MANUAL CHAPTER 2600

FUEL CYCLE FACILITY OPERATIONAL SAFETY AND SAFEGUARDS INSPECTION PROGRAM

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2600-01 PURPOSE

To establish the policy for the fuel cycle facility inspection program.

2600-02 OBJECTIVES

02.01 To define the minimum core inspection effort to be performed at each type of fuel cycle facility.

02.02 Provide guidance for developing Master Inspection Plans (MIPs) for each facility.

02.03 To determine whether licensed and certified fuel cycle facilities are operated safely in accordance with U.S. Nuclear Regulatory Commission (NRC) regulations.

02.04 To determine the causes of declining performance before such performance reaches a level that may result in an undue risk to public health and safety.

02.05 To identify those safety or safeguards significant issues that might have generic applicability.

02.06 To provide guidance for assessing facility performance in real time, interfacing with the Licensee Performance Review (LPR) process, and preparing for the annual Agency Action Review Meeting (AARM).

02.07 Provide guidance for adjusting inspection effort on the basis of facility performance.

2600-03 APPLICABILITY

The fuel cycle inspection program applies to operating fuel cycle facilities licensed by the NRC including nuclear fuel fabrication and assembly facilities, uranium enrichment plants, and uranium conversion plants. (Note: As the safety and safeguards inspection program is applied to facilities certified under 10 CFR Part 76, “license” shall read as “certificate,” and “licensee” shall read as “certificate holder” for such facilities.)

Inspection and assessment activities for facilities undergoing construction, preoperation, startup, major modifications, or having ceased operations in preparation for decommissioning should be handled on a case-by-case basis. Fuel cycle facilities in non-operating status generally do not pose the same levels of risk as operating facilities. Certain inspection procedures (IPs) may not be applicable in these cases, and others may need to be adjusted to the given situation to reflect the actual level of risk attached to each situation.

Facilities with approved Decommissioning Plans, or for which project management responsibility has been transferred out of the Division of Fuel Cycle Safety and Safeguards (FCSS),are not addressed in this chapter.

2600-04 DEFINITIONS OF INSPECTION FREQUENCIES

04.01 As Needed (AN). The inspection effort should be performed when the activity or event occurs at the facility as specified in the guidance section of specific inspection procedures (e.g., outages).

04.02 Core Inspection Program Completion. Core Inspection Program completion for an annual inspection cycle is defined to be completion of each core inspection procedure listed in Appendices A-C for each facility, except where deviations are approved in advance by the Director, FCSS.

2600-05 RESPONSIBILITIES AND AUTHORITIES

05.01 Director, Office of Nuclear Material Safety and Safeguards (NMSS).

a. Provides overall program direction for the fuel cycle inspection program.

b. Oversees the implementation of the NMSS-assigned portion of the fuel cycle inspection program.

05.02 Regional Administrator, Region II.

a. Provides program direction for management and implementation of the inspection program elements performed by the regional office.

b. Ensures, within budget limitations, that the regional office staff includes adequate numbers of inspectors in the various disciplines necessary to carry out the inspection program described in this chapter, including that which may be needed for regional supplemental and reactive inspections.

c. Directs the implementation of the supplemental inspection program.

d. Applies inspection resources, as necessary, to deal with significant issues and problems at specific facilities.

05.03 Director, Division of Fuel Cycle Safety and Safeguards (FCSS).

a. Develops and directs the implementation of policies, programs, and procedures for inspecting applicants, licensees, and other entities subject to NRC jurisdiction.

b. Assesses the effectiveness, uniformity, and completeness of implementation of the fuel cycle inspection program.

c. Approves changes to the fuel cycle facility inspection program.

d. Approves changes to the MIP that involve proposed deviations from the inspection program described herein.

e. Ensures, within budget limitations, that the Headquarters Office staff includes adequate numbers of inspectors in the various disciplines necessary to carry out the inspection program described in this chapter, including that which may be needed for regional supplemental and reactive inspections.

f. Implements the fuel cycle inspection program elements assigned to FCSS.

g. Assesses the effectiveness of the implementation of this inspection program throughout the Agency.

05.04 Director, Regional Inspection Division.

a. Manages the implementation of the inspection program elements assigned to the regional office.

b. Develops and updates the agency-wide MIPs for fuel cycle inspections.

c. Coordinates with FCSS to obtain specialized inspection expertise, as necessary.

d. Develops and maintains the fuel cycle inspection program for approval by the Director, FCSS.

05.05 Director, Nuclear Security and Incident Response (NSIR).

a. Oversees the implementation of the safeguards portion of the fuel cycle inspection program (physical security).

b. Ensures, within budget limitations, that NSIR staff includes adequate numbers of inspectors necessary to carry out the inspection program described in this chapter, including that which may be needed for regional supplemental and reactive inspections.

c. Applies inspection resources, as necessary, to deal with significant issues and problems at specific facilities.

05.06 Chief, Regional Fuel Facility Inspection Branch.

a. Proposes changes to the fuel cycle inspection program.

b. Implements the assigned Regional portion of the fuel cycle inspection program.

c. Develops the Branch MIP input.

d. Coordinates with other appropriate inspection organizations in assessing facility performance.

05.07 Chief, Technical Support Branch (TSB), Division of Fuel Cycle Safety and Safeguards.

a. Proposes changes to the fuel cycle inspection program.

b. Implements the Headquarters nuclear criticality portion of the fuel cycle inspection program.

c. Develops the Headquarters nuclear criticality safety MIP input.

d. Coordinates with Region II and FCSS in assessing facility performance.

05.08 Chief, Material Control & Accounting Branch (MC&A), Division of Fuel Cycle Safety and Safeguards.

a. Proposes changes to the fuel cycle inspection program.

b. Implements the Headquarters MC&A portion of the fuel cycle inspection program.

c. Develops the Headquarters MC&A MIP input.

d. Coordinates with Region II and FCSS in assessing facility performance.

2600-06 PROGRAM DESCRIPTION

06.01 General. The program described herein recognizes the changes to the fuel cycle facility licensing process resulting from the September 18, 2000 revisions to 10 CFR Part 70 that established, among other things the requirement for Integrated Safety Analyses (ISAs), development and implementation of items relied on for safety (IROFS), and management measures. These changes, in concert with other NRC and industry efforts to enhance the use of risk assessment technologies, allow for more risk-informed inspection and assessment of fuel cycle facility performance. The inspection program uses as one base, the risk information from ISAs to provide more emphasis on those systems, processes, and activities that have higher risk. The procedures referenced in Appendix B for safety inspections have been revised based on the revised 10 CFR Part 70.

This inspection program also provides guidance on responding to events at licensee facilities. Depending on the significance of an event, additional guidance for determining the level of agency response to an event is contained in NRC Management Directive (MD) 8.3, “Incident Investigation Program.”

06.02 Material Control and Accounting Inspection Program. This inspection program is described in a separate Inspection Manual Chapter (IMC). The associated procedures are listed in the MIP.

06.03 Physical Protection and Transport of Special Nuclear Material (SNM) Program. This inspection program is described in a separate IMC. The associated procedures are listed in the MIP.

2600-07 FUEL CYCLE FACILITY INSPECTION PROGRAM ELEMENTS

07.01 Program Elements. The inspection program described in this IMC is comprised of the following major program elements:

a. Core Inspections, including Resident Inspections where applicable.

b. Plant Specific Reactive Inspections.

c. Plant Specific Supplemental Inspections.

d. Generic Safety Issue Inspections.

e. LPRs.

Inspection procedures identify requirements that the inspectors must consider while evaluating the associated area. These requirements may not be the same as NRC requirements placed on a specific licensee. As such, it is not implied or intended that inspection program requirements are to be levied on the licensee.

07.02 Core Inspection Program. This is the minimum required inspection program appropriate to determine whether a fuel cycle facility is operating safety and securely in accordance with regulatory requirements and to identify indications of declining safety or safeguards performance. Each inspection procedure is complete when the objectives of that procedure are satisfied. The resource estimate in each procedure is an estimate for planning purposes; it is not an expected level of effort. Inspections of different licensees will require different levels of effort to complete the objectives. The resource estimate is an estimate of the nominal effort to meet the objectives. (In some cases, where inspections draw from a suite of available inspection procedures, rather than a single inspection procedure, the suite will be considered as a single procedure for resource planning.) The core inspections for each type of facility are specified in Tables 1 and 2 of Appendix B.

Resident inspectors are assigned to certain fuel cycle facilities that require such oversight because of their complexity of operation, risk, or other significant factors. However, a resident inspector may occasionally perform inspections other than resident inspections in coordination with regional management if he/she is qualified to do so. The resident inspection program is described in more detail in Appendix C.

07.03 Plant Specific Reactive Inspections. Reactive inspections include followup for events through supplemental inspections, Special Inspection Teams (SITs), Augmented Inspection Teams (AITs), and Incident Investigation Teams (IITs). A graded approach to reactive inspections is taken depending on the actual or potential risk-significance of an event or conditions. As more information is developed during an inspection, management may change the type of inspection, for example from an AIT to a SIT. In addition to events, reactive inspections may also be conducted for a significant change in the conditions involving licensed activities, such as a threatened or actual strike, a major layoff of plant personnel, or the occurrence (or pending occurrence) of a natural phenomenon or offsite event.

07.04 Plant Specific Supplemental Inspections. The plant specific Supplemental

Inspections provide more diagnostic inspections of identified problems and issues beyond the Core Inspections. Supplemental Inspections are performed as a result of performance issues that are identified by Core Inspections, event analysis, or during the LPR. The depth and breadth of specific Supplemental Inspections chosen for implementation will depend upon the risk, safety, or safeguards significance. Supplemental inspections might also be conducted due to allegations. Depending on the risk significance and breadth of the identified performance issues, the supplemental inspections provide a graded response, which includes oversight of the licensee's root cause evaluation of the issues, expansion of Core Inspection reviews to increase depth and/or breadth of review, or a focused team inspection (as necessary to evaluate extent of condition); or a broad scope, multi-disciplined team inspection, which would include inspection of areas that appear to be root cause contributors such as a Problem Identification and Resolution system. The decision to conduct a Supplemental Inspection should be made through the assessment process, as further discussed in Section 8.0, below. For Time and Labor reporting purposes, supplemental inspections will normally be coded "Regional Initiative (RI)."

07.05 Generic Safety Issue Inspections. Concerns with specific safety issues that arise may be addressed solely through the NMSS or NSIR review processes and the use of regulatory communications issued to licensees. Some issues are of such safety significance that it is appropriate to perform a one-time inspection under the safety issues program element. These inspections may be established by Temporary Instructions (TIs). For example, when it is determined that a safety issue addressed in a bulletin or generic letter requires inspection verification or followup, requirements and guidance for the inspection will be developed and issued in a TI. Unless such a TI is issued, inspection followup is not required to verify completion of licensees' actions discussed in a bulletin or generic letter. The plants to be inspected will be designated in the TIs.

Specific criteria for closing a TI will be addressed in the TI itself. In general, TIs should not be closed until all relevant safety issue items have been completed by the licensee and verified by inspection. However, exceptions may be considered when the licensee's schedule for completing items remaining is acceptable, properly documented, and is not a critical element to resolving the safety issue.

In addition, the need may arise for specific inspections to address major evolutions limited to one or a few licensees, such as adding new process lines or changing the assay of material processed in a facility. The need for these inspections will also be assessed on a case-by-case basis, and they can be conducted under the guidance of a TI or by using existing IPs in a customized inspection plan as Supplemental Inspections.

07.06 Licensee Performance Reviews. LPRs are conducted in accordance with IMC 2604 as part of the overall licensee performance oversight.

07.07 Backshift Inspections. There is not a specific goal for performing backshift inspections. Backshift inspections should be performed for operations and activities that are ongoing on backshift and whenever required to complete the intended scope of the inspection. (See Appendix C for resident inspectors backshift guidance.)

07.08 Inspections During the Construction, Preoperational, and Startup Phases. Inspections for the startup of new or modified facilities are handled on a case-by-case

basis through the implementation of a project-specific inspection plan or IMC.

2600-08 PROGRAM IMPLEMENTATION

08.01 Master Inspection Plan. Prior to the start of each calendar year, a MIP will be developed for each of the facilities covered by this IMC. The details of inspections within the MIP will be based on the core inspection program and specific performance issues from the LPR and ongoing or planned activities at each facility. Inspections that deviate from the core inspections in Appendix B will be approved by the Director, FCSS. For each facility, the MIP will identify all planned inspections to be performed, including Core, Supplemental, or Generic Safety Issue inspections. The estimated staff hours to complete each item on the MIP will also be included. Note that advanced planning for certain activities such as supplemental and reactive inspections may not be possible.

The MIP shall be maintained by Region II, including all inspections planned by the regional and Headquarters inspection staffs. These inspections will be coordinated to ensure that: (1) inspections are performed as defined in Appendix B, or modified in writing in accordance with this chapter; (2) inspections do not overlap (i.e., multiple inspections conducted at the same time) such that they cause undue adverse impacts on normal operations at the facility; and (3) major fuel facility inspection program activities, such as LPRs, can be scheduled with minimum interruption of scheduled inspections. Any inspections that are not to be conducted with the periodicity in Appendix B, must be addressed as a change in the MIP (see Section 08.03, below).

Inspections normally should be announced, with adequate advance notice given to the licensee to ensure that appropriate licensee personnel can be made available and inspectors can arrange periodically to observe certain activities not conducted on a routine basis. However, inspection staffs retain the prerogative to conduct inspections on an unannounced basis where appropriate. Resident inspections for those sites with an assigned resident inspector are considered unannounced.

08.02 Establishment of the Core Inspection Program. The annual core inspection program for a specific facility is complete when the inspections in Appendix B are completed for that facility. The Agency's ability to assess the adequacy of facility performance is the controlling factor in determining the inspection effort necessary to complete the Core Inspections. Appendix B provides an estimate of the hours associated with each inspection procedure for overall resource planning only.

a. The Core Inspection procedures are contained in Table 1 of Appendix B. The inspection effort is expressed for five different facility types:

    1. Category I Fuel Fabrication Facilities.

    2. Category III Uranium Fuel Fabrication Facilities.

    3. Category III Uranium Fuel Assembly Facilities.

    4. Uranium Conversion Facilities.

5. Gaseous Diffusion Plants.

b. Appendix B shows a list of IPs required to be used in the Core Fuel Cycle Facility Inspection Program. They are grouped by Functional and Program Area, as described in NRC IMC 2604.

c. For the Physical Protection and MC&A Program areas, inspectors select the appropriate procedures to use from a set, or suite, of procedures, rather than use a single procedure. In these cases, the specification of a Core Inspection pertains to use of the multiple procedures in the aggregate (i.e., the entire procedure suite).

08.03 Program Adjustments. The program provides NMSS and Region II flexibility to adjust the frequencies, focus, and intensiveness of inspections for different functional areas at facilities. Periodic adjustments will be based on the LPR results, taking into account the complexity, risk level, and previous operating history of the facility. Occasional adjustments may also occur in response to other events or activities as determined by the responsible regional or Headquarters management. These adjustments should be coordinated between the Regional and Headquarters Branch Chiefs and documented in a memorandum. If the change impacts the approved MIP, then the change must be approved by the Director, FCSS, and the Director, Regional Inspection Division, or their designee. Minor adjustments involving the exact timing of an inspection within the calendar year, may be performed at the discretion of line management. It is the intent of the program that line management use the built-in flexibility to make the most effective and efficient use of NRC resources to address changes in plant status and licensee operations.

A reasonable allowance for responding to events or special licensee activities should normally be included in resource planning. In some cases, necessary adjustments may be difficult to implement within the constraints imposed by limited inspection resources. In such cases, implementation may involve a shift in the focus of already scheduled inspection resources for the subject facility, or a shift in allocated inspection resources from other facilities that are not exhibiting performance problems. Changes in inspections at a facility that will reduce the planned inspections below that of the MIP must be approved by the MIP change process with appropriate management approvals.

2600-09 EVENT REVIEW AND RESPONSE

Region II is responsible for determining the seriousness of reported events and whether an immediate reactive inspection is necessary. This determination is performed in coordination with NMSS and, when appropriate, NSIR.

Non-reportable events are those events which fall outside of the NRC's reporting criteria. Although these events are not reported formally to NRC, licensees occasionally contact NRC staff informally to describe the event. Licensees are often required, through license or certificate conditions, to maintain records of off-normal events onsite. Inspections should examine non-reportable events, and associated licensee responses, for the particular program area being inspected in order to obtain a perspective on emerging problems or declining performance. It is not the intent of inspections that inspectors issue violations for items identified by a licensee's off-normal event or problem identification and

resolution system if the licensee has taken or is taking appropriate corrective actions. As noted in IMC 0610, licensee identified issues in the licensee's problem identification and resolution system need not be documented in inspection reports unless there is an overriding safety issue or potential generic issue important to safety. Technical details of the issue may provide useful insight on equipment or system reliability, or on some aspect of human performance.

The agency's response to significant events is described in NRC MD 8.3, "NRC Incident Response Program."

2600-10 PLANNING FOR INSPECTIONS

Prior to conducting an inspection, the inspectors shall prepare an inspection plan. As a minimum, the inspection plan should state the facility to be inspected (including docket number and report number); the dates of the inspection; names of inspectors conducting the inspection; what procedures or suites of procedures will be used; the events, open items or any special issues that will be reviewed as part of the inspection; and should include an approval block showing that the plan was approved by the cognizant supervisor.

2600-11 CONDUCTING INSPECTIONS

11.01 Management Entrance and Exit Meetings. Inspectors are required to meet with licensee management as part of every inspection. An example outline for an entrance and exit meeting is shown in Appendix D. Inspectors should hold an entrance meeting with the senior licensee representative who has responsibility for the areas to be inspected. At the conclusion of an inspection, inspectors must discuss their preliminary findings with the licensee's management at a scheduled exit meeting. [Note: potential safety-significant or enforcement findings should be promptly communicated to the licensee so that appropriate corrective actions or compensatory measures can be initiated.] Management entrance and exit meetings with licensee personnel should be scheduled to have the minimum impact on other licensee activities necessary to assure the safe operation of the facility.

Time spent on scheduled and periodic entrance and exit meetings (including preparing for the meetings) is considered inspection time and should be divided among the procedures being performed for the entire inspection. Daily communications with licensee management are considered to be an integral part of every inspection procedure and the time used for such routine communications should be charged to the inspection procedures used.

Communicating inspection observations is also an integral and important part of every inspection, whether done daily during the course of an inspection, or periodically with status meetings. Many licensees have expressed the desire to hear inspectors insights related to safety/regulatory performance even in instances where they do not reach the threshold for documentation in an inspection report, such as minor violations (see IMC 0610). When deciding which observations and insights to pass on to the licensee, inspectors should consider the following:

a. Inspectors should share the same insights with their regional managers and the senior resident inspector.

b. The insights must relate to areas within NRC's jurisdiction and responsibilities.

c. Comments should be objective and supported with examples when possible. Avoid generalizations such as "procedure adherence was good." Instead, just state the objective facts: "Procedures were followed in each case we observed." Negative observations or insights must be supported with specific examples.

d. Inspectors should not express an expectation for actions taken by licensee managers. The inspectors may comment on whether or not the actions comply with NRC requirements.

e. Inspectors should determine before the exit if the licensee wants to hear the observations and insights at the exit meeting. If the licensee does not want the observations or insights at the exit meeting, the inspectors should not discuss them.

f. Inspectors must avoid "consulting" for the licensee and not advise them on how to improve draft documents or in-process work, or pass on to licensees how others do the same thing.

11.02 Findings Related to Non-NRC Regulations. Inspections might uncover safety issues or other problems outside the scope of NRC regulatory authority. These should be described to the inspector's management and conveyed to the licensee. In cases where the hazard is corrected before the end of the inspection, no further action is required (see IMC 1007, "Interfacing Activities Between Regional Offices of NRC and OSHA"). In all cases where the finding involves a potential effect on the safety of radioactive material, the inspector should ask what actions the licensee plans to take. Findings of safety issues that could impact the safety of radioactive materials shall be reviewed during subsequent inspections until the licensee has addressed the concern. However, special followup inspections solely on the basis of an Occupational Safety and Health Administration (OSHA) issue are not required unless the potential hazard also directly involves radiological health or safety. Findings involving occupational risk, that do not affect the safety of radioactive materials, will be identified to the licensee and processed in accordance with IMC 1007.

11.03 Performance-based Inspection Focus. Inspectors should focus their attention on activities important to safety using a performance-based, risk-informed approach. Performance-based inspection emphasizes observing activities and the results of licensee programs over reviewing procedures or records. For example, an inspector might identify an issue through observing a plant activity in progress, monitoring equipment performance, or the in-plant results of an activity (e.g., an engineering calculation), and then let the observed discrepancy or uncertainty lead to evaluation of other associated areas. Discussions with plant personnel and reviewing documents should be used to enhance or verify performance-based observations. These procedures are designed to emphasize observation of activities, or those portions that are most risk-significant in terms of safety and reliability.

Potential risk-significant inspection findings and regulatory non-compliances will be handled in accordance with the "General Statement of Policy and Procedures for NRC Enforcement Actions-Enforcement Policy." Findings not covered by the current license or certificate will be forwarded to the appropriate NRC licensing branch for resolution.

11.04 Third Party Assistance. On occasion licensees ask inspectors for recommendations for obtaining help solving programmatic problems. Inspectors are prohibited from recommending the services of individuals or organizations for a project under NRC regulatory jurisdiction. Providing such a recommendation violates 5 CFR 2635.702, which prohibits Federal employees from using public office for endorsement of any product, service, or enterprise. For further information refer to the Executive Director for Operations' (EDOs') Field Policy Manual No. 19, "Guidance for Recommending Third Party Assistance to Licensees."

11.05 Findings Outside of Inspector's Qualifications. Inspectors sometimes identify issues or violations outside of the inspector's qualifications or expertise. In these cases the inspector is responsible for (1) determining if an immediate threat to public or worker health or safety exists, and if one does exist to notify licensee management immediately, and (2) determining if the issue is better addressed by an inspector with different qualifications. Inspectors may follow issues outside of their qualifications or expertise with the concurrence of an NRC manager responsible for the area associated with the issue and the inspector's supervisor.

The inspector's time associated with the issue is charged to the baseline procedure that best corresponds to the issue.

11.06 Inspection Documentation. Inspections shall be documented in accordance with the requirements of IMC 0610.

11.07 Independent Inspection Effort. As a general rule, inspections should be conducted in accordance with inspection procedures. However, it is not possible to anticipate all the unique circumstances that might be encountered during the course of a particular inspection and, therefore, individual inspectors are expected to exercise initiative in conducting inspections, based on their expertise and experience and risk insights, as needed to assure that all the inspection objectives are met.

11.08 Open Item Guidance. Inspection findings can be tracked as one of the following types of Open Items:

IFI: An Inspector Followup Item (IFI) is a potential safety issue that is not a violation, non-conformance or deviation that requires further inspection because specific licensee action is pending or additional information is needed that was not available during the inspection. An IFI should clearly identify the action being taken. An inspector should only open an IFI if further NRC inspection is warranted and the issue was evaluated and discussed with management for safety significance. IFIs should be closed after the licensee has completed the necessary actions to address the issue. The inspector who opens an IFI should make every effort to obtain the

needed information through either a telephone conference with the licensee following the inspection or by having another specialist inspector review the issue in a subsequent inspection. If the item can be closed out as a result of a telephone conference with the licensee, the inspector should provide a feeder report for inclusion in the next inspection report at the facility (Resident Inspector, Regional or Headquarters inspection).

URI: An Unresolved Item (URI) involves an issue that requires more information to determine whether a violation has occurred. Because each URI is a potential safety issue, every effort must be made to obtain the required information. As such, the inspector should identify what information is required to close the URI to the licensee at the exit meeting and a schedule for obtaining that information should be obtained. Additionally, the inspector should obtain the licensee's rationale for why the process is safe prior to leaving the site (e.g., a compensatory measure is in place, the equipment is shut down, etc.).

NOV: A Notice of Violation (NOV) is a citation of non-compliance with NRC requirements and is tracked when needed to assure proper corrective actions. Items to be reviewed should include the root cause, short and long term corrective actions. As with URIs, the inspector should not leave the site until understanding why the process is safe at that time. NOVs should be closed out upon verification that the licensee has implemented the corrective actions that the licensee committed to perform in the licensee's response to the NOV as soon as practicable after the date when implementation is scheduled to be complete.

DEV: A Deviation (DEV) is a licensee's failure to satisfy a written commitment or conform to the provisions of code, standard, guide, or accepted industry practice when the code, standard, guide, or practice involved has not been made a legally binding requirement by the Commission, but is expected to be implemented. Examples of licensee's commitments include responses to bulletins, generic letters, or 10 CFR 70.22(d) requests. These items should be handled in the same manner as a URI.

Open items will be entered in the item tracking system. Closeout of items is the responsibility of the organization that opened them or by another organization by agreement between management of those organizations. If closure occurs in an inspection report issued by another organization, it remains the responsibility of the issuing organization to ensure that the item is closed in a timely manner in the item tracking system.

2600-12 ASSESSING FACILITY PERFORMANCE

12.01 Licensee Performance Review (LPR). LPRs are conducted in accordance with IMC 2604 as part of the overall licensee holder performance oversight.

12.02 Agency Action Review Meeting (AARM). The information and performance assessments arising from the inspection program should be the primary inputs to management discussions in preparation for the annual AARM, which are conducted per MD 8.14.

12.03 Ongoing Assessments of Facility Performance. NRC inspectors perform a basic mission in determining whether a licensee operates the facility safely and meets current regulatory requirements. Limiting inspection to identification of specific instances where a licensee fails to meet such requirements and commitments could result in correction of symptoms rather than correction of underlying causes of licensee problems. Thus, the inspection program requires that inspectors and their managers evaluate problems to determine if followup inspections are necessary to diagnose whether a safety concern represents an isolated case or may signify a broader, more serious problem based on the evaluated significance of the issues

2600-13 ASSESSING PROGRAM IMPLEMENTATION

The program office expects the regions and inspectors to identify problems in implementing the fuel cycle facility inspection program, and to recommend changes to the program for consideration by the program office. Any such feedback and recommendations should be submitted to NMSS.

END

Attachments:	Appendix A	Guidance for Conducting Fuel Cycle Inspections
	Appendix B	Core Inspection Requirements
	Appendix C	Fuel Cycle Resident Inspection Program
	Appendix D	Fuel Cycle Facility Inspection Planning

ATTACHMENT 1

Revision History for IMC 2600

Commitment Tracking Number	Issue Date	Description of Change	Training Needed	Training Completion Date	Comment Resolution Accession Number
N/A	04/26/07 CN-07-014	Revised to incorporate the new inspection procedures developed to address changes to 10 CFR Part 70 and to reflect enhancements made to the fuel facility inspection program.	None	N/A	ML070190069
N/A	08/15/07 CN 07-025	Remove "OFFICIAL USE ONLY - SENSITIVE INTERNAL INFORMATION" designation from entire manual chapter to make publicly available.	None	N/A	ML072080010