

June 29, 1998

MEMORANDUM L. Joseph Callan  
TO: Executive Director for Operations  
FROM: John C. Hoyle, Secretary /s/  
SUBJECT: STAFF REQUIREMENTS: SECY-98-059 - PROPOSED OPTIONS FOR ASSESSING THE  
PERFORMANCE AND COMPETENCY OF LICENSEE MANAGEMENT

The Commission, after considering the five options contained in SECY 98-059 for ensuring that licensees maintain competent management at their nuclear plants, approved only those elements of Option 2 associated with the current staff practice of inferring licensee management performance from performance-based inspections, routine assessments, and event follow up. Efforts to develop leading indicators of performance should not use licensee management performance or competency as an input, and the inspection program should focus on performance-based inspection findings.

The Commission approved the elimination of any FY 1998 resource expenditures specifically directed at developing a systematic method of inferring management performance. The Commission also disapproved any use of FY 1999 and FY 2000 resources for these purposes.

cc: Chairman Jackson  
Commissioner Dicus  
Commissioner Diaz  
Commissioner McGaffigan  
OGC  
CIO  
CFO  
OCA  
OIG  
Office Directors, Regions, ACRS, ACNW, ASLBP (by E-Mail)  
PDR  
DCS

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SECY NOTE: This SRM, SECY 98-059, and the Commission Voting Record will be made available to the public 5 working days from the date of this SRM.