

January 11, 2000

COMMISSION VOTING RECORD

DECISION ITEM: SECY-99-227
TITLE: N+1 RESIDENT INSPECTOR STAFFING POLICY

Chairman Meserve and Commissioners Diaz and Merrifield approved the staff's recommendation. Commissioner McGaffigan disapproved the paper. Chairman Dicus approved in part and disapproved in part. The results are provided in the Staff Requirements Memorandum (SRM) of January 11, 2000.

This Record contains a summary of voting on this matter together with the individual vote sheets, views and comments of the Commission, and the SRM of January 11, 2000.

Annette Vietti-Cook
Secretary of the Commission

Attachments: 1. Voting Summary
2. Commissioner Vote Sheets
3. Final SRM

cc: Chairman Dicus
Commissioner Diaz
Commissioner McGaffigan
Commissioner Merrifield
OGC
EDO

VOTING SUMMARY - SECY-99-227

RECORDED VOTES

	APRVD	DISAPRVD	ABSTAIN	NOT PARTICIP	COMMENTS	DATE
CHRM. MESERVE	X				X	12/22/99
COMR. DICUS	X	X			X	9/23/99
COMR. DIAZ	X					9/22/99
COMR. McGAFFIGAN		X			X	10/22/99
COMR. MERRIFIELD	X				X	10/6/99

COMMENT RESOLUTION

In their vote sheets, Chairman Meserve and Commissioners Diaz and Merrifield approved the staff's recommendation. Commissioner McGaffigan disapproved the relaxation from the current N+1 staffing policy at this time and preferred to await the results of the pilot program to address this issue. Commissioner Dicus approved in part and disapproved in part believing that there are significant resource implications and that it was not necessary to modify the policy until a better basis for it has been established. Subsequently, the comments of the Commission were incorporated into the guidance to staff as reflected in the SRM issued on January 11, 2000.

Commissioner Comments on SECY-99-227

Chairman Meserve

I approve the staff's recommendations for revising the N+1 resident inspector staffing policy at multi-unit sites for the interim period until action is taken on the staffing study due to the Commission in June 2001.

In evaluating the staff's proposal, I have considered the views of my colleagues on the Commission and have discussed the revised policy with NRC management, regional personnel, and members of the resident inspection staff. Although I generally accept the staff's recommendation, I conclude that the issue has less of an impact than appears at first glance. I reach this conclusion based on several considerations.

First, the approval of the staff's recommendation will allow effective application of inspection resources without direct adverse impact on aggregate inspection levels. The N+1 policy provides a guideline for allocating only a portion of the agency's inspection resources -- namely, the resident inspector positions. But, as a result of improved industry safety performance, the need for dedicated on-site inspection staff at the multi-unit sites has notably diminished. And, since the total inspection resources will remain unchanged by acceptance of the staff's recommendations, the agency's ability to complete planned reactor inspection program requirements will not be compromised. Moreover, a departure from the N+1 policy will provide the Regional Administrators with additional flexibility as to how to deploy inspection resources. Even if the N+1 policy is relaxed, the Regional Administrators, in consultation with NRR, will retain the authority to allocate additional resident inspectors to sites if the circumstances warrant that action.

Second, as a result of the impending implementation of the revised reactor oversight process at all facilities, it will soon be necessary for the NRC to define the magnitude of the inspection resources that it should deploy and to determine how those resources should best be allocated among headquarters, the regions, and the sites. As a result, the staff plans to undertake a comprehensive review of the utilization of regional inspection resources in June 2001. Thus, the issue presented to the Commission will be reexamined again in the near term.

Third, I note that there are reasonably significant departures from the N+1 policy at the present time. SALP-based exemptions to the N+1 policy remain in effect at one site, vacancies exist at five other sites where the two-year SALP-based exemptions have expired, and seven vacancies exist where resident inspector positions have not been filled pending reconsideration of the N+1 policy. Moreover, the current practice is to deploy resident inspectors who are assigned to particular sites to perform inspections at other sites requiring additional attention. Thus, the N+1 policy, as currently implemented, has not really served in practice to establish a minimum for resident staffing.

Fourth, no radical reallocation of resources will result from the approval of the staff's recommendation. The staff does not plan to reassign any resident inspectors until guidance is developed as a result of the broader staffing study. Thus, the recommendation presented to the Commission affects only those sites where an inspector position becomes vacant over the intervening period until the staffing study is completed.

It might be argued that the Commission should simply retain its current policy until the completion of the staffing study in June 2001. But, as noted above, there are numerous departures from the N+1 policy today and I do not believe that the Commission, by reaffirming the N+1 policy, should create the implication or expectation that staffing should be adjusted to conform to the policy for the interim period until the staffing study is completed. It would be unwise in my view to fill resident inspector vacancies to satisfy an N+1 policy over the study period, unless of course the specific circumstances require additional on-site staffing, because the staffing study might reveal the need for an entirely different allocation of inspection resources.⁽¹⁾ Moreover, I am mindful of the need to provide the Regional Administrators with flexibility as they confront the challenges arising from the implementation of the revised oversight process.

Although I approve the suspension of N+1 resident staffing during the interim period, I take this step with the understanding:

- that the change in policy will not directly result in a diminution in the overall inspection resources or the agency's ability to complete planned inspection program requirements,
- that there will be no reassignment of a resident inspector from an existing assignment unless such action is voluntarily initiated by the resident inspector,
- that the Regional Administrators, in consultation with NRR, will retain the flexibility to adjust the number of resident inspectors assigned to a site upward if the circumstances warrant, and
- that the number of resident inspectors at any given site will not be reduced to less than two individuals.

Commissioner Dicus

I approve in part and disapprove in part the staff's recommendations for modifying the resident inspector staffing policy. I believe there are significant resource and policy implications in this paper, and it is not necessary to make a final decision on modifying the policy until a better basis for it has been established. This is particularly true since we are transitioning to a new reactor oversight process.

I disapprove the staff recommendation to modify the N+1 policy for multi-unit sites at this time. I approve the staff's plans to provide recommendations on regional inspector staffing in June 2001 as part of its report on full implementation of the new reactor oversight process. However, I believe that the staff should include a recommendation on N+1 resident inspector staffing as part of these staffing recommendations. I approve the staff's plan to continue resident inspector attrition at the multi-unit sites until that time. However, the staff should not remove the FTEs from the nuclear safety portion of the staffing plan. Instead, the staff should report to the Commission how these resources can be utilized in supporting other program areas within nuclear safety if they are not deemed necessary in the area of inspection.

Since the FTE and resource planning assumptions in the budget did not consider the effectiveness of the new reactor oversight process, the staff should ensure that the basis for its recommendations on regional resources is established by actual data and should not be bound by the direct FTE figures listed in SECY-99-227. The staff should consider a broader basis than direct FTE, which is a figure that is closely related to the number of inspectors at a site, and should also account for all time not spent in direct inspections. This includes consideration of the importance of non-direct inspection efforts, such as maintaining inspector qualifications and training, leave periods, program requirements, rotational/developmental assignments, and necessary

overhead such as travel and inspection preparation/documentation. The staff should provide a recommendation on increasing the regional resources available to respond to events and to provide plant-specific inspections. Finally, the staff's recommendations on regional staffing should be broader than the inspection area, and should consider all regional nuclear safety programs.

Commissioner McGaffigan

I disapprove the staff's proposal to change resident staffing policy from the N+1 currently directed by the Commission. I believe it is premature to make such a staffing change before the results of the revised oversight pilot program are assessed. Also, there is no evidence that the decline in resident experience levels reported in SECY-97-285 has been arrested, although the increasing number of sites at which the staff has reduced from N+1 to N under the current policy has the effect of increasing resident experience levels and may make the data in the follow-up SECY paper due at the end of November difficult to interpret. I believe the staff should complete the pilot program, per the SRM for SECY-99-007 and 007A, demonstrate that resident experience levels have stabilized, and then forward recommendations to the Commission.

Should a majority of the Commission approve SECY-99-227 and a policy of N staffing at multi-unit sites, I urge that the N be a "hard N" and a "quality N." Even under the N+1 policy, there have been periods at sites such as North Anna and Palo Verde where the staffing actually was N-1. A resident inspector staff level of N-1 should not be tolerated, yet I fear that significant periods at N-1 could become commonplace under an "N" policy. Also during the N+1 policy, resident staffs have contained individuals whose qualifications and experience prompted licensees to dispute formally the appropriateness of being billed for their time. Licensee managers have commented to me, sometimes at meetings attended by the EDO, that they feel they have ended up training their residents rather than being inspected by peers. This level of inexperience was confirmed by the last report on resident demographics that listed the median experience of resident inspectors as a qualified resident inspector of 0.6 years. Under an "N" policy, the potential impacts of less experienced residents are greater in terms of reduction in Agency oversight of plant operations.

One aspect of the N+1 policy has been the "margin" it has assured in qualified, current, field experienced inspectors to respond to events or other special needs (e.g., Millstone inspections). SECY-99-227 proposes to remove that "margin" from the sites and to centralize it in the Regional offices. Those inspectors would also serve to fill in at sites which otherwise, due to vacation, training, illness, or other events would be at N-1. Thus, I would expect N-1 levels for more than a couple days to be rare, with periods of greater than a week not to be tolerated. Therefore, the staff should provide heightened management oversight on staffing for sites where the number of resident inspectors assigned is N. This might include a Regional weekly or monthly reporting requirement to the EDO of all sites where there are fewer than N inspectors on the job.

With regard to the quality of resident inspectors, I continue to believe that as an Agency we need to make them an important focus of our recruitment and retention efforts. We did the right thing in June when we restored full locality pay for resident inspectors. But, as I have written before, we still need to assess grade levels for the resident corps and for the regional inspectors who will be expected to move from site to site to fill in for residents and senior residents in training, on vacation, etc. In my discussions with the senior staff two years ago, the notion of GG-15 "super" senior residents came up. I still think that is a worthy idea. Our inspectors are becoming ever more important as we revise our programs, and that needs to continue to be reflected in our personnel policies.

Commissioner Merrifield

I approve the staff's recommendations presented in SECY-99-227.

The resident inspector program has been and continues to be a tremendous asset to the NRC as it has been the foundation of our ability to independently verify licensee performance and has improved our incident response capability. Our standards and expectations associated with the resident inspectors are necessarily high and the quality of our residents is typically excellent. As we proceed with changes to the resident inspector staffing policy, we must continue to look for opportunities to even further enhance the quality of the resident inspectors. Regardless of the changes that occur to our reactor oversight process, I believe a strong resident program will continue to be essential and thus must be supported by both agency management and the Commission. Clearly, the value of the resident inspector program is not in question in SECY-99-227. Rather, what is squarely before the Commission is whether N+1 inspectors are needed at multi-unit sites to effectively carry out the mission of the agency.

A historical perspective of how the resident inspector program evolved was a critical component of my vote on this issue. We cannot lose sight of why N+1 was originally adopted at multi-unit sites and we must carefully consider whether the conditions that formed the basis for its adoption exist today. The staff has clearly indicated that the N+1 resident inspector staffing policy was adopted in 1988 for multi-unit sites "in response to NRC concerns about safety performance". By almost any standard, the safety performance of the nuclear industry has significantly improved and is far better in 1999 than it was in 1988. Furthermore, the number of initiating events resulting in scrams has declined significantly over the past 10 years, and this is reflected in fewer and less complicated plant transients (i.e., fewer safety system actuations and significant events). It is clear to me that the safety performance of the nuclear industry has so greatly improved since 1988 that the conditions which formed the basis for adopting N+1 at multi-unit sites no longer exist.

Another logical question that the staff has appropriately addressed is whether the N+1 policy at multi-unit sites represents a commitment to Congress. It is clear to me that our commitment to Congress is to have a minimum of 2 resident inspectors at all operating sites. This commitment formed the basis for adopting N+1 resident inspectors at all single-unit sites. I believe this commitment is still prudent in 1999 and am confident that it is in no way compromised by the staff's recommendations in SECY-99-227. Specifically, the staff's recommendation to revise the resident inspector staffing policy to require 2 resident inspectors at single and dual unit sites and 3 resident inspectors at triple unit sites is consistent with our commitments to Congress.

One of my greatest concerns as I reviewed SECY-99-227 was whether it would be imprudent to revise the N+1 policy at multi-unit sites before completing the ongoing reactor oversight pilot program. My concerns centered around whether ruling on the N+1 policy would prejudice the outcome of the pilot program or in some way indicate a pre-disposition regarding the outcome of the pilot program. My concerns were initially exacerbated by comments in SECY-99-227 indicating that "Once the staff has gained experience implementing the risk-informed baseline inspection program, we will

have a better idea of the resources necessary to complete the baseline". However, as a result of discussions I have had with each of the Regional Administrators, several very important aspects of the pilot program were clarified and I gained a greater appreciation for how the N+1 policy at multi-unit sites unnecessarily handcuffs the Regional Administrators in their ability to manage inspection resources. It is now clear to me that eliminating the N+1 policy should in no way adversely impact implementation of the revised reactor oversight process and should not be inappropriately linked to completion of the pilot program. The Regional Administrators reinforced that as we consider the implications of the Commission's decision on the N+1 policy, we remember that irrespective of whether we are considering the current or new reactor oversight process, the conditions that formed the basis for the N+1 policy no longer exist given the industry's significantly improved performance. Further, as the staff gains insights during the pilot program regarding the resources that will be necessary to complete the risk-informed baseline inspection program, it is doing so in the context of inspection hours required per site, not in the context of the number of resident inspectors at each site. Whether the inspection resources needed to complete the required inspection hours are assigned from the regional staff or from the resident inspector staff is not relevant in the context of the new reactor oversight process. Therefore, since removing the N+1 resources from multi-unit sites will not in and of itself result in a reduction of inspection resources and decisions regarding the resources needed for the risk-informed baseline inspection program will not be prescriptive with respect to the source of these resources, I believe the N+1 matter before us is not directly linked to decisions resulting from the pilot program, nor should it prejudice the outcome of that pilot program.

As I considered the issue of providing Regional Administrators greater flexibility to assign inspection resources where they are needed, I was drawn to the agency's 4 cornerstones: 1) maintenance of safety, 2) improving effectiveness and efficiency, 3) reducing unnecessary burden, and 4) enhancing public confidence.

First, my review of SECY-99-227 and my discussions with the Regional Administrators leave no doubt in my mind that the proposed policy revision will in no way adversely affect the maintenance of safety. Again, it is important to reiterate that this policy revision will not in and of itself result in a reduction of inspection resources.

Second, it is also clear to me that revising the resident inspector staffing policy will improve the effectiveness and efficiency of the agency. I believe the outdated nature of the N+1 policy has so handcuffed the Regional Administrator's flexibility to appropriately allocate their inspection resources, they have simply learned to work around its inadequacies. Currently, 3 multi-unit sites have N+1 exemptions, 8 multi-unit sites have vacancies such that N+1 inspectors are not maintained at each site, and it has become routine to frequently assign resident inspectors from better performing "N+1 plants" to perform plant-specific inspections at poorer performing sites. A policy is only as effective as its implementation allows. I believe the staff is telling the Commission through their actions that the N+1 policy has outlived its usefulness and is hindering their ability to effectively and efficiently allocate inspection resources based on plant performance. Thus, I believe it is prudent to remove the constraints of an N+1 policy that now lacks the basis by which it was founded so that the Regional Administrators gain greater flexibility to assign inspection resources where they are most needed based on plant performance.

Third, I sincerely believe that revising the resident inspector staffing policy as proposed by the staff can both reduce unnecessary regulatory burden and enhance our safety oversight. I also believe the proposed revision is consistent with the premises behind the new reactor oversight process, our initiatives to risk-inform Part 50, and other regulatory reform efforts. Specifically, the NRC is in the process of making regulatory changes which allow the agency and licensees to focus resources where they have the most benefit from a risk perspective. As already discussed, the revised resident inspector staffing policy gives the Regional Administrators greater flexibility to assign additional inspection resources to plants with performance problems. It is important to note that the revised policy also gives the Regional Administrators greater flexibility to reduce inspection resources at good performing plants where not only does the NRC gain little additional oversight value from the "+1 inspector", but the presence of the "+1 inspector" has the potential to cause unnecessary regulatory burden through the performance of unnecessary and unproductive inspection efforts which divert licensee attention away from truly risk-significant aspects of plant operation. I believe the revised policy in no way represents less of a commitment to safety by the NRC. In fact, I believe it reflects an even greater commitment to safety because it facilitates more effective utilization of agency and licensee resources on matters of greatest risk significance.

Finally, I believe it is important to address the issue of public confidence. It is essential that the NRC effectively communicate with our stakeholders and our staff regarding the proposed resident inspector staffing policy revision and its basis. This issue is likely to receive a great deal of attention internal and external to the agency and is the type of matter which lends itself to misunderstanding as well as misinformation from those that oppose the Commission's decision. We must make it clear to our stakeholders and staff that the policy revision will not in and of itself result in a reduction of inspection resources, will enhance our ability to allocate resources on the basis of licensee performance, in no way represents a reduction in our commitment to safety, and in fact, represents an even greater agency focus on safety for the reasons discussed above. I believe it is imperative that the staff develop and implement a thorough communication plan regarding this policy matter prior to implementing the revision so that the basis for the Commission's decision is clear to our internal and external stakeholders.

1. I understand that a resident inspector is assigned to a site with the understanding that the assignment is for a seven-year term. Typically the resident inspectors establish living arrangements in the vicinity of the sites to which they are assigned. Consideration for the resident inspectors would thus urge that a resident inspector not be assigned to a site if there is a real possibility that a reassignment might shortly arise.