

SCHEDULING NOTE

Title: BRIEFING ON PROJECT AIM (Public Meeting)

Purpose: The purpose of this briefing is to update the Commission on the progress of Project Aim implementation.

Scheduled: February 17, 2017
9:30 am

Duration: Approximately 1.5 hours

Location: Commissioners' Conf. Room, 1st Fl., OWFN

Participants

Presentations

Victor McCree, Executive Director for Operations

50 mins*

Maureen Wylie, Chief Financial Officer

Eric Benner, Deputy Director, Division of Operating Reactor
Licensing, Office of Nuclear Reactor Regulation

Scott Flanders, Director, Division of Site Safety and Environmental
Analysis, Office of New Reactors

Jennifer Golder, Associate Director for Human Resources Training
and Development, Office of the Chief Human Capital Officer

Robert Lewis, Assistant for Operations, Office of the Executive
Director for Operations

Topics:

- Overview
- Status of Implementation of Project Aim Strategies
 - Sustaining Improvements to Increase Effectiveness and Efficiency
 - Operating Reactor Licensing Process Improvements
 - Implementation of Center of Expertise for Technical Specification for New and Operating Reactors
 - Implementation of Centers of Expertise for External Hazards Evaluation for Natural Phenomena
 - Implementation Activities in OCHCO for the Learning Transformation Initiative
 - Status of Re-Baselining and Upcoming Activities
- Final Comments

Commission Q & A

30 mins.

Discussion – Wrap-up

5 mins.

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

Sheryl Burrows, President or **Maria Schwartz**, Executive Vice President of the National Treasury Employees Union, will be invited to sit in the well. The Chairman will ask for union remarks, as permitted, under the formal meeting provision of the Collective Bargaining Agreement.



Briefing on Project Aim

Maureen Wylie
Chief Financial Officer

Victor McCree
Executive Director for Operations

February 17, 2017



Agenda

- Overview
- Status of Implementation of Project Aim Strategies
 - Operating Reactor Licensing Process Improvements
 - Implementation of Centers of Expertise
 - Learning Transformation Initiative Update

Agenda (cont.)

- Status of Re-Baselining and Upcoming Activities
- Closing Remarks
 - Sustaining Improvements to Increase Effectiveness and Efficiency

Operating Reactor Licensing Process Improvements

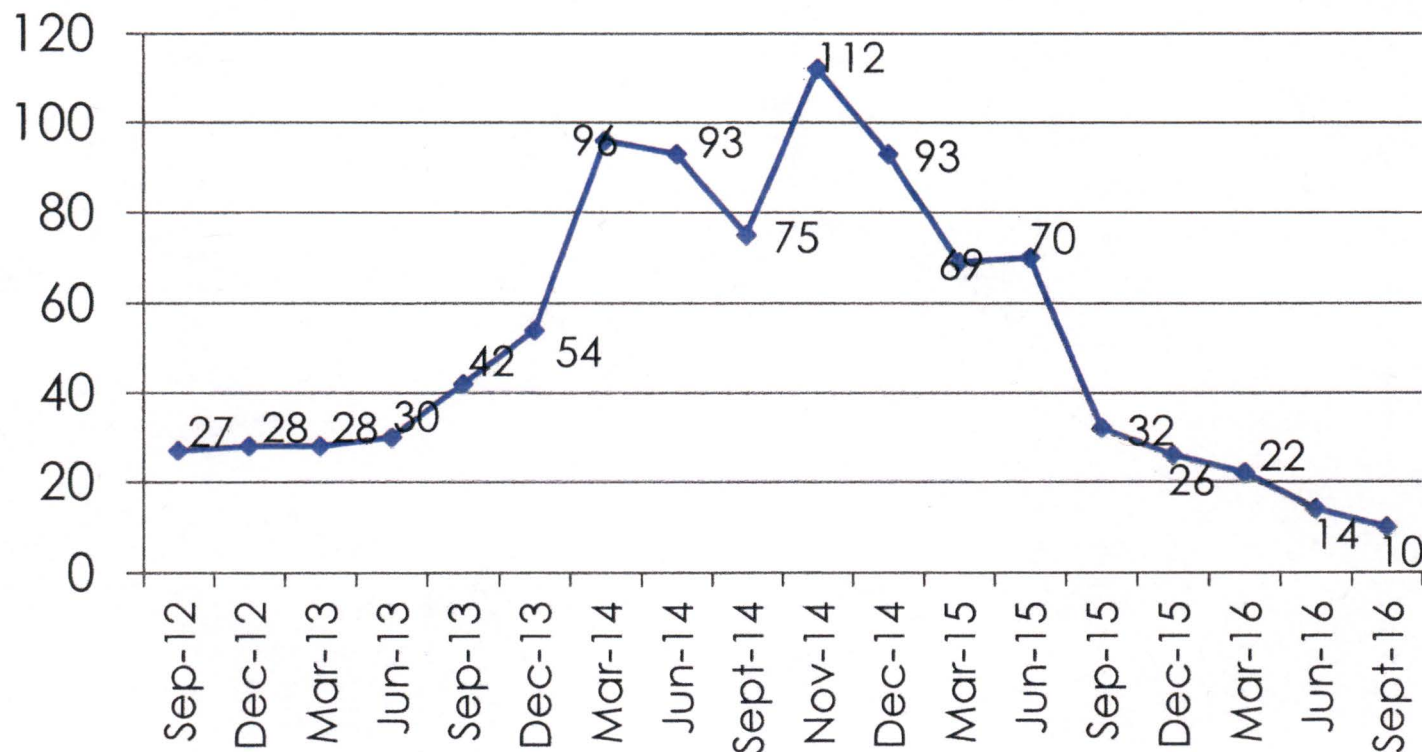
Eric Benner, Deputy Director
Division of Operating Reactor Licensing,
Office of Nuclear Reactor Regulation

Number of Licensing Actions >1 Year Old is at a Historically Low Level since Fukushima Response

- CBJ timeliness metric is to complete $\geq 95\%$ of license actions within one year
- Metric not met for FY14 after staff resources redirected to support Fukushima response; number of actions >1 yr. old peaked at 112 in November 2014
- Concerted efforts to improve performance initiated soon after

Number of Licensing Actions >1 Year Old is at a Historically Low Level since Fukushima Response (cont.)

Number of actions >1 yr. old was reduced to 32 at end of FY15 and 10 at end of FY16, resulting in CBJ metric being met for FY 2016



Success through Increased Management Attention and Process Adherence

- Initiated regularly scheduled workload management meetings
- Issued guidance to reinforce expectations in existing procedures, particularly with respect to Requests for Additional Information

Process Improvements Identified and Implemented

- Revised guidance
- NRR initiatives
- Replacement Reactor Program System (RRPS)
- Industry interactions:
 - RIS 2015-16 & Project Manager Follow-up
 - Letter to Industry

Improvement Efforts Continue

- Finalization of remaining NRR initiatives
 - Timely Elevation and Resolution Process
 - Technical Adequacy
- Preparation for increased number of risk-informed License Amendment Requests
- Performance of periodic reassessments
 - Example: RAI Quality

Improvement Efforts Continue (cont.)

- Instituted additional internal metrics:
 - Resource Estimate Adherence
 - Schedule Adherence
 - Acceptance Review Schedule Adherence

The Desired Outcomes Described in “Project Aim Task No. 19” have been Achieved

- From recommendation III-2 in SECY-15-0015, “Project Aim 2020 Report and Recommendations”
- Directed a Business Process Improvement review of operating reactor licensing process
- COMSECY-17-0004, issued Jan. 24, 2017

Implementation of Centers of Expertise (COEs)

Scott Flanders, Director
Division of Site Safety and Environmental
Analysis,
Office of New Reactors

Discussion Topics

- Project Aim Recommendations and Subsequent COE Formation
- OEDO Guidance for Identifying, Evaluating, and Implementing a COE
- Status of COE Implementation
- Near and Long Term Benefits of Implementation
- COE Periodic Assessments

Project Aim and the Formation of COEs

- Project Aim Report and Recommendations - staff to “explore greater reliance” on COEs.
- SECY-15-0143 “Project Aim and Centers of Expertise” - recommended 4 additional COEs.
- Commission approved additional COEs contingent on development of detailed guidance.

OEDO Procedure Effectively Guides the Establishment of COEs

- For creation of new or expansion of existing COEs.
- Details process to identify benefits, risks and costs and steps to implement COEs.
- Specifies documentation required as the COE is created.
- Requires a periodic assessment process.

COE Implementation is on Schedule

COE Name (Office)	Implementation Date
Allegations (Office of Enforcement)	July 10, 2016
External Hazards (Office of New Reactors)	October 1, 2016
Technical Specifications (Office of Reactor Regulation)	December 25, 2016
Rulemaking (Office of Nuclear Material Safety and Safeguards)	October 1, 2017

Benefits from COEs are being Realized and more are Anticipated

- Near Term
 - Increased efficiency
 - Increased agility
 - Enhanced knowledge management
- Long Term
 - Agencywide standardization
 - Increased organizational capacity

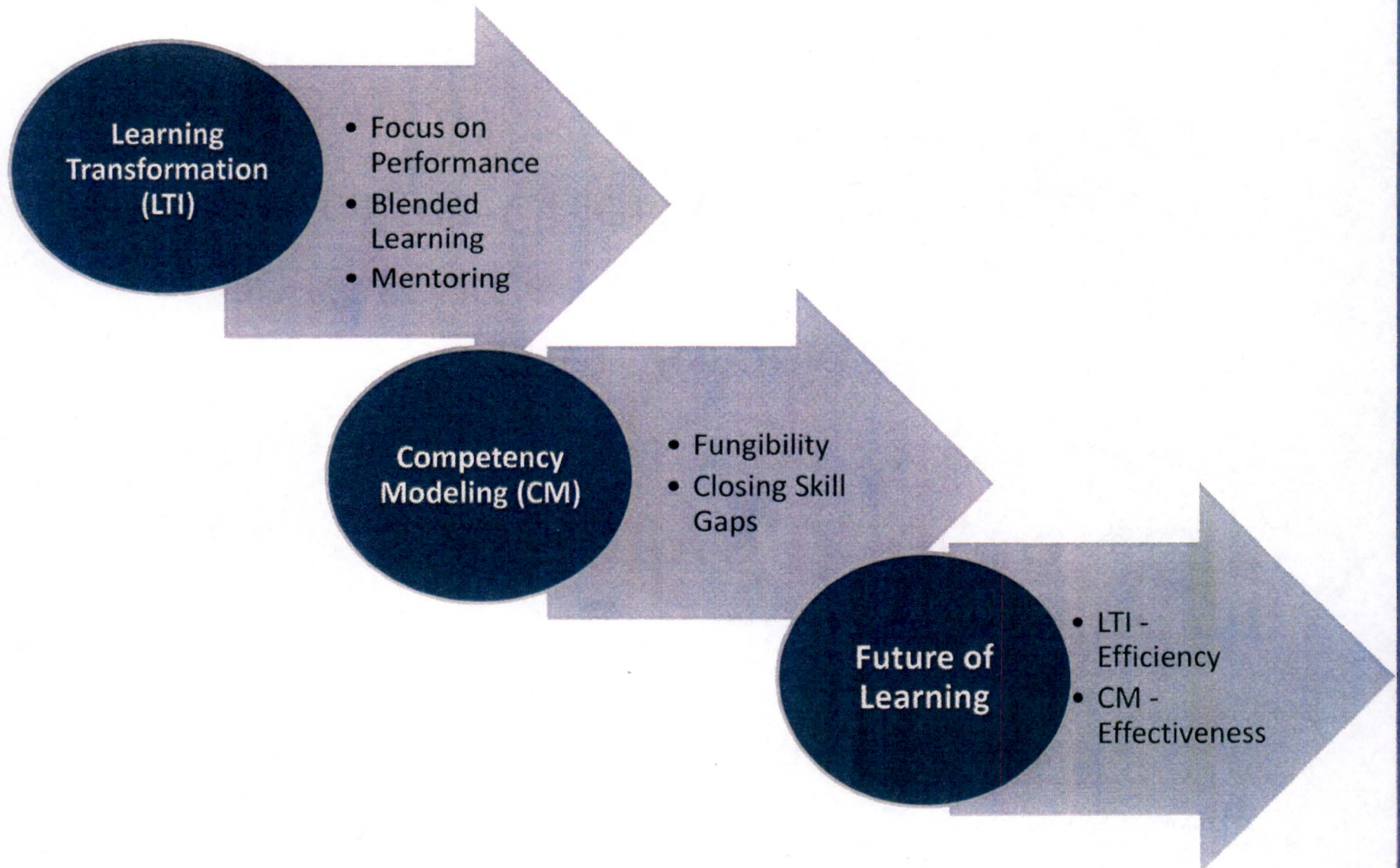
COE Performance will be Assessed

- COEs will conduct self-assessments and issue lessons learned reports within one year of COE implementation
- Recommendations and corrective actions will be translated into actions to improve COE performance.

Learning Transformation Initiative Update

Jennifer Golder, Associate Director for
Human Resources Training and Development
Office of the Chief Human Capital Officer

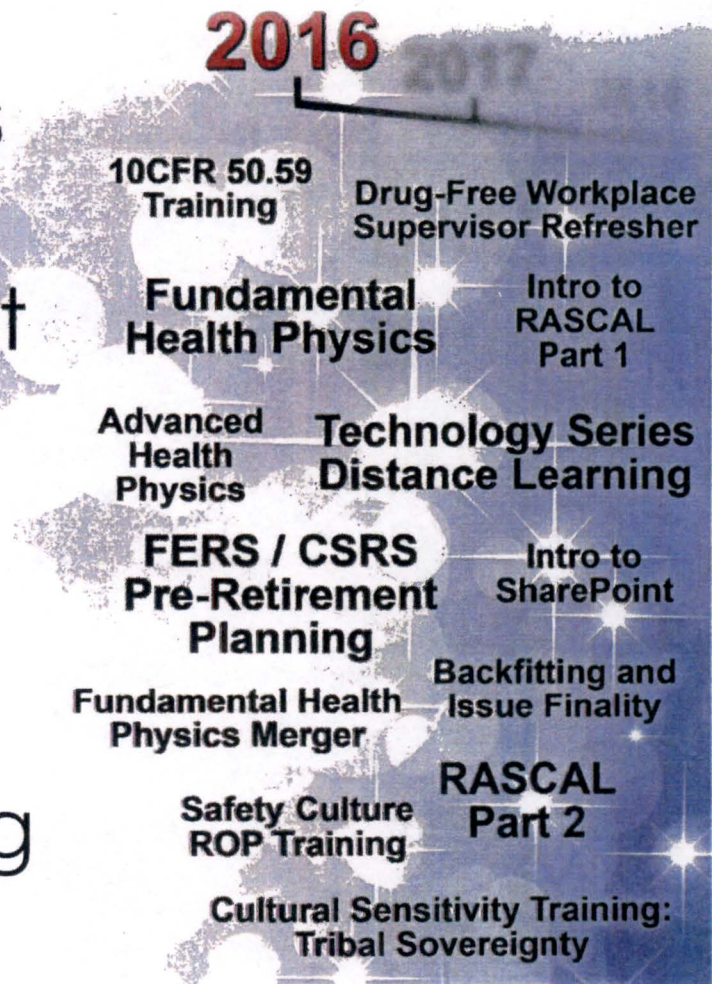
Learning Transformation Initiative



Learning Transformation Successes

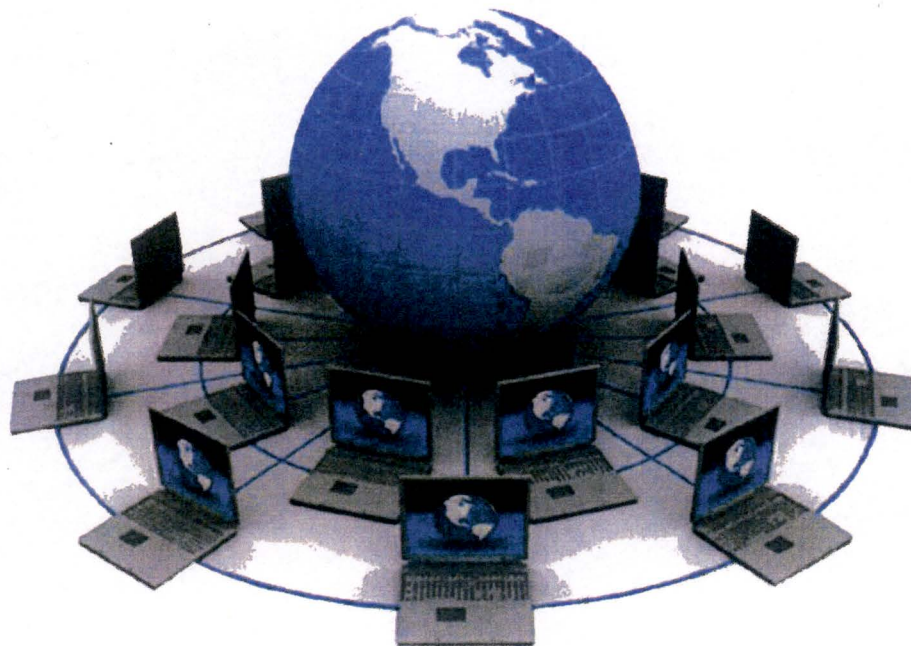
- **2016 Learning Modernization Highlights**

- Distance Learning Pilot
- Fundamental Health Physics Upgrade
- Collaborative Learning Environment Upgrade



Learning Transformation Successes

Distance Learning Pilot



2016

10CFR 50.59
Training

Drug-Free Workplace
Supervisor Refresher

Fundamental
Health Physics

Intro to
RASCAL
Part 1

Advanced
Health
Physics

**Technology Series
Distance Learning**

FERS / CSRS
Pre-Retirement
Planning

Intro to
SharePoint

Fundamental Health
Physics Merger

Backfitting and
Issue Finality

Safety Culture
ROP Training

**RASCAL
Part 2**

Cultural Sensitivity Training:
Tribal Sovereignty

Learning Transformation Successes

Health Physics Courses/RASCAL Part II

2016

10CFR 50.59 Training

Drug-Free Workplace Supervisor Refresher

Fundamental Health Physics

Intro to RASCAL Part 1

Advanced Health Physics

Technology Series Distance Learning

FERS / CSRS Pre-Retirement Planning

Intro to SharePoint

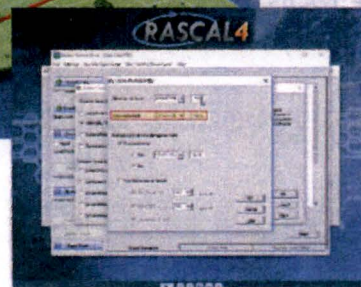
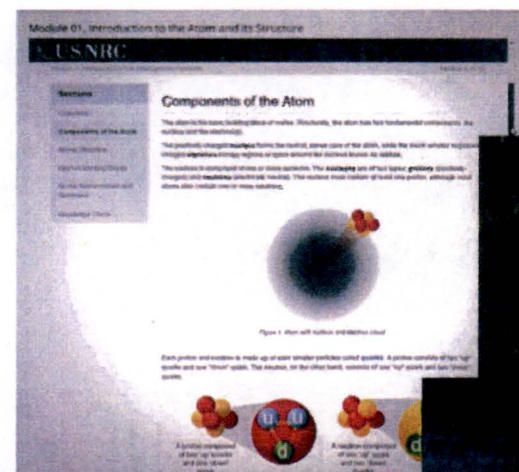
Fundamental Health Physics Merger

Backfitting and Issue Finality

Safety Culture ROP Training

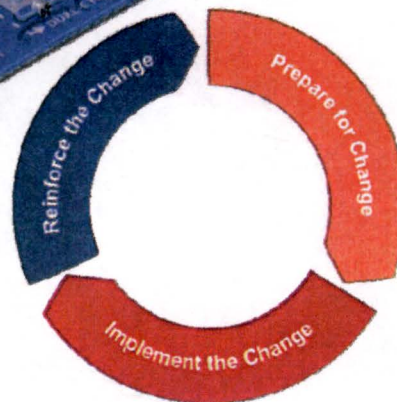
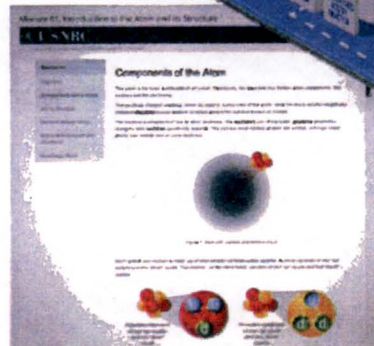
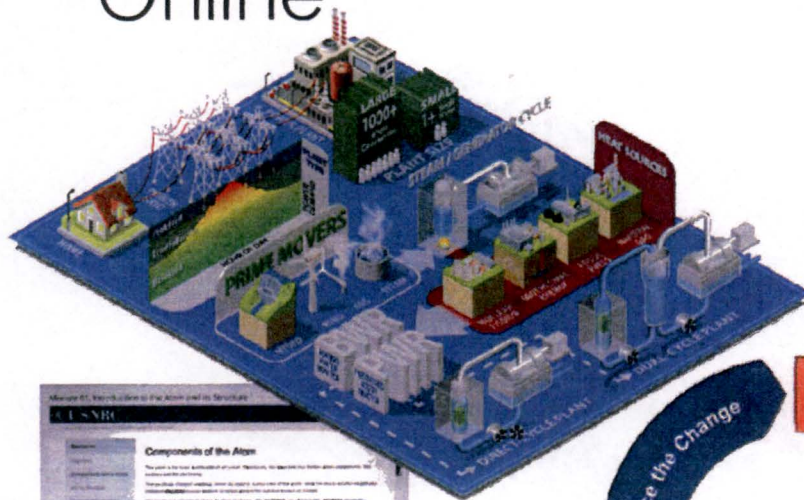
RASCAL Part 2

Cultural Sensitivity Training: Tribal Sovereignty



Learning Transformation Activities

- Power Plant Engineering Online
- Introductory Health Physics Online



2017

Power Plant Engineering Online

Varskin₅

Correspondence Management Course

Distance Learning Expanded Pilot

Introduction to Health Physics Online

Fundamental Health Physics Online

PRA Basics for Regulatory Applications Upgrade Viability Analysis

Administrative Control of Funds

Research and Test Rx Introduction Course

Change Management Courses

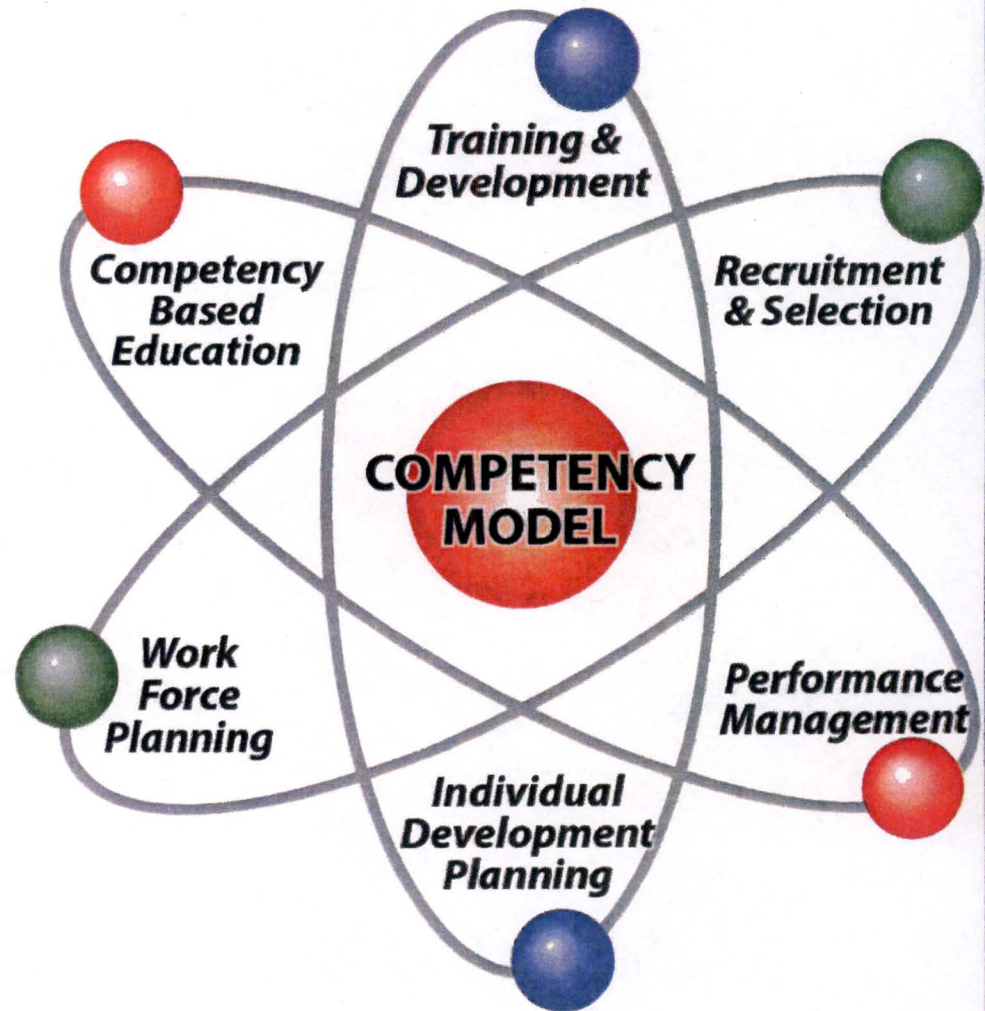
Financial Management Course

Fuel Cycle Self-Study Exams

Root Cause Analysis - Online Viability

Competency Modeling

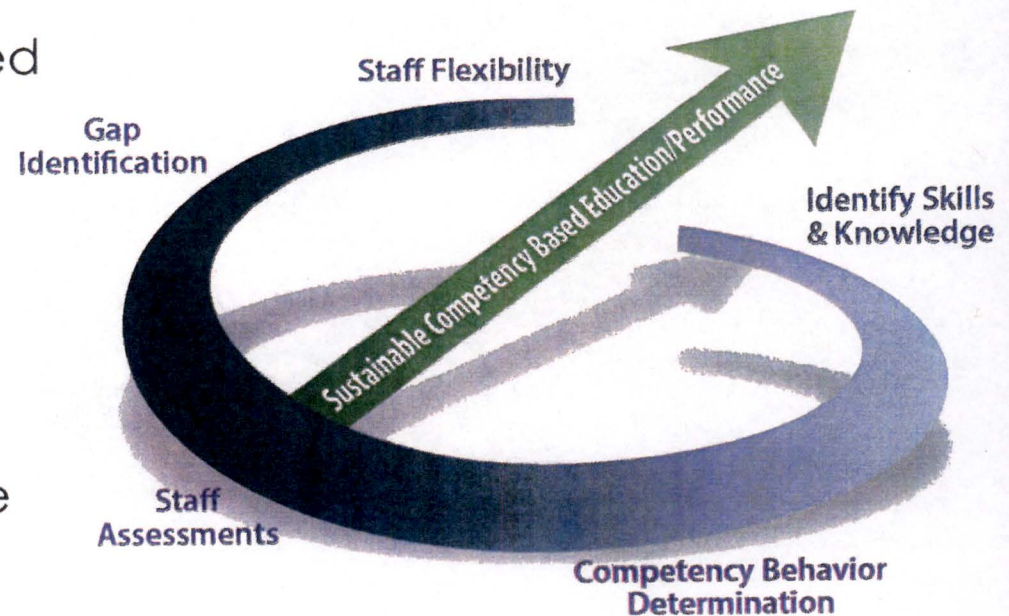
- Organizational Benefits
 - Competency Based Education
 - Training Development
 - Work Force Planning
 - Performance Management



Developing the Business Case for Competency Modeling

- Establishing the modeling process
 - Built models for four roles
 - Introduced an automated system for assessment
 - Implementing feedback
- Building the business case
 - Building more models
 - Conducting cost and time comparison between traditional training and qualification and competency based education programs

Business Case for Competency Modeling



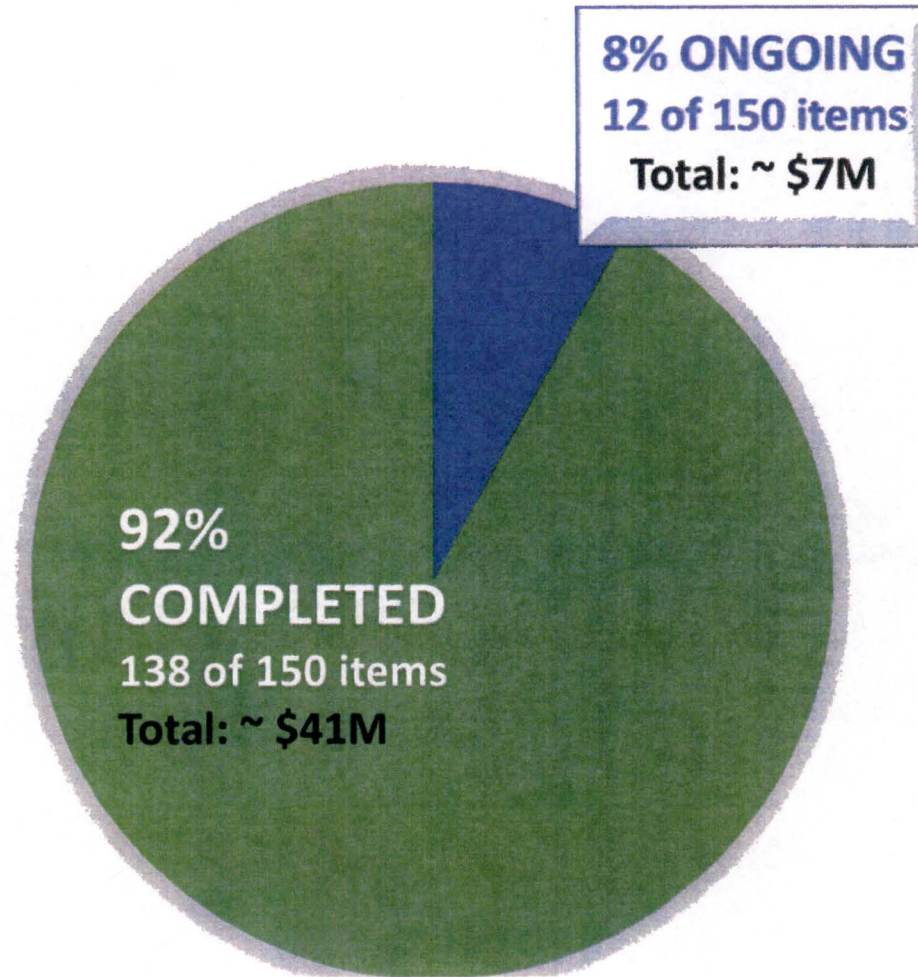
Implementation of Project Aim

Robert Lewis, Assistant for Operations
Office of the Executive Director for
Operations

Project Aim Progress

- The major deliverable for each of the 19 Project Aim tasks has been accomplished
- Sustained effort, careful planning, and continued leadership focus are essential for future success
- Opportunities to build Project Aim's lessons and ideology into NRC's beliefs and behaviors

Re-baselining Implementation



Savings to be realized in Fiscal Year 2017 and 2018.

Aim-inspired Initiatives and Opportunities

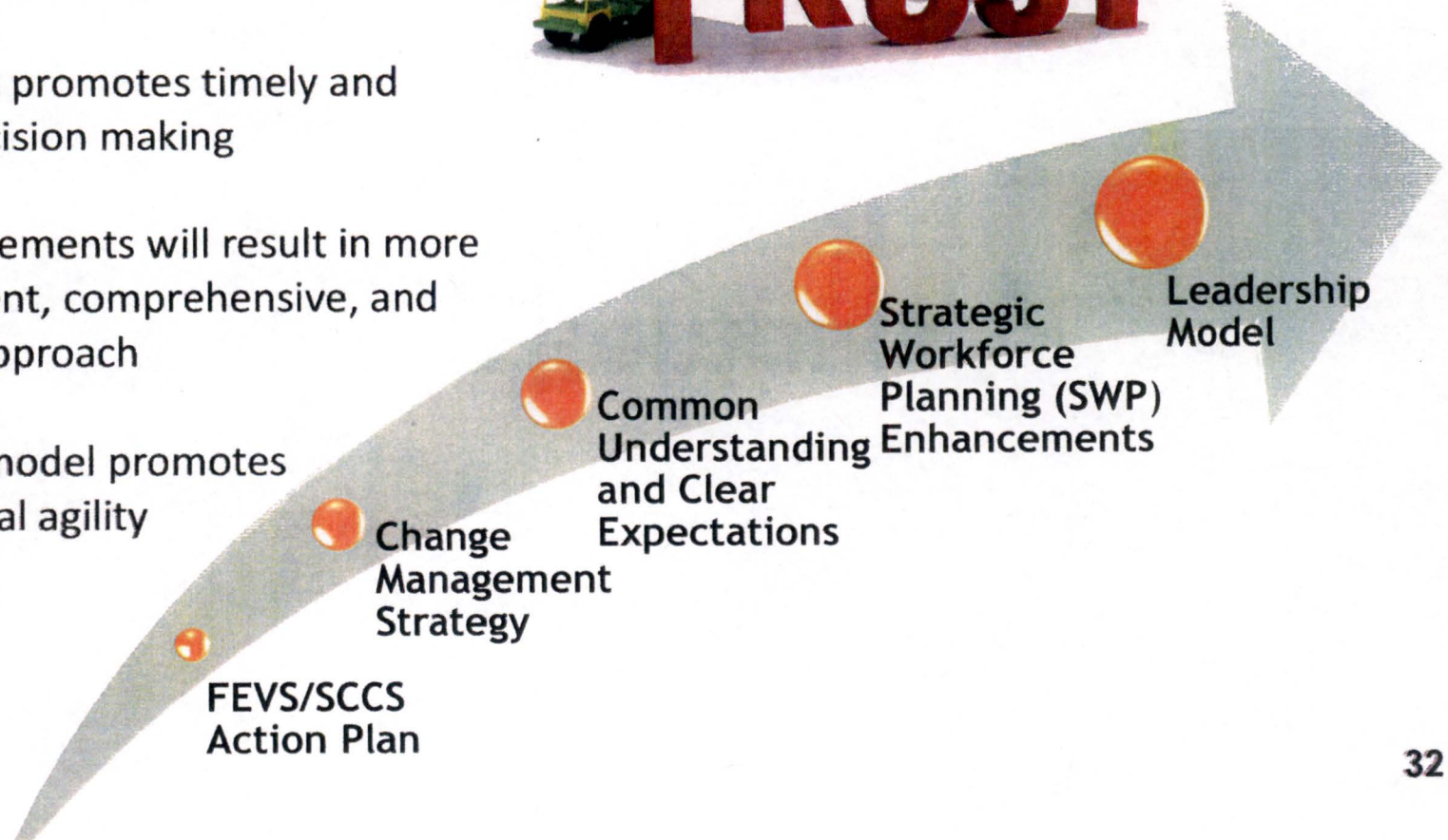
- Change Management Strategy
- Agency-wide Idea Greenhouse
- Mission Support Task Force
- Recommendations provided during early Project Aim solicitation of comments

Closing Remarks

Victor McCree
Executive Director for Operations

Complementary Activities

- ✓ Agency FEVS Action Plan Task 1
promotes common understanding of terms
- ✓ Ongoing outreach on Change Management Strategy and Framework
- ✓ Expectations promotes timely and effective decision making
- ✓ SWP enhancements will result in more clear, coherent, comprehensive, and consistent approach
- ✓ Leadership model promotes organizational agility



Looking Forward

- The Aim tasks were the beginning of our transformation to become a more effective, efficient, and agile regulator.
- Staff remains committed to continuous enhancements in process efficiency and effectiveness and the development of tools to systematically enable innovation and to leverage employee creativity.

Questions

Acronyms

- BPI – Business Process Improvement
- CBJ – Congressional Budget Justification
- CM – Competency Modeling
- COE- Center of Expertise
- CSRS – Civil Service Retirement System
- EDO- Executive Director of Operation
- FERS – Federal Employees Retirement System
- FY – Fiscal Year
- HP – Health Physics
- LTI – Learning Transformation Initiative

Acronyms (cont.)

- NRO – Office of New Reactors
- NRR – Office of Nuclear Reactor Regulation
- OEDO- Office of the Executive Director for Operations
- PRA – Probabilistic Risk Assessment
- RASCAL – Radiological Assessment System for Consequence Analysis
- RIS – Regulatory Issue Summary

References

- COMSECY-17-0004: [ML16340A115](#)
- Guidance to Staff: [ML15309A433](#)
- Letter to Industry: [ML16225A003](#)
- Revised Guidance to Staff: [ML16202A029](#)
- RIS 2015-16: [ML16013A156](#)
- SECY-15-0015: [ML15023A558](#)
- SECY-15-0143: [ML15292A249](#)