

NOTATION VOTE

RESPONSE SHEET

TO: Annette Vietti-Cook, Secretary
FROM: Gregory B. Jaczko
SUBJECT: SECY-11-0140 – ENHANCEMENTS TO THE FUEL
CYCLE OVERSIGHT PROCESS

Approved X Disapproved Abstain

Not Participating

COMMENTS: Below Attached X None



SIGNATURE

11/7/11

DATE

Entered on "STARS" Yes X No

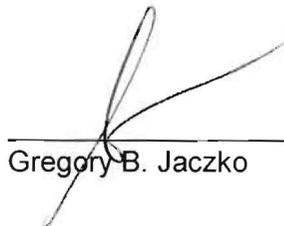
**Chairman Jaczko's Comments on SECY-11-0140
"Enhancements to the Fuel Cycle Oversight Process"**

I approve the staff's recommendation to implement Option 1 for enhancing the Fuel Cycle Oversight Process (FCOP), which includes the use of cornerstones, a significance determination process, and an action matrix. These risk-informed improvements to the program would provide significant enhancements to the objectivity, predictability, and transparency of our oversight of these facilities. Importantly, members of the public would be better able to understand the performance of fuel cycle facilities and the actions that the NRC takes in response to performance issues. The staff should develop a publicly-available project plan that will clearly establish the timelines and major milestones for this project.

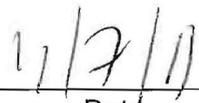
I have carefully considered the discussion presented in the paper and the pros and cons of using hazards analysis-based cornerstones or operations-based cornerstones. The disadvantages of using the operations-based cornerstones are hard to ignore; primarily, that a single failure could impact several cornerstones, and that this approach would lead to inconsistencies for facilities licensed under different parts of Title 10 (e.g., 10 CFR 40, 70, and 76). I also believe that the hazards-based approach, which has been used by the reactor oversight process for many years, is an approach that has been shown to be workable and reliable for both the agency and reactor licensees. However, I am also sensitive to the industry's belief that using an operations-based approach would be more effective in communicating within their own organizations and facilities, and therefore would help to support improved safety. The staff should continue their interactions to explore the optimal basis for the cornerstones, ultimately recommending the path that is most likely to help ensure safe operations.

I approve staff's recommendation to develop a qualitative fuel cycle significance determination process. As staff states in the paper, the quantitative risk technology for these facilities is not sufficiently developed to support a case-by-case approach, and large resource expenditures would be required to develop a PRA-based approach. As staff develops this approach, they should inform the Commission if they determine that this approach will not be realistic or precise enough to be useful.

Staff has done an excellent job of laying the groundwork for this enhancement to the agency's inspection and oversight process for these facilities. This is a long-term effort that is not expected to come to fruition until 2015. The staff should update the Commission at least once a year on its progress.



Gregory B. Jaczko



Date