



UNITED STATES
NUCLEAR REGULATORY COMMISSION
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September 17, 2018

MEMORANDUM TO: Dr. Brett M. Baker
Assistant Inspector General for Audits
Office of the Inspector General

FROM: Ho K. Nieh, Director */RA/*
Office of Nuclear Reactor Regulation

SUBJECT: STATUS OF RECOMMENDATIONS: OFFICE OF THE INSPECTOR
GENERAL'S AUDIT OF THE U.S. NUCLEAR REGULATORY
COMMISSION'S SIGNIFICANCE DETERMINATION PROCESS FOR
REACTOR SAFETY (OIG-16-A-21)

Enclosed is the U.S. Nuclear Regulatory Commission's (NRC's) status of the resolved recommendations from the Office of the Inspector General's Audit of the NRC's Significance Determination Process for Reactor Safety, dated December 1, 2016.

If you have any questions regarding this document, please contact the individuals identified in the enclosure.

Enclosure:
As stated

CONTACT: Gregory T. Bowman, NRR/DIRS
301-415-2744

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REACTOR SAFETY (OIG-16-A-21) DATE: SEPTEMBER 17, 2018

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**STATUS OF RECOMMENDATIONS: OFFICE OF THE INSPECTOR GENERAL'S
AUDIT OF THE U.S. NUCLEAR REGULATORY COMMISSION'S
SIGNIFICANCE DETERMINATION PROCESS FOR REACTOR SAFETY
(OIG-16-A-21)**

Recommendation 1: Assess Significance Determination Process (SDP) workflow, and establish, communicate, and document clear and consistent expectations for staff and managers to complete their roles in the SDP.

Update

The Inspection Finding Resolution Management (IFRM) trial period began on November 16, 2016, and was completed on December 31, 2017. To support implementation of the IFRM process, several Inspection Manual Chapters (IMC) were issued, including:

IMC 0609TP, "Significance Determination Process"
IMC 0609, Attachment 1TP, "Significance and Enforcement Review Panel (SERP)"
IMC 0609, Attachment 5TP, "Inspection Finding Review Board"

Since the IFRM trial period began, every regional office has had the opportunity to use the above IMC's to assess the SDP workflow, and establish, communicate, and document clear and consistent expectations for staff and managers to complete their roles in the SDP for inspection findings of potentially greater-than-Green significance.

To assess the effectiveness of the IFRM initiative, a team was established with representatives from each regional office, the Office of Nuclear Reactor Regulation (NRR), and other internal stakeholders. In addition, the IFRM process was discussed with external stakeholders during periodic Reactor Oversight Process (ROP) public meetings. The team met on a quarterly basis to provide feedback on the progress being made and to identify areas for improvement.

Following completion of the trial period, an effectiveness review was conducted by a cross-functional team comprised of staff from all regional offices, NRR, and the Office of Enforcement. The effectiveness review report was issued on May 9, 2018, and is available in the Agencywide Documents Access and Management System (ADAMS) under Accession No. ML18123A319. The report contained 11 recommendations, most notably that the IFRM process should be continued with minor changes based on trial period experience and feedback. Following the effectiveness review staff developed revisions to the temporary procedures issued to support the IFRM trial period, and these revised procedures will become the new IMC 0609, IMC 0609 Attachment 1, and IMC 0609 Attachment 5. Regional comment on the revised procedures was requested in August 2018 and staff intends to issue the revised procedures for use by the end of calendar year 2018.

Target date for completion: December 31, 2018

Contact: Alexander D. Garmoe, NRR/DIRS
301-415-3814

Recommendation 2: Clarify IMC 0612 Appendix B issue screening questions, so that they are readily understood and easily applied.

Enclosure

Update

NRR engaged with the regions to explore several options to address this recommendation. The options explored included: 1) revising IMC 0612 to provide guidance on each screening question and to improve the minor examples by linking the examples to the screening questions; 2) leaving the current guidance as is and accepting the differences in the staff's interpretation of the screening questions due to the low safety-significance of these issues and the current processes in place for licensees to contest the Nuclear Regulatory Commission findings; 3) implementing a finding review panel to review minor and Green findings to ensure consistency; and 4) adopting a transformational approach to eliminate the screening of findings at the Green/minor level and the implementation of reduced documentation for White findings. Ultimately, NRR reached alignment with the regions to revise the guidance in IMC 0612 to improve the minor examples by tying each minor example to a screening question. Each region has volunteered a subject matter expert familiar with the use of the screening questions to work with NRR on revising the examples. NRR plans to issue a revision to IMC 0612 incorporating these changes by June 30, 2019.

Target date for completion: June 30, 2019

Contact: Lauren R. Casey, NRR/DIRS
301-415-1038

Recommendation 3: Implement controls to ensure independent audits of greater-than-Green inspection findings are performed.

As noted by the Office of the Inspector General (OIG) in "Status of Recommendations: Audit of NRC's Significance Determination Process for Reactor Safety (OIG-16-A-21)" (ADAMS Accession No. ML18060A114), Recommendation 3 is closed.

Recommendation 4: Document independent audits of greater-than-Green inspection findings.

Update

Independent audits of greater-than-Green inspection findings are performed annually in accordance with Metric R-2, "Predictability and Repeatability of Significance Determination Results," of IMC 0307, Appendix A, "Reactor Oversight Process Self-Assessment Metrics." Metric R-2 and the other ROP self-assessment metrics are reported annually and are referenced in the ROP self-assessment SECY paper.

The 2017 audit of Metric R-2, "Predictability and Repeatability of Significance Determination Results," of IMC 0307, Appendix A, "Reactor Oversight Process Self-Assessment Metrics" is documented in ADAMS Accession Number ML18057B082. This independent audit supported the results of the R-2 Metric, documented in the 2017 ROP self-assessment metrics evaluation ADAMS Accession Number ML18039A288 (package) and corresponding 2017 self-assessment SECY paper ADAMS Accession Number ML18059A155 (package). The staff recommends closure of Recommendation 4 based on the audit memorandum, the associated ROP self-assessment metric report and the 2017 ROP Self-Assessment SECY.

Date of completion: August 31, 2018

Contact: Mary T. Anderson, NRR/DIRS
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