



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D.C. 20555-0001

October 5, 2020

MEMORANDUM TO: Christopher G. Miller, Director  
Division of Reactor Oversight  
Office of Nuclear Reactor Regulation

FROM: Heather M. Jones, Branch Chief (Acting) */RA by email/*  
Reactor Inspection Branch  
Division of Reactor Oversight  
Office of Nuclear Reactor Regulation

SUBJECT: WORKING GROUP TO ENHANCE INSPECTION PROCEDURE  
37060, "10 CFR 50.69 RISK-INFORMED CATEGORIZATION AND  
TREATMENT OF STRUCTURES, SYSTEMS, AND COMPONENTS  
INSPECTION"

The purpose of this memorandum is to establish a working group to enhance Inspection Procedure (IP) 37060, "10 CFR 50.69 Risk-Informed Categorization and Treatment of Structures, Systems, and Components Inspection," (Agencywide Documents Access and Management System (ADAMS) Accession No. ML102700396). Enhancements to IP 37060 may include proposals other than just potential revisions to IP 37060 (e.g. training, knowledge management, etc.). As a result of recent inspection efforts, the Division of Reactor Safety, Region I, and the Division of Risk Assessment, Office of Nuclear Reactor Regulation, have proposed establishment of a working group to enhance IP 37060. Many licensees have or plan to incorporate license amendments to adopt 10 CFR 50.69. Enhancement of IP 37060 should result in improved efficiencies during future inspection efforts. Considerations for potential enhancement may include, but are not limited to, evaluating the sequencing and timing of performing the inspection, determining if revisions to inspection requirements or inspection guidance are warranted, evaluating inspection team composition and training needs, and determining if revisions to inspection resource estimates are warranted. This working group will follow the attached charter and Inspection Manual Chapter (IMC) 0040, "Preparing, Revising and Issuing Documents for the NRC Inspection Manual," (ADAMS Accession No. ML19352E640) in developing changes to the Reactor Oversight Process. Jimi T. Yerokun, Director, Division of Reactor Safety, Region I, is designated as the Senior Executive Service champion for the effort. Staff efforts will be accounted for under Cost Activity Code A11018, NB-OR-Oversight-Inspections-115139-NO.

Enclosure:  
As stated

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50.69 RISK-INFORMED CATEGORIZATION AND TREATMENT OF  
STRUCTURES, SYSTEMS, AND COMPONENTS INSPECTION"  
DATED: OCTOBER 5, 2020

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**NRR-106**

**\*via email**

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DATE	6/11/2020	6/17/2020	6/22/2020	6/19/2020
OFFICE	NRR/DRO/IRSB/BC	NRR/DRO/D	NRR/DRA/D	RI/DRP
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DATE	6/17/2020	10/2/2020	9/2/2020	8/3/2020
OFFICE	RI/DRS	RII/DRP	RII/DRS	RIII/DRP
NAME	JYerokun*	MMiller*	MFranke*	JLara*
DATE	8/6/2020	8/12/2020	9/2/2020	9/21/2020
OFFICE	RIII/DRS	RIV/DRP	RIV/DRS	NRR/DRA/APLA/BC
NAME	MShuaibi*	MHay*	RLantz (GMiller for)*	RPascarelli*
DATE	9/8/2020	8/3/2020	8/3/2020	7/8/2020
OFFICE	NRR/DRO/IRIB/BC			
NAME	HJones*			
DATE	10/5/2020			

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**CHARTER FOR THE WORKING GROUP TO ENHANCE INSPECTION PROCEDURE 37060,  
“10 CFR 50.69 RISK-INFORMED CATEGORIZATION AND TREATMENT OF STRUCTURES,  
SYSTEMS, AND COMPONENTS INSPECTION”**

**Objective**

The purpose of this charter is to establish the structure, scope, and expectations for the working group to enhance Inspection Procedure (IP) 37060, “10 CFR 50.69 Risk-Informed Categorization and Treatment of Structures, Systems, and Components Inspection,” (Agencywide Documents Access and Management System (ADAMS) Accession No. ML102700396). Enhancements to IP 37060 may include proposals other than just potential revisions to IP 37060 (e.g. training, knowledge management, etc.). The objective of this effort is to identify recommendations and then implement the Nuclear Regulatory Commission’s (NRC’s) management decisions associated with enhancement of IP 37060. If necessary, Reactor Oversight Process (ROP) program documents will be revised per Inspection Manual Chapter (IMC) 0040, “Preparing, Revising and Issuing Documents for the NRC Inspection Manual,” (ADAMS Accession No. ML19352E640) and this charter.

**Background**

Title 10 of the *Code of Federal Regulations* (10 CFR) Section 50.69, “Risk-Informed Categorization and Treatment of Structures, Systems and Components for Nuclear Power Reactors,” became effective on December 22, 2004 (69 Federal Register (FR) 68008). 10 CFR 50.69 provides a voluntary, alternative approach for establishing the requirements for treatment of structures, systems and components (SSCs) for nuclear power reactors using a risk-informed method of categorizing SSCs according to their safety significance. To date, nearly 40% of power reactor sites have either adopted the provisions of 10 CFR 50.69 or have license amendment requests under NRC review to allow them to do so.

IP 37060 was initially finalized in September 2011 as a procedure under IMC 2515, Appendix C, “Special and Infrequently Performed Inspections,” (ADAMS Accession No. ML19085A407). Because this inspection is included in Appendix C, performance of IP 37060 requires Regional Administrator approval. IP 37060 has been performed at Vogtle Electric Generating Plant in June 2016 (ADAMS Accession No. ML16223A738) and at Limerick Generating Station in February 2020 (ADAMS Accession No. ML20073H282).

In 2019, the ROP Baseline Inspection Program was revised to allow for oversight of site implementation of 10 CFR 50.69. Revisions were made to IP 71111.12, “Maintenance Effectiveness,” (ADAMS Accession No. ML19029A133); IP 71111.18, “Plant Modifications,” (ADAMS Accession No. ML19197A103); IP 71111.22, “Surveillance Testing,” (ADAMS Accession No. ML19197A106); and IP 71153, “Follow-up of Events and Notices of Enforcement Discretion,” (ADAMS Accession No. ML19197A110).

**Scope**

The working group will assess IP 37060 in order to develop recommendations for enhancement. Considerations for potential enhancement may include, but are not limited to, evaluating the sequencing and timing of performing the inspection, determining if revisions to inspection requirements or inspection guidance are warranted, evaluating inspection team composition and training needs, and determining if revisions to inspection resource estimates are warranted. In

addition, the working group will consider conformance to ROP governance documents, as well as internal and external stakeholder feedback. The working group will support initial implementation of NRC management decisions made on the working group's recommendations. Initial implementation may include, but is not limited to, developing draft ROP documents, developing information technology solutions within the capability of the group, or forwarding management decisions to cognizant NRC organizations in cases where implementation is beyond the capabilities of the group.

## **Participation**

The working group will consist of designated representatives as indicated in Table 1, "List of Working Group Members." If the group determines that additional expertise and involvement is needed, additional staff will participate as necessary.

## **Meetings**

Working group members designated as "Participant" will typically meet weekly during development of recommendations, and then on an as needed basis until initial implementation of NRC management decisions. Working group members designated as "Participant as Needed" will attend meetings when there are planned discussions on topics related to or under their purview. Working group members designated as "Participant as Needed" are free to attend other meetings if they desire to do so. The meetings will typically last one hour with date and time to be determined based on member availability. The Senior Executive Service (SES) champion will be invited to all meetings; however, SES champion attendance at meetings is not mandatory.

## **Communications**

It is essential that routine communications occur with various internal and external stakeholders. The working group project manager will brief the SES champion on a bi-weekly basis, or as deemed necessary by the SES champion. As a minimum, the project manager will establish communications with internal and external stakeholders as indicated in the Key Milestones section of this charter. Possible communication venues include, but are not limited to, internal Headquarters and Regional Director Bi-Weekly Call, and external ROP public meetings. All working group participants will ensure that their management is kept informed throughout the effort.

In addition, the appropriate level of Commission interaction will occur per COMSECY-16-0022, "Proposed Criteria for Reactor Oversight Process Changes Requiring Commission Approval and Notification," (ADAMS Accession No. ML17132A359).

## **Key Milestones**

October 2020	Commence working group activities. Discuss working group objectives, scope, and milestones at ROP Public Meeting.
November 2020	Identify general and/or specific items associated with performance of IP 37060 that may benefit from potential enhancements.
December 2020	Brief NRC management on identified items that may benefit from potential enhancements. Discuss identified items at ROP Public Meeting.

February 2021	Develop draft recommendations for enhancing IP 37060. Enhancements to IP 37060 may include recommendations other than just potential revisions to IP 37060.
March 2021	Brief NRC management on draft recommendations for enhancing IP 37060. Discuss draft recommendations at ROP Public Meeting.
April 2021	Develop final recommendations for enhancing IP 37060.
May 2021	Brief NRC management and obtain NRC management decisions on final recommendations for enhancing IP 37060. Discuss final recommendations at ROP Public Meeting.
June 2021	Begin initial implementation of NRC management decisions.

### **Disband**

The working group will disband upon initial implementation of NRC management decisions associated with enhancement of IP 37060.

### **Time Reporting**

All activities will be documented in HRMS using CAC No. A11018

**Table 1: Working Group Members**

<b>Working Group Members</b>	<b>Role</b>
Region I/DRS (Jimi T. Yerokun, Director)	Senior Executive Service Champion
NRR/DRO/IRIB (Aron Lewin)	Participant / Project Management Lead
NRR/DRA/APOB (John Hughey)	Participant / Project Management Alternate Lead
Region 1 (Eugene DiPaolo – Primary; Amar Patel – Backup)	Participant
Region 2 (Shane Sandal – Primary; Andrew Rosebrook, Chris Safouri – Backups)	Participant
Region 3 (John Hanna – Primary; Laura Kozak – Backup)	Participant
Region 4 (Rick Deese)	Participant
NRR/DRO/IRSB (Kenneth Kolaczyk – training considerations)	Participant as Needed
NRR/DRA/APLA (Jigar Patel – Primary; Jonathan Evans – Backup – knowledge transfer on licensing activities)	Participant as Needed