



Revisions to the Fuel Cycle Oversight Process

Presentation to the Commission
April 29, 2010

Agenda

- Current Process–
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- Proposed Revisions –
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Overview of the Current Fuel Cycle Oversight Process

- Oversight Process Elements
 - Inspection
 - Enforcement
 - Assessment
- Implementation

Overview of the Current Fuel Cycle Oversight Process (Cont.)

- Current program is adequate to ensure safety and security
- Current program is evolving, slowly, within existing framework
- Approach to improvements can be better focused, more effective and efficient

Purpose of Oversight Revision Project

- To improve program effectiveness and efficiency
- To make the process more
 - Risk-Informed
 - Performance-Based
 - Predictable
 - Transparent

Risk Informed & Performance Based- Current Program

- Inspection
 - Use of Integrated Safety Analyses (ISA) during inspection planning improves risk focus
 - Programmatic approach still used in some areas
- Enforcement
 - Proposed policy is more ISA-informed

Risk Informed & Performance Based- Current Program

- Assessment
 - Process allows for integration of enforcement actions
 - Some consideration of risk

Predictability – Current Program

- Inspection
 - Reactive and initiative inspection decisions lack clear thresholds
- Enforcement
 - Variability in ISA methods presents a challenge

Predictability – Current Program

- Assessment
 - Relationship between NRC inspection effort, assessment periodicity, and enforcement history is not well defined
 - Assessment process lacks thresholds for specific licensee and NRC actions

Transparency - Current Program

- Inspection
 - Inspection and enforcement results are generally publicly available
 - Use of webpage to present process and outcomes can be improved
- Enforcement
 - Consideration of risk escalators and mitigators not transparent

Proposed Plan

- Oversight Framework
- Risk-Informed Baseline
- Significance Determination
- Performance Assessment
- Enforcement

Schedule of Activities

- Technical Basis Development
- Process Development
- Transition
- Stakeholder Engagement

Technical Basis for Risk-Informing

- Use existing ISA's
- Screening tool for items of very low safety significance
- Significance determination flow-charts
- Validation
- Facilities without ISA's

Definition of Risk Thresholds

- Two Options Evaluated
 - Qualitative
 - Quantitative
- Recommendation is for the qualitative

Risk-Informing

- Baseline Inspections
- Significance Determination Process
- Enforcement Policy
- Action Matrix

Challenges

- Diversity of operation and activities among licensees and certificate holders
- Cumulative impacts
- Performance Deficiency definition
- Corrective Action Program inspection

Potential Policy Issues

- Deferral of Performance Indicator development
- Risk Surrogates and Thresholds
- Incorporation of Safety Culture
- Performance Deficiency
- Security/Safety program interface

Alternative Approaches

- Proposal aligned to ROP principles
- Other options include:
 - Maintain current approach with evolving processes
 - Modest enhancements to current process
 - Phased revision over longer period

Conclusion

- Current process is adequate but needs to be improved
- Proposed improvements would use existing ISA's
- Proposed implementation in 2014
- Staff awaits Commission direction