

September 21, 1998

FOR: The Commissioners  
 FROM: L. Joseph Callan /s/  
 Executive Director for Operations  
 SUBJECT: SUSPENSION OF THE SYSTEMATIC ASSESSMENT OF LICENSEE PERFORMANCE PROGRAM

PURPOSE:

To inform the Commission of the staff's plans to suspend the Systematic Assessment of Licensee Performance (SALP) program for an interim period until a new integrated assessment process has been implemented.

BACKGROUND:

In the staff requirements memorandum (SRM) dated September 15, 1998, for COMSECY-98-024, "Response to Issues Raised Within the Senate Authorization Context and July 17, 1998 Stakeholder Meeting," the Commission approved the suspension of the SALP program. COMSECY-98-024 addressed several areas for accelerated staff initiatives to address concerns that were expressed by the Senate Subcommittee on Clean Air, Wetlands, Private Property, and Nuclear Safety to the Commission during a hearing on July 30, 1998, regarding nuclear safety regulatory issues and the programs of the NRC, as well as during the Public Meeting on Stakeholder Concerns on July 17, 1998.

DISCUSSION:

In accordance with the guidance provided in the SRM, the staff will suspend the SALP program for an interim period until a new assessment process is implemented. The staff recognizes that during this period, although NRC resources will continue being focused on those plants with poor or declining performance, the level of review that was provided by the SALP program will not be achieved for most plants, and quantitative scores for performance will not be assigned. The staff will provide final recommendations on the SALP program as part of its broader recommendations on the new assessment process in early 1999.

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The staff plans to take the following actions:

**SALP:** Suspend the SALP program for an interim period. SALP boards that have convened will complete the SALP process in accordance with Management Directive 8.6, "Systematic Assessment of Licensee Performance," including issuing SALP reports and holding public meetings.

**PPRs:** The staff will continue to perform Plant Performance Reviews (PPRs) for each plant at approximately six-month intervals and forward the results to licensees in a letter with the updated Plant Issues Matrix (PIM) and inspection schedule attached that is placed in the Public Document Room. In addition, the staff will ensure that licensee performance assessment information is provided consistently in PPR cover letters by issuing more detailed guidance than is currently available in Inspection Manual Chapter (IMC) 0304, "Plant Performance Review." A public meeting will be held at those sites where a public meeting on NRC's assessment of licensee performance has not been held within the last two years. The purpose of the public meeting will be to discuss the results of the most recent PPR. Public meetings will continue to be held for most plants at approximately two year intervals (depending on the timing of the PPRs). More frequent meetings may be held at the discretion of the Regional Administrator based on licensee performance as documented in PIMs, inspection reports, and other publicly available information.

**SMM:** As directed by the SRM for SECY 98-045 dated June 30, 1998, the staff will perform Senior Management Meetings (SMMs) and the associated screening meetings annually vice semi-annually. Accordingly, the first annual SMM will be performed in April 1999.

Immediately after the SRM suspending SALP was issued, a press release was issued and the regions were notified of the suspension. The staff will issue an Administrative Letter to all power reactor licensees notifying them of the suspension of the SALP program. Regions will promptly notify affected licensees, state and local officials, as well as other known interested parties, and inform them of the PPR results in the future. The staff will provide detailed guidance to the regions as necessary to ensure consistent implementation. The staff plans to implement the aforementioned changes in accordance with the following schedule:

Event	Approximate Schedule
- Receive SRM from Commission suspending SALP	Sept. 15 (Complete)
- Issue press release announcing suspension, post on NRC web site	Sept. 16 (Complete)
- Immediate notification of regions of suspension	Sept. 16 (Complete)
- Distribute press release to Congress through NRC's Office of Congressional Affairs	Sept. 16 (Complete)
- NRR provide implementation guidance to regions	Sept. 24

- Regions cancel SALP public meetings as necessary for boards that have not convened Sept. 24
- Issue Administrative Letter informing licensees of suspension Oct. 2
- Post Administrative Letter on NRC web site Oct. 9
- Issue interim guidance memorandum to NRC staff regarding areas affected by suspension of SALP (IMC 2515, 0610, etc.) December
- Conduct next PPR Jan/Feb 1999
- Conduct "first" annual SMM April 1999

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