

4.0 ORGANIZATION AND ADMINISTRATION

4.1 PURPOSE OF REVIEW

The purpose of the review is to ensure that the applicant's organizational structure and administrative policies and procedures provide reasonable assurance that the applicant will plan, implement, and control site activities in a manner that ensures the safety of the workers, the public, and the environment. The review also ensures that the qualifications for key management positions are adequate.

4.2 RESPONSIBILITY FOR REVIEW

Primary: Project Manager

Secondary: Primary reviewers for all other SRP sections or chapters

Supporting: None

4.3 AREAS OF REVIEW

The applicant should submit organization and administration information with the application for construction approval and should resubmit updated information with the license application as described below. The areas of review for organization and administration should include:

A. Application for Construction Approval

i. Organization

- a. The identification and functional description of the specific organizational groups responsible for designing and constructing the facility. Organizational groups should include contractors, consultants, and other outside service organizations in addition to the applicant.
- b. Authorities and responsibilities among the organizational groups and the means of communication. This should include, but not be limited to, the process designers, architect engineering firm, and the construction contractor.
- c. Organizational charts that depict the lines of responsibility and authority and the key management positions.

Organization and Administration

ii. Administration

- a. Plans to transition the organization from the design and construction phase to the operations phase.

iii. Key Management Positions

- a. The individual responsible for health, safety, and the environment (HS&E) during design and construction.
- b. Key management positions with HS&E responsibility during design and construction.
- c. The qualification criteria for each key management position with HS&E responsibility, including:
 - (1) Academic credentials;
 - (2) Continuing education or training; and
 - (3) Work experience.
- d. The availability of supervisory and management positions to perform their duties.

B. License Application

i. Organization

- a. The identification and functional description of the specific organizational groups responsible for operating the facility. Organizational groups should include contractors, consultants, and other outside service organizations in addition to the applicant.
- b. Authorities and responsibilities among the organizational groups and the means of communication.
- c. Organizational charts that depict the lines of responsibility and authority and the key management positions.

ii. Administration

- a. Administrative policies and procedures that describe the implementation and relationships among the design basis, integrated safety analysis (ISA), the resulting safety program, and supporting management measures.

iii. Key Management Positions

- a. The individual responsible for health safety, and the environment (HS&E) during operations.
- b. Key management positions with HS&E responsibility during operations. Key management positions should include the plant manager, operations manager, shift supervisor, and HS&E managers or equivalent.
- c. The qualification criteria for each key management position with HS&E responsibility, including:
 - (1) Academic credentials;
 - (2) Continuing education or training; and
 - (3) Work experience.
- d. The availability of supervisors and managers to perform their duties.

4.4 ACCEPTANCE CRITERIA

4.4.1 Regulatory Requirements

The regulatory requirements for organization and administration are found in 10 CFR 70.22, 70.23, and other sections of the proposed 10 CFR Part 70, concerning the applicant's corporate organization, qualifications of the staff, and the adequacy of the proposed equipment, facilities, and procedures to provide adequate safety for workers, the public, and the environment.

4.4.2 Regulatory Guidance

There are no regulatory guides specific to the organization and administration for a mixed oxide (MOX) fuel fabrication facility.

4.4.3 Regulatory Acceptance Criteria

The applicant's organization and administration should be acceptable if:

A. Application for Construction Approval

i. Organizational Structure

- a. Clear and unambiguous controls and communications exist between the organizational groups for designing and constructing the facility.
- b. Lines of communication, responsibility, and authority are clearly delineated between the organizational groups.

Organization and Administration

c. A corporate officer is responsible for HS&E activities.

ii. Administration

a. The applicant commits to establish formal management measures as described in Chapter 15.0 of this SRP as necessary and appropriate to ensure the availability and reliability of the items relied on for safety.

b. The organization in conjunction with the administration, and specifically the plans to transition from design and construction to operation, are adequate to maintain the design basis of the facility at all times.

iii. Key Management Positions

a. The personnel to design and construct the facility have the appropriate breadth and level of experience for their respective authorities and responsibilities as indicated in the organizational structure.

b. The key management will be appropriately available during design and operation. Additionally, the number of key management as indicated on the organizational charts is appropriately defined for the scope of each organizational function.

c. The applicant documents the qualifications, responsibilities, and authorities for key management positions with HS&E in position descriptions.

B. License Application

i. Organizational Structure

a. Clear and unambiguous controls and communications exist between the organizational groups for operating the facility.

b. Lines of communication, responsibility, and authority are clearly delineated between the organizational groups.

c. The HS&E organization(s) is independent of the operations organization(s) allowing it to provide objective HS&E audits, reviews, or control activities. "Independent" means that neither organization reports to the other in an administrative sense. Both may report to a common manager.

d. A corporate officer is responsible for HS&E activities.

e. The individual with overall responsibility (or delegated responsibility) for HS&E functions has the authority to shut down operations if they appear unsafe. If this

individual shuts down operations, the applicant requires that the same individual approve the restart of operations. Typically, this individual should have the same authority as the production or operations manager and have direct line responsibility to the plant manager.

ii. Administration

- a. The activities essential for effective implementation of the management measures or any other identified HS&E functions are documented in formally approved, written procedures prepared in compliance with a formal document control program. This documentation ensures that management measures are appropriately implemented for all items relied on for safety.
- b. The applicant commits to a simple mechanism for reporting potentially unsafe conditions or activities to the HS&E organization and/or to upper management that is available for use by any person in the plant. Reported concerns are investigated, addressed, and resolved promptly.

iii. Key Management Positions

- a. The personnel to operate the facility have the appropriate breadth and level of experience for their respective authorities and responsibilities as indicated in the organizational structure.
- b. The key management will be appropriately available during operation. Additionally, the number of key management as indicated on the organizational charts is appropriately defined for the scope of each organizational function.
- c. The applicant documents the qualifications, responsibilities, and authorities for key management positions with HS&E in position descriptions.

4.5 REVIEW PROCEDURES

4.5.1 Acceptance Review

The primary reviewer should perform an acceptance review to determine if the application (construction or license) adequately addresses the specific items in Section 4.3, "Areas of Review." Specifically, the primary reviewer should compare the application for construction approval against Section 4.3(A) and the license application against Section 4.3(B). If the primary reviewer verifies that the organization and administration is adequately addressed, the primary reviewer should accept the application for the safety evaluation in Section 4.5.2. If the primary reviewer identifies significant deficiencies in the material provided, the primary reviewer should request that the applicant submit additional information prior to the start of the safety evaluation.

Organization and Administration

4.5.2 Safety Evaluation

After determining that the application (construction or license) is acceptable for review in accordance with Section 4.5.1, the primary reviewer should perform a safety evaluation against the acceptance criteria described in Section 4.4. Specifically, the primary reviewer should compare the application for construction approval against Section 4.4.3(A) and the license application against Section 4.4.3(B). On the basis of its review, the staff may request that the applicant provide additional information or modify the application to meet the acceptance criteria in SRP Section 4.4.

To facilitate the safety evaluation for either the application for construction approval or the license application, each reviewer should examine the material provided in Section 4.3, "Areas of Review." In addition, the primary reviewer should verify with the secondary reviewers that the planned implementation of the organization and administration is consistent with other parts of the application, including any additional acceptance criteria in their respective review areas.

4.6 EVALUATION FINDINGS

The primary reviewer should document the safety evaluation by preparing material suitable for inclusion in the Safety Evaluation Report (SER). The primary reviewer should describe the review, explain the basis for the findings, and state the conclusions.

The staff could document the safety evaluation for the application for construction approval as follows:

The staff reviewed the organization and administration for construction approval for [insert name of facility] according to Chapter 4.0 of NUREG-1718. The staff evaluated [insert a summary of the material reviewed] and found that [state the findings].

The staff concluded that the applicant's organization and administration provides reasonable assurance that the applicant has an acceptable organization, administrative policies, and qualified key management positions to satisfy the applicant's commitments for the design and construction of the facility.

The staff could document the safety evaluation for the license application as follows:

The staff reviewed the organization and administration for the license to possess and use SNM for [insert name of facility] according to Chapter 4.0 of NUREG-1718. The staff evaluated [insert a summary of the material reviewed] and found that [state the findings].

The staff concluded that the applicant's organization and administration provides reasonable assurance that the applicant has an acceptable organization, administrative policies, and qualified key management positions to satisfy the regulatory requirements for the operation of the facility.

4.7 REFERENCES

- A. Code of Federal Regulations, Title 10, Part 70, Domestic Licensing of Special Nuclear Material, U.S. Government Printing Office, Washington, D.C., 1999.
- B. Proposed 10 CFR Part 70, "Domestic Licensing of Special Nuclear Material; Possession of a Critical Mass of Special Nuclear Material." 64 FRN 41338, July 30, 1999.
- C. NUREG-1324, "Proposed Method for Regulating Major Materials Licensees," Sections 3.1, Organization Plan, and 3.2, Managerial Controls and Oversight, U.S. Nuclear Regulatory Commission, 1992.