: Title:</p> <p>__ NEI Assessment __ NRC Assessment __ Interviews Name: Title:</p>	

PILOT PLANT EVALUATION PANEL (PPEP)

EVALUATION MATRIX

Evaluation Area	Observations/Conclusions
Significance Determination Process	

PILOT PLANT EVALUATION PANEL (PPEP)

EVALUATION MATRIX

Evaluation Area	Evaluation Question(s)	Criteria	Review Method	Required Input
<p>Assessment</p> <p><b>[See Revision]</b></p>	<p>1. Can assessment process be performed within the scheduled time?</p> <p>2. Can action matrix be used to take appropriate NRC actions in response to indications of licensee performance?</p> <p>3. Does the combination of PI results &amp; inspection findings provide an adequate indication of licensee performance? Does the process provide a reasonable assurance that the cornerstone objectives are being met &amp; safe plant operation is maintained?</p>	<p>1. for 9 out of 9 pilot plants, a mid-cycle assessment of the PIs &amp; inspection findings can be completed with a letter forwarding the results &amp; a 6 month inspection look ahead schedule, within 4 weeks of end of assessment cycle</p> <p>2. there is no more than 1 instance (goal of 0) in which the action taken for a pilot plant is different from the range of actions specified by the action matrix.</p> <p>3. based on review &amp; eval. of comments collected on feedback forms &amp; stakeholder surveys regarding issues not adequately covered by the scope of the new process</p>	<p>__ NEI Assessment                  __ NRC Assessment                  __ Interviews                  Name:                  Title:                  __ NEI Assessment                  __ NRC Assessment                  __ Interviews                  Name:                  Title:                  __ NEI Assessment                  __ NRC Assessment                  __ Interviews                  Name:                  Title:</p>	
<p>Enforcement</p>	<p>1. Are enforcement timelines/ Actions taken in a manner consistent with the assessment of inspection findings that results from the SDP?</p>	<p>1.as determined by review by the Office of Enforcement in conjunction with the SDP operational support team audit</p>	<p>__ NEI Assessment                  __ NRC Assessment                  __ Interviews                  Name:                  Title:</p>	



PILOT PLANT EVALUATION PANEL (PPEP)

EVALUATION MATRIX

Evaluation Area	Evaluation Question(s)	Criteria	Review Method	Required Input
Information Mgmt. Systems	1. Are the assessment data & results readily available to the public? 2. Are the time reporting & budget systems, i.e., the Regulatory Information Tracking System (RITS) ready to support the process changes? 3. Are the NRC information support systems i.e., the Reactor Program System(RPS) & its associated modules, ready to support full implementation of the new oversight processes?	1. NRC information systems support receiving industry data & if PIs & the current plant issues matrix are publicly available on the internet within 30 days of end of quarter for 9 out of 9 pilot plants 2. if the new RITS codes are established & the new codes are being used properly 3. as determined by a review of the status of those systems identified as necessary to support the revised reactor oversight process	__NEI Assessment __NRC Assessment __Interviews Name: Title: __NEI Assessment __NRC Assessment __Interviews Name: Title: __NEI Assessment __NRC Assessment __Interviews Name: Title:	
Overall <b>[See Revision]</b>  <b>[See Revision]</b>  <b>[See Revision]</b>  <b>[See New]</b>	1. Have pilot plant inspectors & managers been adequately prepared to implement the new oversight process? 2. Do the new oversight processes remove unnecessary regulatory burden, as appropriate, from the licensees? 3. Do the new oversight processes result in NRC assessments of licensee performance & NRC actions that are more understandable, predictable, consistent, & objective as perceived by both the industry & general public? 4. <b>[See new criterion]</b>	1. determined by pilot prep. feedback & results of pilot program preparation effectiveness survey given at end of pilot 2. review of feedback obtained from the NRC, the industry & the public 3. from a review & evaluation of feedback obtained through surveys of stakeholders, including both the industry & public	__NEI Assessment __NRC Assessment __Interviews Name: Title: __NEI Assessment __NRC Assessment __Interviews Name: Title: __NEI Assessment __NRC Assessment __Interviews Name: Title:	

PILOT PLANT EVALUATION PANEL (PPEP)

EVALUATION MATRIX

Evaluation Area	Observations/Conclusions
Information Mgmt. Systems	
Overall	

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### PILOT PROGRAM EVALUATION CRITERIA

The following criteria will be used to evaluate the results of the regulatory oversight process improvement pilot program. These criteria will be used to determine whether the overall objectives of the pilot program have been met, and whether the new oversight processes (1) ensure that plants continue to be operated safely, (2) enhance public confidence by increasing predictability, consistency and objectivity of the oversight process so that all constituents will be well served by the changes taking place, (3) improve the efficiency and effectiveness of regulatory oversight by focusing agency and licensee resources on those issues with the most safety significance, and (4) reduce unnecessary regulatory burden on licensees as the processes become more efficient and effective.

The criteria have been set up with thresholds (e.g., 8 out of 9 plants) to help determine if the processes and procedures are fundamentally sound and ready for full implementation. Failure to meet a criterion indicates a potential program or process problem that needs to be addressed prior to full implementation. It does not indicate that the process or procedure is unworkable and can not be used to support the revised oversight process. Meeting a criterion indicates that while there may be an isolated problem that needs to be addressed, the programs and processes are generally sound, meet their intended objectives, and are ready for full implementation.

#### Performance Indicator Reporting

The following criteria will measure the efficiency and effectiveness of PI reporting.

1. Can PI data be reported accurately by the industry, in accordance with the reporting guidelines? They can, if by the end of the pilot program, each PI is being reported accurately for at least 8 out of the 9 pilot plants.
2. Can PI data results be submitted by the industry in a timely manner? They can, if by the end of the pilot program, all PI data is submitted by each pilot plant within one business day of the due date.

#### Risk-informed Baseline Inspection Program

The following criteria will measure the efficiency and effectiveness of the baseline inspection program, including inspection planning, conduct of inspections, and inspection finding documentation.

1. Can the inspection planning process be performed in a timely manner to support the assessment cycle? It can, if the planning process supports the scheduling of all required inspections for the upcoming period and the issuance of a 6-month inspection look-ahead letter within 4 weeks from the end of an assessment cycle for at least 8 out of the 9 pilot plants.

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2. Are the inspection procedures clearly written so that the inspectors can consistently conduct the inspections as intended? They are, if by the end of the pilot program, resources expended to perform each routinely performed (e.g., monthly) inspection procedure are within 25% of the average for at least 8 out of the 9 pilot plants. Similar data and analysis will be assessed for less frequently performed procedures (e.g., biennial safety system design inspection). Inspection procedure quality will also be determined by an analysis of the numerical rating factors and a review and evaluation of the comments received on the procedure feedback forms.
3. Are less NRC resources required to provide adequate oversight of licensee activities through inspection? They are, if the direct inspection effort expended to perform baseline and regional initiative inspection activities are less than the resources that would have been expended under the current inspection program. Review will be based on a comparison of the pilot program direct inspection resources against the regional average during the pilot and the resources required for the same plant prior to the pilot.
4. Can inspection reports be issued and the plant issues matrix (PIM) updated in a timely manner to support the assessment process? They can if by the end of the pilot, 90% of the pilot plant inspection reports (except those for major team inspections) were issued within 30 days of the end of the inspection period with the PIMs updated within 14 days of the issuance of the inspection reports.
5. Are the scope and frequencies of the baseline inspection procedures adequate to address their intended cornerstone attributes? They are, based on the evaluation of any specific examples of risk-significant aspects of licensee performance which are not adequately covered by the baseline inspection program. These examples will be solicited from the NRC staff, the public, and the industry through the use of inspection procedure feedback forms and surveys.

### Significance Determination Process

The following criteria will measure whether the significance determination process can be effectively used to categorize the risk significance of inspection findings in a timely manner.

1. Can the SDP be used by inspectors and regional management to categorize inspection findings in a timely manner? It can, if the phase 2 evaluations can be completed within 30 days of the phase 1 evaluation, 90% of the phase 3 evaluations can be completed within 90 days of the phase 1 evaluation, and 100% of the phase 3 evaluations can be completed with 120 days of the phase 1 evaluation.
2. Can inspection findings be properly assigned a safety significance rating in accordance with established guidance? They can, if a review of inspection findings by the SDP operational support team, chosen for 95% assurance, demonstrates that at least 95% of the findings

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were properly categorized by the SDP. This review will also confirm that no risk-significant inspection findings were screened out. Additionally, by the end of the pilot, there should be no instances where the Significance Determination Process and Enforcement Review Panel changes an SDP determination performed by the regions.

### Assessment

The following criteria will measure the efficiency and effectiveness of the new assessment processes.

1. Can the assessment process be performed within the scheduled time? It can, if for at least 8 out of the 9 pilot plants, a mid-cycle assessment of the PIs and inspection findings can be completed, with a letter forwarding the results and a 6-month inspection look-ahead schedule, within 4 weeks of the end of the assessment cycle.
2. Can the action matrix be used to take appropriate NRC actions in response to indications of licensee performance? It can, if there is no more than one instance (with a goal of zero) in which the action taken for a pilot plant is different from the range of actions specified by the action matrix.
3. Are assessments of licensee performance performed for the pilot plants in a manner that is consistent across the regions and that meets the objectives of the assessment program guidance? They are, as determined by a review and evaluation of the outputs of the assessment process generated by each region.

### Enforcement

The following criteria will measure the effectiveness of the new enforcement policy.

1. Are enforcement actions taken in a manner consistent with the assessment of inspection findings that results from the SDP? They are, as determined by a review by the Office of Enforcement of the issues evaluated by the SDP operational support team audit.

### Information Management Systems

The following criteria will determine whether the NRCs' information management systems are ready to support full implementation of the new regulatory oversight processes.

1. Are the assessment data and results readily available to the public? They are, if by the end of the pilot program, the NRC information systems support receiving industry data, and if PIs and the current plant issues matrix are publicly available on the Internet within 30 days of the end of the data period (end of month for pilot) for at least 8 out of the 9 pilot plants.

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2. Are the time reporting and budget systems, such as the Regulatory Information Tracking System (RITS), ready to support the process changes? They are, if by the end of the pilot program, the new RITS codes are established and the new codes are being used properly.
3. Are the NRC information support systems, such as the Reactor Program System (RPS) and its associated modules, ready to support full implementation of the new oversight processes? They are, as determined by the status of the systems identified as necessary to support the revised reactor oversight process.

### Overall

The following criteria will measure whether the revised reactor oversight process meets its overall objectives.

1. Do the combination of PIs and inspection findings provide an adequate indication of licensee performance? Does the oversight process provide a reasonable assurance that the cornerstone objectives are being met and safe plant operation is maintained? It does, based on a review and evaluation of any specific examples of risk-significant aspects of licensee performance that are not adequately accounted for in the revised reactor oversight process. These examples will be solicited from the NRC staff, the public, and the industry through public comment, feedback forms, and stakeholder surveys.
2. Do the new oversight processes result in NRC assessments of licensee performance and NRC actions that are more understandable, predictable, consistent, and objective as perceived by both the industry and the general public? They are, if the industry and public have a better understanding of the regulatory oversight process, the assessment of licensee performance, and the reasons for NRC actions taken. Comments will be obtained through feedback forms and surveys of the industry and the public.
3. Are the new regulatory oversight processes more efficient overall? They are, if by the end of the pilot program, the agency resources required to implement the inspection, assessment, and enforcement programs are projected to be less than currently required. Review will be based on a comparison of the resources expended for DIE and non-DIE activities at each pilot plant to the regional average during the pilot, and the same plant for the 6 month period prior to the pilot.
4. Is the burden on licensees associated with the implementation of the revised reactor oversight process appropriate? It is, based on feedback of how the regulatory burden associated with each of the revised oversight processes has changed as compared to the current oversight processes. These comments will be solicited from the NRC staff, the public, and the industry through the use of a public comment period, feedback forms, and surveys.

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## Industry Strategic Plan for New NRC Oversight Process

- Performance Indicators
- Pilot Program
- Industry Readiness
- Industry Implementation Follow-up

## Performance Indicators

- PI Manual content and Update
- Validation of Performance Indicators
- Data Reporting

## Pilot Programs

- Evaluation Criteria
- Identification of Issues
- Resolution of Issues
- Lessons Learned
- Industry Comment to PPEP and FRN

## Industry Readiness

- Evaluation Criteria
- Lessons Learned from Pilot Program
- Training and Communication
- Performance Indicator implementation
- Industry Readiness Reporting

## Evaluation Criteria

- Lessons learned from Pilot Program promulgated to industry
- Mechanism to answer and promulgate emerging questions in place and functioning
- Mechanism to update the PI Manual and to interact with NRC after full implementation in place and functioning
- Training conducted on key elements of the process and cultural issues (e.g., change management, safety focus)
- Communication resources of NEI available to NEI members
- Industry Engagement (participation of utilities at workshops, generating FAQ, etc.)
- Reactor licensees demonstrate capability to submit accurate and timely data
- Licensee executives express support and readiness to proceed

## Lessons Learned from Pilot

- NEI will make available copies of pilot plant procedures, desktop guides, training materials, and communications materials
- Pilot plant managers will discuss lessons learned during industry sponsored workshops and training sessions
- List of pilot plant contacts willing to discuss lessons learned will be promulgated to industry
- NEI staff will be available to answer industry questions on lessons learned
- Examples of SDP determinations during the pilot will be included in training materials
- Issues raised with NRC and resolution maintained in a Frequently Asked Questions location on NEI member website

## Training and Communication

- NEI conduct workshops covering the following topics:
  - Significance Determination Process
  - Performance Indicator calculation and reporting
  - Action Matrix; and cultural issues.
- NEI management will brief Chief Nuclear Officers at NSIAC meetings.
- NEI communications division should determine the need for a communicators workshop on the new process.

## Performance Indicator Implementation

- Establish mechanism for industry to practice submitting data
- Conduct training for industry on reporting of data
- Assess industry ability to report data

## Industry Readiness Reporting

- Task Force brief Pilot Plant Evaluation Panel on progress toward readiness
- Task Force provide comments on pilot program (NRC Federal Register request for comments) and progress toward readiness
- NSIAC discuss industry readiness

## Industry Implementation Follow-up

- Evaluation Criteria
- Identify ongoing mechanism for Communication
- Identification of issues
- Resolution of issues
- Revisions to program

## Pilot Program Issues

- Significance Determination Process
- Corrective Action Program
- Common meaning of colored findings
- “Best effort” on historical data
- “Old” PI or Inspection Finding

**Pilot Program Evaluation Panel**

**Pilot Program Criteria and Initial Results**

**August 17, 1999**

**Timothy Frye**

**Bill Dean**

**Alan Madison**

## **Changes to Pilot Program Criteria**

- Deleted term “Success” from the criteria, retained thresholds
- More detail on how info obtained from surveys and feedback forms
- Deleted SDP criteria for evaluating delta CDF versus delta CDP
- Deleted staff preparation criteria from the overall criteria
- Rearranged overall criteria to match overall agency performance goals
- Changed overall resource criteria to “projected to be less” instead of “15% less”

## **Pilot Program Initial Results**

- All PI data reported on time, problems seen with reporting “Unplanned Power Changes” and “Safety System Functional Failures”
- Working on revisions to inspection procedures based on inspector feedback
- Revised “Fire Protection” and “Physical Protection” inspection procedures issued this week
- To date less inspection resources expended for pilot plants than required under the current oversight process
- Pilot plant PIs on the external NRC website at the end of July, expect to include inspection results by end of August

# PERFORMANCE INDICATOR ACCURACY OVERVIEW

## Reactor Safety

July

Performance Indicators (PIs)	Number of Plants	Independent Verification Task Force	PI Verification Inspection	PI Changes	PI Timeliness
<b>Initiating Events</b>	<b>2</b>	<b>N/A</b>	<b>XX</b>		
Unplanned Scrams		-			
Scrams with Loss of Normal Heat Removal		-			
Unplanned Power Changes	2	-	XX		
<b>Mitigating Systems</b>	<b>3</b>	<b>-</b>	<b>XXX</b>		
Emergency AC Power System		-			
High Pressure Injection System		-			
Heat Removal System	1	-	X		
Residual Heat Removal System		-			
Safety System Functional Failures	2	-	XX		
<b>Barrier Integrity</b>		<b>-</b>			
Reactor Coolant System Specific Activity		-			
Reactor Coolant System Leakage		-			
Containment Leakage		-			
<b>Emergency Preparedness</b>	<b>1</b>	<b>-</b>	<b>X</b>		
Drill/Exercise Performance		-			
ERO Drill Participation	1	-			
Alert and Notification System		-	X		

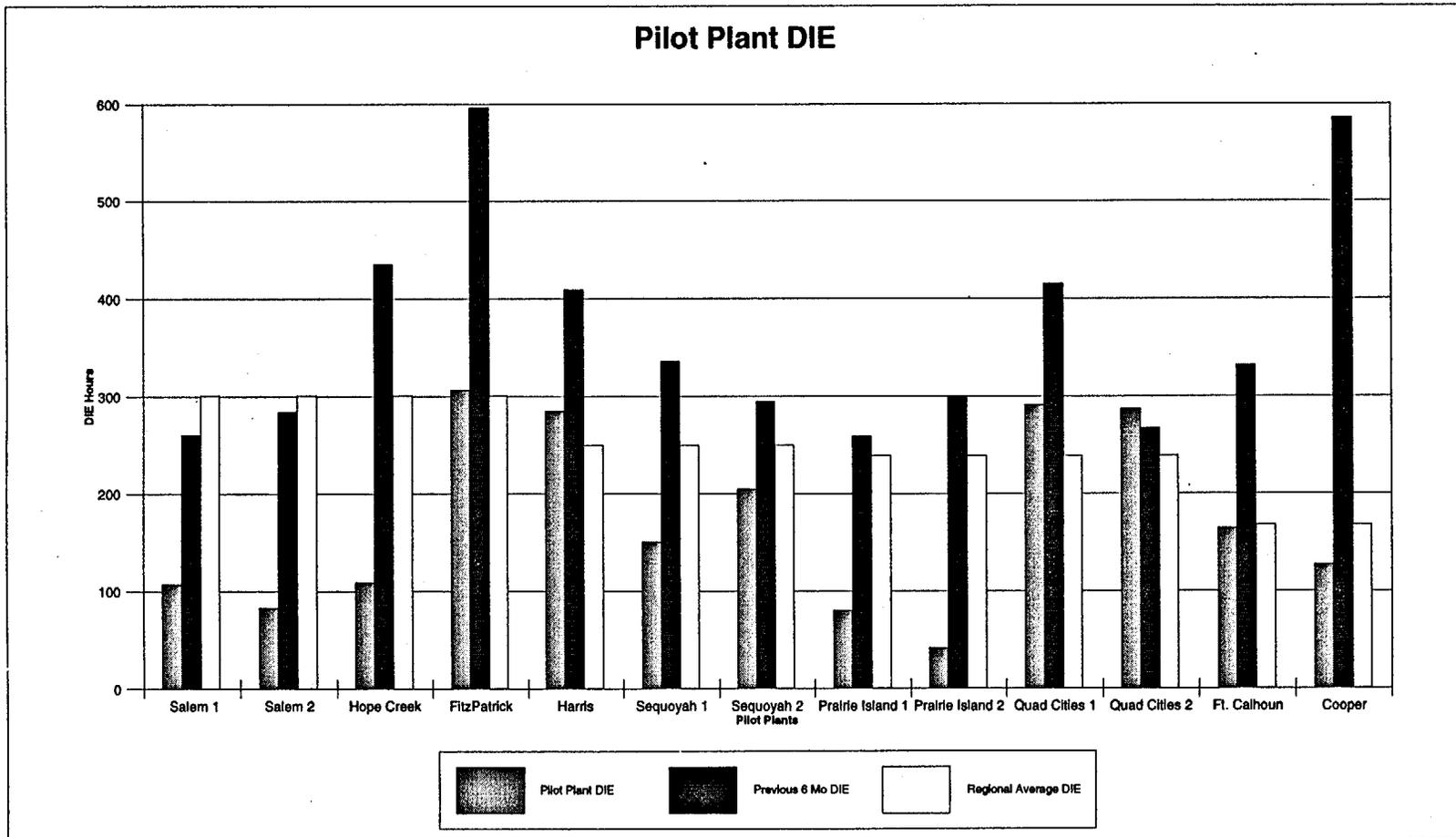
This table reflects the error rate of each performance indicator

As of: 7/31/99

### Pilot Plant Direct Inspection Effort

Pilot Plants

	Salem 1	Salem 2	Hope Creek	FitzPatrick	Harris	Sequoyah 1	Sequoyah 2	Prairie Island 1	Prairie Island 2	Quad Cities 1	Quad Cities 2	Ft. Calhoun	Cooper
Pilot Plant DIE	107	83	109	307	285	151	205	80	41	291	287	164	127
Previous 6 Mo DIE	260	284	435	596	409	336	295	259	300	415	267	332	585
Regional Average DIE	301	301	301	301	250	250	250	239	239	239	239	168	168



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### 6 PILOT PROGRAM CRITERIA

The following criteria will be used to evaluate the results of the regulatory oversight process improvement pilot program. These criteria will be used determine whether the overall objectives of the pilot program have been met, and whether the new oversight processes (1) ensure that plants continue to be operated safely, (2) enhance public confidence by increasing predictability, consistency and objectivity of the oversight process so that all constituents will be well served by the changes taking place, (3) improve the efficiency and effectiveness of regulatory oversight by focusing agency and licensee resources on those issues with the most safety significance, and (4) reduce unnecessary regulatory burden on licensees as the processes become more efficient and effective.

The criteria have been set up with thresholds (e.g., 8 out of 9 plants) to help determine if the processes and procedures are fundamentally sound and ready for full implementation. Failure to meet a criterion indicates a potential program or process problem that needs to be addressed prior to full implementation. It does not indicate that the process or procedure is unworkable and can not be used to support the revised oversight process. Meeting a criterion indicates that while there may be an isolated problem that needs to be addressed, the programs and processes are generally sound, meet their intended objectives, and are ready for full implementation.

#### 6.1 Performance Indicator Reporting

The following criteria will measure the efficiency and effectiveness of PI reporting.

- Can PI data be reported accurately by the industry, in accordance with the reporting guidelines? They can, if by the end of the pilot program, each PI is being reported accurately for at least 8 out of the 9 pilot plants.
- Can PI data results be submitted by the industry in a timely manner? They can, if by the end of the pilot program, all PI data is submitted by each pilot plant within one business day of the due date.

#### 6.2 Risk-informed Baseline Inspection Program

The following criteria will measure the efficiency and effectiveness of the baseline inspection program, including inspection planning, conduct of inspections, and inspection finding documentation.

- Can the inspection planning process be performed in a timely manner to support the assessment cycle? It can, if the planning process supports the scheduling of all required inspections for the upcoming period and the issuance of a 6-month inspection look-ahead letter within 4 weeks from the end of an assessment cycle for at least 8 out of the 9 pilot plants.

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- Are the inspection procedures clearly written so that the inspectors can consistently conduct the inspections as intended? They are, if by the end of the pilot program, resources expended to perform each routinely performed (e.g., monthly) inspection procedure are within 25% of the average for at least 8 out of the 9 pilot plants. Similar data and analysis will be assessed for less frequently performed procedures (e.g., biennial safety system design inspection). Inspection procedure quality will also be determined by an analysis of the numerical rating factors and a review and evaluation of the comments received on the procedure feedback forms.
- Are less NRC resources required to provide adequate oversight of licensee activities through inspection? They are, if the direct inspection effort expended to perform baseline and regional initiative inspection activities are less than the resources that would have been expended under the current inspection program. Review will be based on a comparison of the pilot program direct inspection resources against the regional average during the pilot and the resources required for the same plant prior to the pilot.
- Can inspection reports be issued and the plant issues matrix (PIM) updated in a timely manner to support the assessment process? They can if by the end of the pilot, 90% of the pilot plant inspection reports (except those for major team inspections) were issued within 30 days of the end of the inspection period with the PIMs updated within 14 days of the issuance of the inspection reports.
- Are the scope and frequencies of the baseline inspection procedures adequate to address their intended cornerstone attributes? They are, based on the evaluation of any specific examples of risk-significant aspects of licensee performance which are not adequately covered by the baseline inspection program. These examples will be solicited from the NRC staff, the public, and the industry through the use of inspection procedure feedback forms and surveys.

### 6.3 Significance Determination Process

The following criteria will measure whether the significance determination process can be effectively used to categorize the risk significance of inspection findings in a timely manner.

- Can the SDP be used by inspectors and regional management to categorize inspection findings in a timely manner? It can, if the phase 2 evaluations can be completed within 30 days of the phase 1 evaluation, 90% of the phase 3 evaluations can be completed within 90 days of the phase 1 evaluation, and 100% of the phase 3 evaluations can be completed with 120 days of the phase 1 evaluation.

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- Can inspection findings be properly assigned a safety significance rating in accordance with established guidance? They can, if a review of inspection findings by the SDP operational support team, chosen for 95% assurance, demonstrates that at least 95% of the findings were properly categorized by the SDP. This review will also confirm that no risk-significant inspection findings were screened out. Additionally, by the end of the pilot, there should be no instances where the Significance Determination Process and Enforcement Review Panel changes an SDP determination performed by the regions.

### 6.4 Assessment

The following criteria will measure the efficiency and effectiveness of the new assessment processes.

- Can the assessment process be performed within the scheduled time? It can, if for at least 8 out of the 9 pilot plants, a mid-cycle assessment of the PIs and inspection findings can be completed, with a letter forwarding the results and a 6-month inspection look-ahead schedule, within 4 weeks of the end of the assessment cycle.
- Can the action matrix be used to take appropriate NRC actions in response to indications of licensee performance? It can, if there is no more than one instance (with a goal of zero) in which the action taken for a pilot plant is different from the range of actions specified by the action matrix.
- Are assessments of licensee performance performed for the pilot plants in a manner that is consistent across the regions and that meets the objectives of the assessment program guidance? They are, as determined by a review and evaluation of the outputs of the assessment process generated by each region.

### 6.5 Enforcement

The following criteria will measure the effectiveness of the new enforcement policy.

- Are enforcement actions taken in a manner consistent with the assessment of inspection findings that results from the SDP? They are, as determined by a review by the Office of Enforcement of the issues evaluated by the SDP operational support team audit.

### 6.6 Information Management Systems

The following criteria will determine whether the NRCs' information management systems are ready to support full implementation of the new regulatory oversight processes.

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- Are the assessment data and results readily available to the public? They are, if by the end of the pilot program, the NRC information systems support receiving industry data, and if PIs and the current plant issues matrix are publicly available on the Internet within 30 days of the end of the data period (end of month for pilot) for at least 8 out of the 9 pilot plants.
- Are the time reporting and budget systems, such as the Regulatory Information Tracking System (RITS), ready to support the process changes? They are, if by the end of the pilot program, the new RITS codes are established and the new codes are being used properly.
- Are the NRC information support systems, such as the Reactor Program System (RPS) and its associated modules, ready to support full implementation of the new oversight processes? They are, as determined by the status of the systems identified as necessary to support the revised reactor oversight process.

### 6.7 Overall

The following criteria will measure whether the revised reactor oversight process meets its overall objectives.

- Do the combination of PIs and inspection findings provide an adequate indication of licensee performance? Does the oversight process provide a reasonable assurance that the cornerstone objectives are being met and safe plant operation is maintained? It does, based on a review and evaluation of any specific examples of risk-significant aspects of licensee performance that are not adequately accounted for in the revised reactor oversight process. These examples will be solicited from the NRC staff, the public, and the industry through public comment, feedback forms, and stakeholder surveys.
- Do the new oversight processes result in NRC assessments of licensee performance and NRC actions that are more understandable, predictable, consistent, and objective as perceived by both the industry and the general public? They are, if the industry and public have a better understanding of the regulatory oversight process, the assessment of licensee performance, and the reasons for NRC actions taken. Comments will be obtained through feedback forms and surveys of the industry and the public.
- Are the new regulatory oversight processes more efficient overall? They are, if by the end of the pilot program, the agency resources required to implement the inspection, assessment, and enforcement programs are projected to be less than currently required. Review will be based on a comparison of the resources expended for DIE and non-DIE activities at each pilot plant to the regional average during the pilot, and the same plant for the 6 month period prior to the pilot.

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- Is the burden on licensees associated with the implementation of the revised reactor oversight process appropriate? It is, based on feedback of how the regulatory burden associated with each of the revised oversight processes has changed as compared to the current oversight processes. These comments will be solicited from the NRC staff, the public, and the industry through the use of a public comment period, feedback forms, and surveys.

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