



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
ADVISORY COMMITTEE ON REACTOR SAFEGUARDS  
WASHINGTON, D. C. 20555

November 27, 1996



MEMORANDUM TO: John C. Hoyle, Secretary  
Office of the Secretary

FROM: John T. Larkins, Executive Director  
Advisory Committee on Reactor Safeguards

SUBJECT: COMMENTS BY INDIVIDUAL ACRS MEMBERS REGARDING  
DIRECTION SETTING ISSUES

Attached for your consideration are comments by Drs. Dana Powers and Donald Miller, and Mr. John Barton, ACRS Members, regarding Direction Setting Issues # 2 (Oversight of the Department of Energy), # 13 (Role of Industry), and # 11 (Operating Reactor Program Oversight), respectively. These comments represent the views of the individuals mentioned above and do not necessarily represent those of the ACRS full Committee.

Attachment: As stated

cc: ACRS Members  
J. M. Taylor, EDO  
J. Milhoan, EDO  
J. Craig, RES

COMMENTS BY  
ACRS MEMBER JOHN BARTON

ON

STRATEGIC ASSESSMENT ISSUE PAPER DSI-11  
OPERATING REACTOR PROGRAM OVERSIGHT

Given the changes in the external/internal environment, the options for future strategic direction discussed in this strategic issue paper as well as the summaries of the consequences appear to be fairly comprehensive.

Current strategies and direction being taken by the agency in the areas of Licensing, Inspection, and Performance Assessment have resulted in removing license conditions that are marginal to safety, improved effectiveness and implementation of the various oversight process and improved communications between the NRC and the industry. In the areas of Performance Assessment more work needs to be done in order to identify weakness in performance before licensees suffer significant operational problems.

Mounting economic pressure on the industry will most likely result in further attempts to reduce the impact of burdensome regulations that do not improve the safety of operating reactors.

The issue paper describes three options to be considered for further strategic direction, and examines their effects on NRC's mission including protection of public health and safety and effective and efficient regulation.

**Option 1:** "Review the reactor oversight processes in the context of lessons learned from current issues and develop processes and mechanisms to provide for systematic reexamination of reactor oversight activities to ensure their continued effectiveness."

Since this option assumes the overall structure and direction of the agency is appropriate, the approach that will be taken appears like fine tuning of the existing process. It is not clear how this will result in early identification of major weakness in licensee performance to prevent significant operational problems.

**Option 2:** "Seek new approaches to improve effectiveness, work with the industry to foster an environment that is conducive to continued improvements in performance, and provide increased opportunities for public involvement in the regulatory process."

This option increases the role of industry in the oversight of licensing and provides licensees more freedom by relocating requirements to licensee controlled documents. It also provides

for increased public involvement in the licensing process. This increase in public involvement needs to be thoroughly thought through due to the potential negative impact on licensees seeking changes to licensing commitments. The activities associated with inspection and performance assessment seem to be beneficial to both the NRC and industry.

**Option 3:** "Perform A Business Process Reengineering"

This option is all encompassing and addresses the DSI and all subsumed and related strategic issues.

The reengineering option is the only approach that would result in an optimal program to the oversight of operating reactors. Many industries have undertaken a "greenfields reengineered" approach to improve efficiency in their overall operations. Licensees that have undertaken reengineering efforts have been able to improve effectiveness of the business process without reducing the level of safety in operating their plants.

The process is manpower intensive, but the results should provide a payback in the near term, once changes are implemented.

The Commission's preliminary views seem to indicate the NRC has an open mind on which options will be considered, while attempting to benefit from utilizing some aspects of each option. It is not clear how effective this approach will be.