

SCHEDULING NOTE

Title: **BRIEFING ON RESULTS OF THE AGENCY ACTION REVIEW MEETING (AARM) (Public)**

Purpose: To provide the Commission a discussion of the results of the Agency Action Review Meeting (AARM) and to hear from licensees, as appropriate on their action plans.

Scheduled: **June 2, 2016**
9:00 a.m.

Duration: Approx. 3 hours

Location: Commissioners' Conference Room, 1st fl OWFN

Participants:	Presentation
<u>NRC Staff</u>	60 mins.*
Victor M. McCree , Executive Director for Operations	
<u>Topic:</u> Opening Remarks	5 mins.*
Marc Dapas , Regional Administrator, Region IV	15 mins.*
<u>Topic:</u> Performance of Arkansas Nuclear One	
Daniel H. Dorman , Regional Administrator, Region I	10 mins.*
<u>Topic:</u> Performance of Pilgrim	
Daniel Collins , Director, Division of Material Safety, State, Tribal and Rulemaking Programs, Office of Nuclear Material Safety and Safeguards	10 mins.*
<u>Topic:</u> Material and Waste Performance Trends	
Scott Morris , Director, Division of Inspection and Regional Support, Office of Nuclear Reactor Regulation	20 mins.*
<u>Topics:</u> Reactor Industry Trends ROP Self-Assessment ROP Enhancements	
Commission Q & A	40 mins.
Break	5 mins.

Panel 2 – Entergy Corporation

15 mins.*

Chris Bakken, Executive Vice President/Chief Nuclear Officer
Tim Mitchell, Senior Vice President
Donna Jacobs, Chief Operating Officer
Jeremy Browning, Site Vice President- Arkansas Nuclear One
John McCann, Vice President, Regulatory Assurance

Topics: Licensee Action Plan for Arkansas Nuclear One

Commission Q & A

20 mins.

Panel 3 – Entergy Corporation

15 mins.*

Chris Bakken, Executive Vice President/Chief Nuclear Officer
Tim Mitchell, Senior Vice President
John Ventosa, Chief Operating Officer
John Dent, Site Vice President- Pilgrim Nuclear Power Station
John McCann, Vice President, Regulatory Assurance

Topic: Licensee Action Plan for Pilgrim

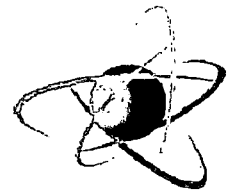
Commission Q & A

20 mins.

Discussion – Wrap-up

5 mins.

* For presentation only and does not include time for Commission Q & A's



U.S.NRC

United States Nuclear Regulatory Commission

Protecting People and the Environment

Briefing on Results of the Agency Action Review Meeting

June 2, 2016

Victor M. McCree

**Executive Director for
Operations**

Agency Action Review Meeting Objectives

- **Review licensees with performance issues**
- **Review nuclear materials and waste program performance**
- **Review effectiveness of the ROP and cROP**
- **Review industry performance trends**

Agenda

- **Reactor licensee Discussions**
 - **Arkansas Nuclear One – Marc L. Dapas, Region IV**
 - **Pilgrim – Daniel H. Dorman, Region I**
- **Materials and Waste Performance Trends – Daniel Collins, NMSS**
- **Reactor Oversight Process Program Performance – Scott A. Morris, NRR**

Review of Performance at Arkansas Nuclear One

Marc L. Dapas
Regional Administrator, RIV

Column 4 Inputs

- **Yellow Finding: Stator drop event (1st Quarter 2014)**
- **Yellow Finding: Flood protection deficiencies (3rd Quarter 2014)**
- **White Performance Indicator (Unit 2): Unplanned Scrams (2nd and 3rd Quarter 2014)**

Findings from 95003 Inspection

- **The White unplanned scrams PI was adequately addressed**
- **Corrective actions for Yellow flood protection finding potentially created new problems**
- **Additional actions to improve contractor oversight needed**

Inspection Findings (cont.)

- **Incomplete evaluation of causes for safety culture weaknesses**
- **Limited actions to address risk recognition/management**
- **Training/benchmarking not leveraged**

Inspection Findings (cont.)

- **Engineering program implementation problems**
- **Operating experience program challenges**

Causes for Performance Decline

- **Multiple resource reductions**
- **Staff turnover/loss of experience**
- **Ineffective monitoring/oversight by site and corporate leaders**
- **Declining corrective action program effectiveness**

Improvements Noted

- **Improved decision making and communications**
- **Operations Department is driving higher standards across the station**
- **Corrective Action Program rigor is improving**

Current Status-Moving Forward

- **NRC Review of Comprehensive Recovery Plan**
- **Developing Confirmatory Action Letter**
- **Verify effectiveness of corrective actions through inspections**

Closing Thoughts

- **ANO continues to operate with adequate safety margins**
- **Reasonably comprehensive “discovery” effort**
- **NRC identified some gaps**
- **Gaps addressed in Recovery Plan**

Review of Performance at Pilgrim Nuclear Power Station

**Daniel H. Dorman
Regional Administrator, RI**

Column 3 Performance Deficiencies

- **Degraded Cornerstone Column (since 4th Quarter 2013)**
- **Two White Pls: Unplanned Scrams, Unplanned Scrams with Complications**

Column 4 Performance Deficiencies

- **Two White Parallel Findings:**
 - **Inadequate corrective Actions for the two White Pls**
 - **Did not meet Inspection Procedure 95002 Objectives**
 - **Remained in the Degraded Cornerstone column for more than five quarters**

Pilgrim Performance Problems

- **White Finding in September 2015 for not identifying and correcting a safety relief valve failure**
- **White Finding combined with performance within the Degraded Cornerstone for more than five quarters**
- **Led to Pilgrim performance transition to Column 4**

Oversight Actions Comprehensive

- **Ensure adequate safety margins maintained**
- **Completed IP 95003 Phases A & B to:**
 - **Ensure significant issues in CAP are being appropriately addressed, and**
 - **Interim licensee actions arresting CAP performance declines**

Oversight Actions Comprehensive (cont.)

- **Increased Problem Identification and Resolution samples on previously identified licensee performance issues**
- **Additional Resident Inspector was assigned to site**
- **Quarterly Assessments – increased management oversight**
- **Current regulatory actions are adequate**

Future Oversight Activities

- **Supplemental IP 95003 Phase C**
 - **Most significant Phase of 95003**
 - **Conducted after licensee declares readiness**
 - **Ensures underlying causes understood**
 - **Ensures appropriate plan to address issues**

Future Oversight Activities (cont.)

- **Develop and issue Confirmatory Action Letter**
- **Conduct inspections to verify effectiveness of corrective actions and close out CAL**

Closing Thoughts

- **Pilgrim continues to operate with adequate safety margins**
- **Enhanced oversight has identified no new significant issues**
- **Entergy's efforts to assess the causes of declining performance and establish a performance improvement plan are ongoing**

Nuclear Materials and Waste Program Performance

**Dan Collins, Director
Division of Materials Safety, State, Tribal, and
Rulemaking Programs
Office of Nuclear Material Safety and
Safeguards**

Performance Evaluation Process – Key Aspects

- **Systematic review to identify significant:**
 - **Operational performance trends**
 - **Licensee performance issues**
 - **NRC program issues/gaps**

Use Predefined Performance Criteria

- **Trending review of NMED data**
- **Abnormal Occurrences**
- **Significant enforcement actions**
- **Strategic Goals and Performance Measures**

Met Strategic Goals

- **No nuclear materials licensees met the AARM discussion criteria**
- **Materials program met safety and security performance metrics**
- **No significant trending issues**
- **No significant NRC program issues**

No Significant Performance Trends Identified

- **489 NMED events**
- **17 AOs**
- **Event numbers small compared to the millions of uses**

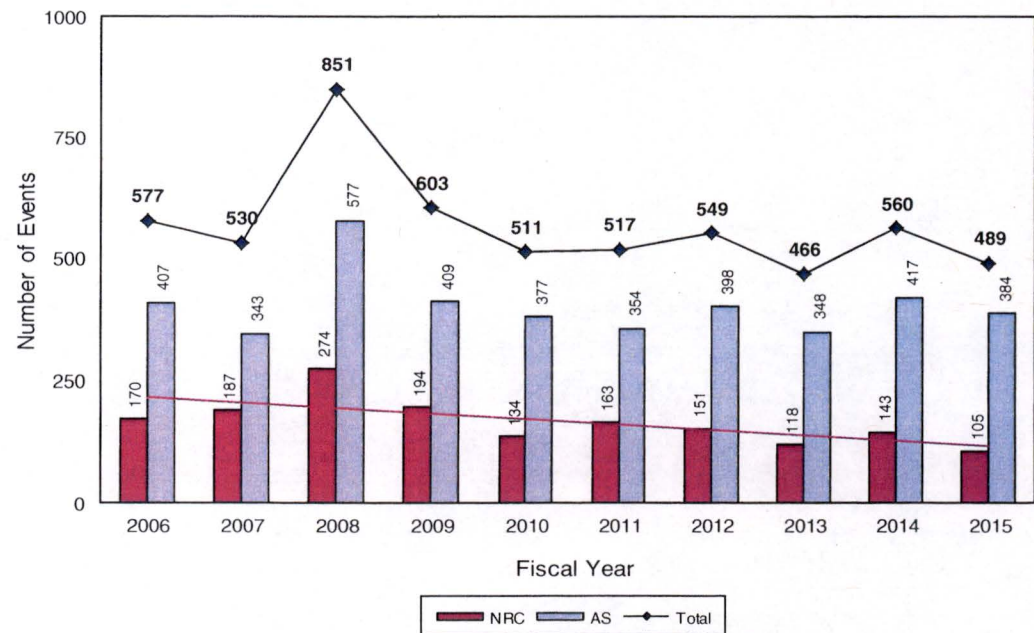


Figure 1. All NMED Events (5,653 total) from SECY 16-0050, "Annual Report to the Commission on Licensee Performance in the Materials and Waste Programs Fiscal Year 2015"

Relatively Few Category 1 & 2 Lost/Abandoned/Stolen (LAS) Events in last 10 years

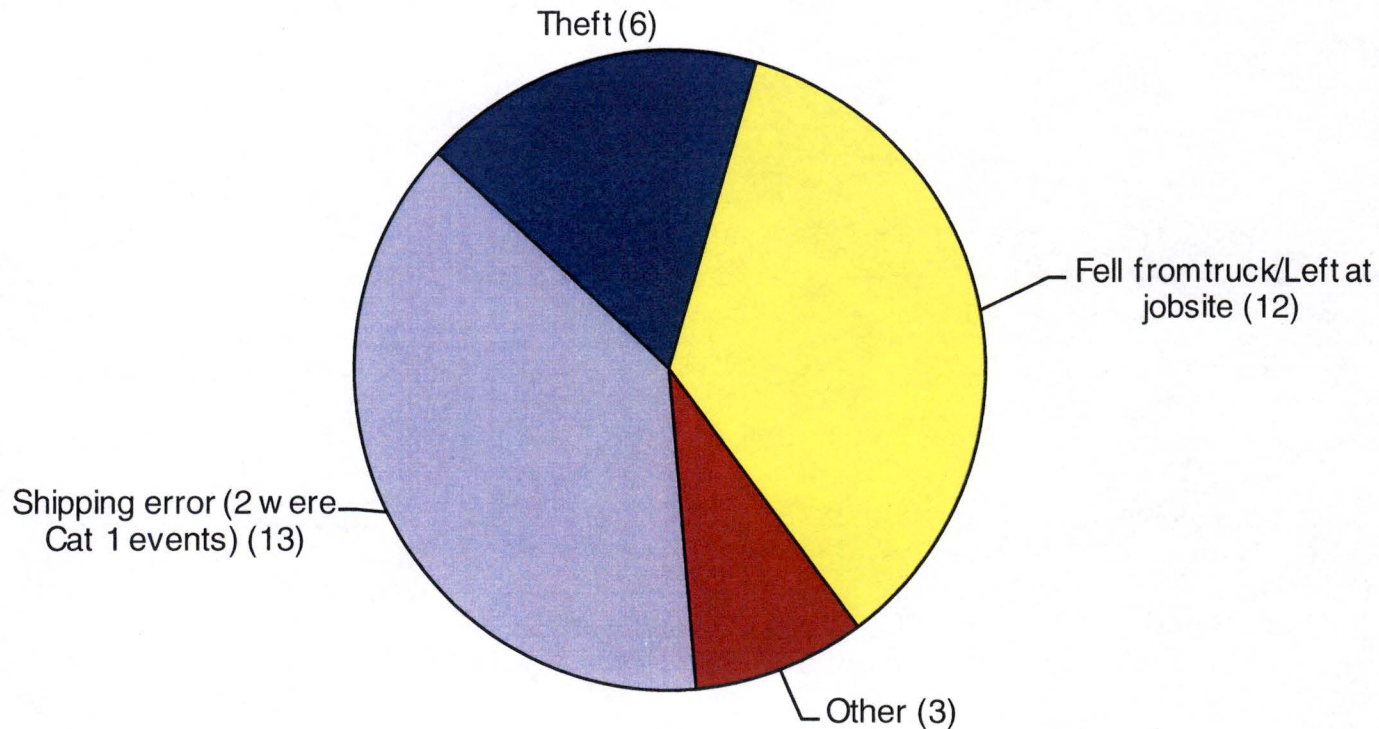


Figure 1- LAS Category 1 and 2 Events Loss Type (Cat 1- 2 events; Cat 2- 32 events; 34 total events).

Closing Thoughts

- **All Strategic Goals were met**
 - **No nuclear materials licensees met the AARM discussion criteria**
 - **Materials program met safety and security performance metrics**
 - **No significant trending issues**
 - **No significant NRC program issues**

Reactor Oversight Process Program Performance

**Scott A. Morris, Director
Division of Inspection and
Regional Support
Office of Nuclear Reactor Regulation**

Overview

- **Industry Trends Program Results**
- **ROP Self-Assessment Program Changes**
- **Self-Assessment Results**
- **Status of ROP Enhancements**

No Industry Trends in 2015

- **No short-term indicator prediction limits exceeded**
- **No “Baseline Risk Index for Initiating Events” thresholds exceeded**
- **No statistically-significant long-term adverse trends requiring generic action**

Industry Trends Program Being Sunset

- **Result of Project Aim re-baselining initiative**
- **Opportunities remain to identify adverse industry performance trends**

Revised Self-Assessment Approach Adds Accountability and Focus

- **Three major elements**
 - **Assess adherence to ROP governance using metrics**
 - **Assess recent ROP revisions to evaluate effectiveness**
 - **Perform targeted, in-depth assessment and peer reviews**

Implementing New Self-Assessment Program in Phases

- **Performed limited self-assessment in 2015**
 - **Metrics and program evaluations from Element 1**
 - **Status of improvements from Element 2**
- **Will complete ROP change effectiveness reviews, focused assessments and peer review in 2016**
- **Will document full 2016 self-assessment in early 2017**

Satisfactory Self-Assessment Results in 2015

- **Performance Metrics**
 - **All but one metric met**
 - **SDP timeliness metric missed**
- **Program evaluations completed**
- **Status of ROP improvements**
 - **Several improvements made**

Action Matrix Deviations Used Effectively

- **Only one new deviation in 2015**
 - **Monticello**
- **No programmatic changes to ROP needed**
- **Only 23 deviations since ROP inception**

2015 Self-Assessment: ROP Met Program Goals

- **Met program goals and achieved intended outcomes**
- **Ensured openness and effectiveness**
- **Remained objective, risk-informed, understandable, and predictable**
- **Several improvements implemented based on lessons learned and feedback from stakeholders**

Numerous ROP Enhancements Completed in 2015

- **Improved numerous baseline inspection procedures**
- **Modified Cross-Cutting Issue process**
- **Changed Action Matrix criteria for “degraded cornerstone”**
- **Improved ROP communications**
- **Redesigned Self-Assessment Process**

Additional ROP Enhancements Scheduled for 2016

- **Revise Component Design Basis Inspection procedure**
- **Clarify inspection issue screening process**
- **Streamline SDP to improve timeliness**
- **Clarify dual-path pursuit of ROP and Traditional Enforcement issues**
- **Streamline inspection report content and process**
- **Continue AP1000 ROP development**

Conclusion

- **Senior NRC managers affirmed the appropriateness of agency actions**

List of Acronyms

- **AARM – Agency Action Review Meeting**
- **ANO – Arkansas Nuclear One**
- **AO – Abnormal Occurrence**
- **AS – Agreement States**
- **CY – Calendar Year**
- **CAL – Confirmatory Action Letter**
- **CAP – Corrective Action Program**

List of Acronyms (cont.)

- **cROP – Construction Reactor Oversight Process**
- **FY – Fiscal Year**
- **IP – Inspection Procedure**
- **NMED – Nuclear Materials Event Database**
- **NMSS – Office of Nuclear Material Safety and Safeguards**
- **NRC – U.S. Nuclear Regulatory Commission**

List of Acronyms (cont.)

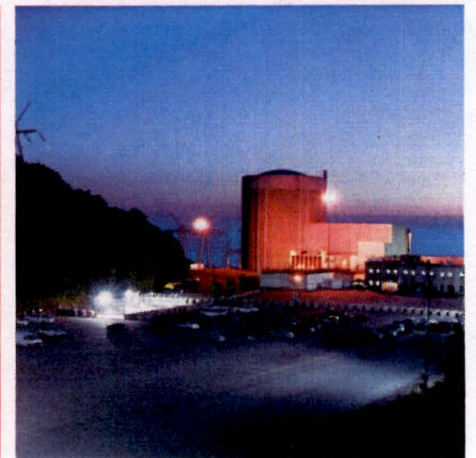
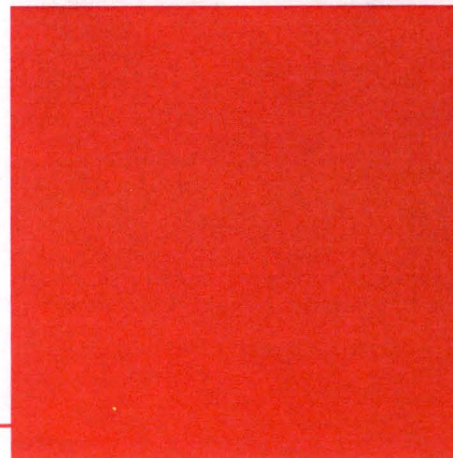
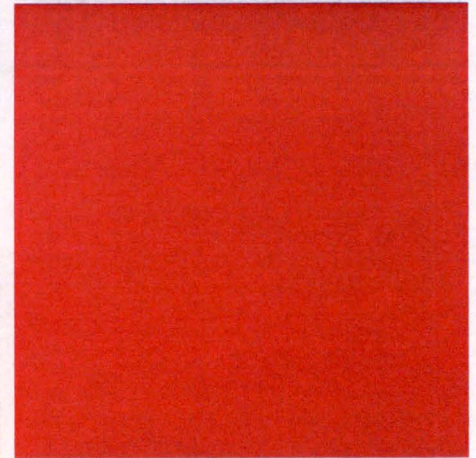
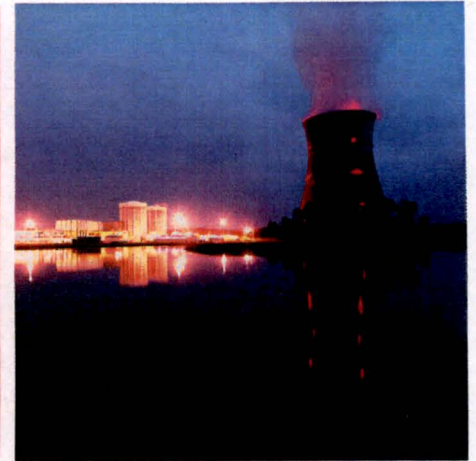
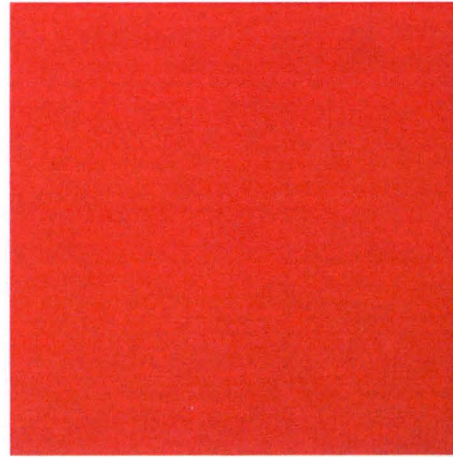
- **NRR – Office of Nuclear Reactor Regulation**
- **PI – Performance Indicator**
- **ROP – Reactor Oversight Process**
- **SDP – Significance Determination Process**



NRC Commission Briefing Arkansas Nuclear One

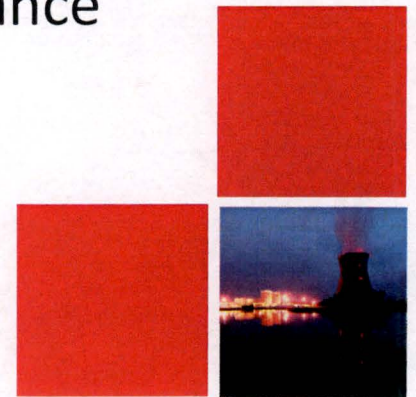
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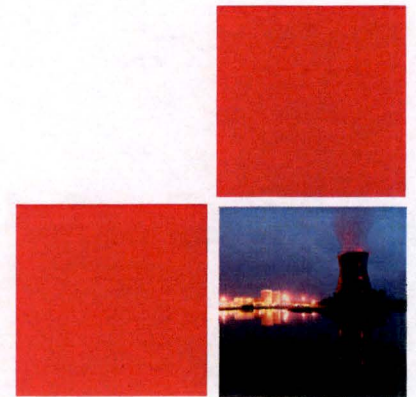
ANO Recovery; Entergy Representatives

Chris Bakken	Executive Vice President & Chief Nuclear Officer
Tim Mitchell	Senior Vice President, Nuclear Operations
Donna Jacobs	Chief Operating Officer
Jeremy Browning	Site Vice President, ANO
John McCann	Vice President, Regulatory Assurance



ANO Recovery; Process

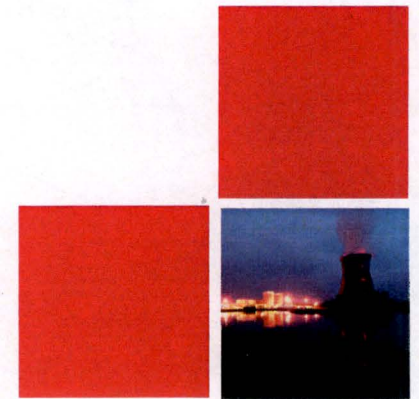
- Developed and implementing Comprehensive Recovery Plan
 - Addresses performance issues that led to findings
 - Creates sustainability in pursuit of excellence
 - Focuses on Nuclear Safety Culture
- Executive Review Board providing oversight
- Engaging employees
- Creating alignment around core values



ANO Recovery; Closing Remarks

Committed to:

- Safe and reliable operations
- Implementing Comprehensive Recovery Plan with quality

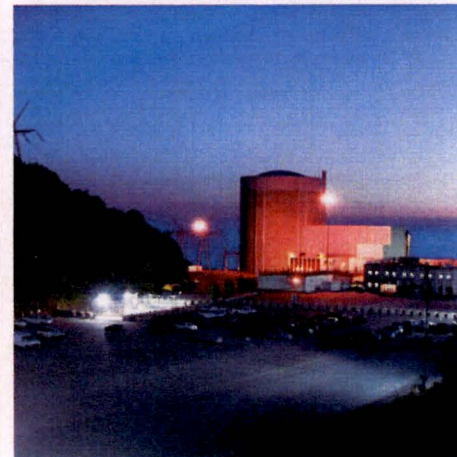
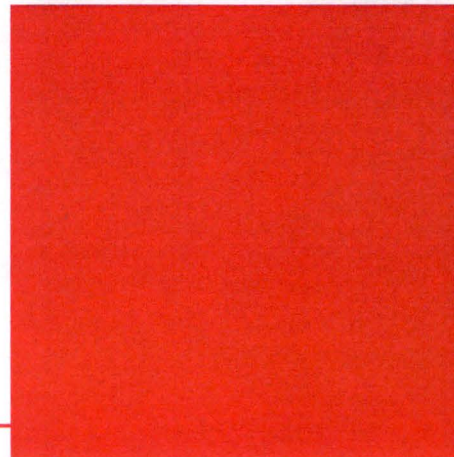
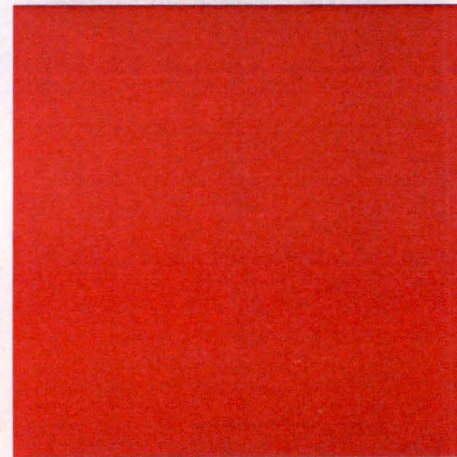
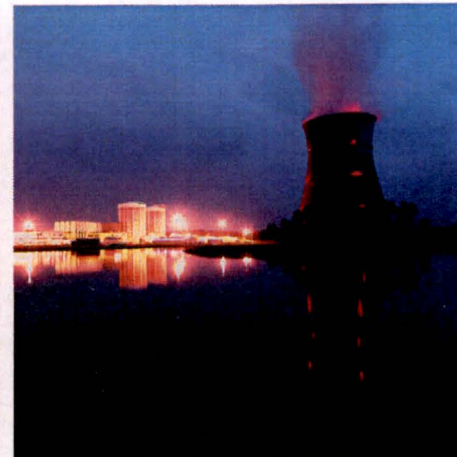
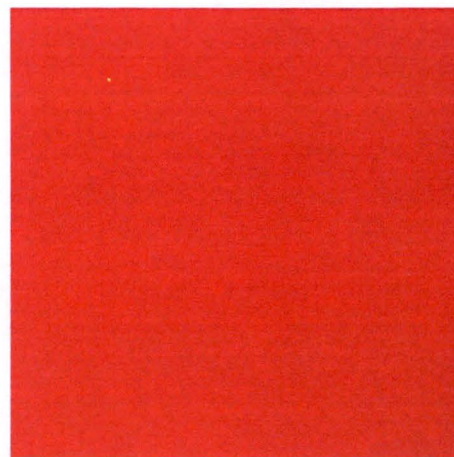




NRC Commission Briefing Pilgrim Station

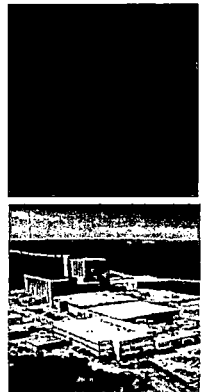
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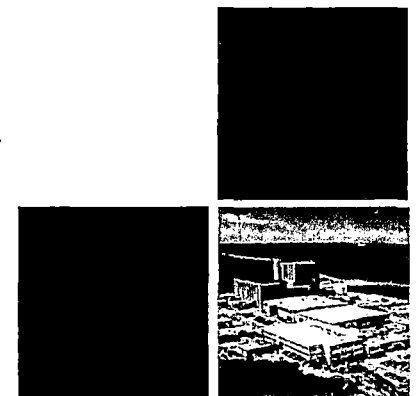
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Questions Intended to be Covered

- Why is Pilgrim in ROP Column 4?
- What is our approach to addressing performance shortfalls?
- What are our fundamental problems?
- What are we doing to drive recovery?



Pilgrim Recovery / Closing Remarks

Committed to:

- Safe and reliable operations
- Continuing to engage our workforce and improve our culture
- Finishing strong

