IN RESPONSE, PLEASE REFER TO: M060516B

June 14, 2006

MEMORANDUM TO: Luis A. Reves

Executive Director for Operations

FROM: Annette L. Vietti-Cook, Secretary /RA/

SUBJECT: STAFF REQUIREMENTS - BRIEFING ON RESULTS OF THE AGENCY ACTION REVIEW MEETING -

> REACTORS/ MATERIALS, 9:30 A.M., TUESDAY MAY 16, 2006, COMMISSIONERS' CONFERENCE ROOM, ONE WHITE FLINT NORTH, ROCKVILLE, MARYLAND (OPEN TO PUBLIC ATTENDANCE)

The Commission was briefed by the NRC staff on the results of its annual Agency Action Review Meeting (AARM).

In future annual reports on materials licensee performance, the staff should provide available performance data that clarifies any meaningful distinctions between NRC licensees and Agreement State licensees or recommend an appropriate alternative to achieve this objective. The staff should also provide comparable date ranges on the various data charts and provide more specific information on causal factors (e.g., types of equipment failures) contributing to events.

The staff should consider ways to involve Agreement States in NRC's human reliability research and share the results of the research. The staff should assess the program (NRC licensees and State licensees) to identify enhancements.

The staff should revise materials performance goals where appropriate to establish more challenging measures that reflect the effectiveness of both the NRC and the States in the control of radioactive sources. The performance indicator for unrecovered risk significant sources should appear in the quarterly report of the Nuclear Materials Events Database (NMED) to highlight the success of this program.

The staff should keep the Commission informed of the ongoing integrated safety assessment (ISA) reviews for the fuel cycle facilities.

The staff should continue to work with stakeholders to improve the performance indicator program in order to better identify those plants with declining safety performance. The staff should also continue to focus on improving the timeliness and efficiency of the significance determination process (SDP). Within the reactor oversight program, the staff should reconsider the point at which licensee senior management should be requested to meet with the Commission to discuss actions being taken to improve performance (e.g., plants remaining in Column IV for a protracted period) and make a recommendation to the Commission.

cc: Chairman Diaz

Commissioner McGaffigan Commissioner Merrifield Commissioner Jaczko Commissioner Lyons

OGC CFO

OCA

OIG **OPA**

Office Directors, Regions, ACRS, ACNW, ASLBP (via E-Mail)