

June 30, 1998

MEMORANDUM L. Joseph Callan
TO: Executive Director for Operations
FROM: John C. Hoyle, Secretary /s/
SUBJECT: STAFF REQUIREMENTS - SECY-98-045 - STATUS OF THE INTEGRATED REVIEW OF THE NRC ASSESSMENT PROCESS FOR OPERATING COMMERCIAL NUCLEAR REACTORS

The Commission has approved the staff soliciting public comments on a proposed new assessment process as presented in SECY-98-045, as guided by the following general principles (the Commission desires that this SRM, the Commission voting record, and the comments of the Commissioners be included in the Federal Register Notice soliciting public comments):

1. While the enforcement program is a valuable regulatory tool, the Commission does not desire that enforcement be used as a "driving force" of the assessment activities.
2. The Commission supports the position that the staff continue to identify positive, as well as negative findings in inspection reports (this should not be construed as requiring inspectors to strive for a "balance" of positive and negative findings in their reports).
3. The Commission does not support the transition to an assessment process based primarily on a quantitative "scoring" of plant issues matrix entries at this time. The Commission is interested in obtaining a quantitative "input" to the assessment process, and desires additional feedback on potential grading mechanisms during this public comment period.
4. The Commission supports the development, if possible, of leading or, at least, concurrent indicators that can identify emerging safety problems. The Commission recognizes that neither the staff nor industry has thus far been successful in developing leading indicators, and resources devoted to this effort need to be commensurate with the probability of success.
5. The definitions for the performance rating categories should not be "color coded".

In addition to the processes discussed in the paper, the staff should remain open during the public comment period to less dramatic changes which might integrate the existing processes in a manner which saves resources and may be more readily implemented.

The staff should continue to involve the ACRS in the efforts to integrate NRC's assessment process.

The staff should inform the Commission of the results of their review of public comments and their recommendation for changes to the assessment process. The staff should address how the new process will ensure inter and intra regional consistency and the equitable treatment of plants receiving varying levels of inspection effort. The staff should include any conceptual changes to the inspection program needed to conform with the new assessment process.

(EDO) (SECY Suspend: 1/1/99)

The staff should report to the Commission the reasons that Level IV violations have doubled in the past two years while performance indicators show an improving trend of industry performance.

(EDO) (SECY Suspend: 7/31/98)

The results and proposed actions associated with the senior management review should be forwarded to the Commission for an expedited (three day) review under a negative consent process under which, absent a Commission majority to the contrary, the result would be for the staff's actions to go forward as proposed.

(EDO) (SECY Suspend: 7/1/98)

In fiscal year 1999, the staff should transition to an annual senior management review.

(EDO) (SECY Suspend: 1/1/99)

cc: Chairman Jackson
Commissioner Dicus
Commissioner Diaz
Commissioner McGaffigan
OGC

CIO
CFO
OCA
OIG
Office Directors, Regions, ACRS, ACNW, ASLBP (via E-Mail)
PDR
DCS

SECY NOTE: SECY -98-045 was released to the public at the Commission Meeting on April 4, 1998. This SRM and the Commission voting record will be made publicly available 5 working days from the date of this SRM.