

NOTATION VOTE


RESPONSE SHEET

TO: Annette Vietti-Cook, Secretary
FROM: COMMISSIONER MERRIFIELD
SUBJECT: **SECY-99-227- N+1 RESIDENT INSPECTOR STAFFING
POLICY**

Approved Disapproved Abstain

Not Participating

COMMENTS: *See attached comments.*


SIGNATURE

10/6/99
DATE

Entered on "AS" Yes No

COMMISSIONER MERRIFIELD'S COMMENTS ON SECY-99-227

I approve the staff's recommendations presented in SECY-99-227.

The resident inspector program has been and continues to be a tremendous asset to the NRC as it has been the foundation of our ability to independently verify licensee performance and has improved our incident response capability. Our standards and expectations associated with the resident inspectors are necessarily high and the quality of our residents is typically excellent. As we proceed with changes to the resident inspector staffing policy, we must continue to look for opportunities to even further enhance the quality of the resident inspectors. Regardless of the changes that occur to our reactor oversight process, I believe a strong resident program will continue to be essential and thus must be supported by both agency management and the Commission. Clearly, the value of the resident inspector program is not in question in SECY-99-227. Rather, what is squarely before the Commission is whether N+1 inspectors are needed at multi-unit sites to effectively carry out the mission of the agency.

A historical perspective of how the resident inspector program evolved was a critical component of my vote on this issue. We cannot lose sight of why N+1 was originally adopted at multi-unit sites and we must carefully consider whether the conditions that formed the basis for its adoption exist today. The staff has clearly indicated that the N+1 resident inspector staffing policy was adopted in 1988 for multi-unit sites "in response to NRC concerns about safety performance". By almost any standard, the safety performance of the nuclear industry has significantly improved and is far better in 1999 than it was in 1988. Furthermore, the number of initiating events resulting in scrams has declined significantly over the past 10 years, and this is reflected in fewer and less complicated plant transients (i.e., fewer safety system actuations and significant events). It is clear to me that the safety performance of the nuclear industry has so greatly improved since 1988 that the conditions which formed the basis for adopting N+1 at multi-unit sites no longer exist.

Another logical question that the staff has appropriately addressed is whether the N+1 policy at multi-unit sites represents a commitment to Congress. It is clear to me that our commitment to Congress is to have a minimum of 2 resident inspectors at all operating sites. This commitment formed the basis for adopting N+1 resident inspectors at all single-unit sites. I believe this commitment is still prudent in 1999 and am confident that it is in no way compromised by the staff's recommendations in SECY-99-227. Specifically, the staff's recommendation to revise the resident inspector staffing policy to require 2 resident inspectors at single and dual unit sites and 3 resident inspectors at triple unit sites is consistent with our commitments to Congress.

One of my greatest concerns as I reviewed SECY-99-227 was whether it would be imprudent to revise the N+1 policy at multi-unit sites before completing the ongoing reactor oversight pilot program. My concerns centered around whether ruling on the N+1 policy would prejudice the outcome of the pilot program or in some way indicate a pre-disposition regarding the outcome of the pilot program. My concerns were initially exacerbated by comments in SECY-99-227 indicating that "Once the staff has gained experience implementing the risk-informed baseline

inspection program, we will have a better idea of the resources necessary to complete the baseline". However, as a result of discussions I have had with each of the Regional Administrators, several very important aspects of the pilot program were clarified and I gained a greater appreciation for how the N+1 policy at multi-unit sites unnecessarily handcuffs the Regional Administrators in their ability to manage inspection resources. It is now clear to me that eliminating the N+1 policy should in no way adversely impact implementation of the revised reactor oversight process and should not be inappropriately linked to completion of the pilot program. The Regional Administrators reinforced that as we consider the implications of the Commission's decision on the N+1 policy, we remember that irrespective of whether we are considering the current or new reactor oversight process, the conditions that formed the basis for the N+1 policy no longer exist given the industry's significantly improved performance. Further, as the staff gains insights during the pilot program regarding the resources that will be necessary to complete the risk-informed baseline inspection program, it is doing so in the context of inspection hours required per site, not in the context of the number of resident inspectors at each site. Whether the inspection resources needed to complete the required inspection hours are assigned from the regional staff or from the resident inspector staff is not relevant in the context of the new reactor oversight process. Therefore, since removing the N+1 resources from multi-unit sites will not in and of itself result in a reduction of inspection resources and decisions regarding the resources needed for the risk-informed baseline inspection program will not be prescriptive with respect to the source of these resources, I believe the N+1 matter before us is not directly linked to decisions resulting from the pilot program, nor should it prejudice the outcome of that pilot program.

As I considered the issue of providing Regional Administrators greater flexibility to assign inspection resources where they are needed, I was drawn to the agency's 4 cornerstones: 1) maintenance of safety, 2) improving effectiveness and efficiency, 3) reducing unnecessary burden, and 4) enhancing public confidence.

First, my review of SECY-99-227 and my discussions with the Regional Administrators leave no doubt in my mind that the proposed policy revision will in no way adversely affect the maintenance of safety. Again, it is important to reiterate that this policy revision will not in and of itself result in a reduction of inspection resources.

Second, it is also clear to me that revising the resident inspector staffing policy will improve the effectiveness and efficiency of the agency. I believe the outdated nature of the N+1 policy has so handcuffed the Regional Administrator's flexibility to appropriately allocate their inspection resources, they have simply learned to work around its inadequacies. Currently, 3 multi-unit sites have N+1 exemptions, 8 multi-unit sites have vacancies such that N+1 inspectors are not maintained at each site, and it has become routine to frequently assign resident inspectors from better performing "N+1 plants" to perform plant-specific inspections at poorer performing sites. A policy is only as effective as its implementation allows. I believe the staff is telling the Commission through their actions that the N+1 policy has outlived its usefulness and is hindering their ability to effectively and efficiently allocate inspection resources based on plant performance. Thus, I believe it is prudent to remove the constraints of an N+1 policy that now lacks the basis by which it was founded so that the Regional Administrators gain greater flexibility to assign inspection resources where they are most needed based on plant performance.

Third, I sincerely believe that revising the resident inspector staffing policy as proposed by the staff can both reduce unnecessary regulatory burden and enhance our safety oversight. I also believe the proposed revision is consistent with the premises behind the new reactor oversight process, our initiatives to risk-inform Part 50, and other regulatory reform efforts. Specifically, the NRC is in the process of making regulatory changes which allow the agency and licensees to focus resources where they have the most benefit from a risk perspective. As already discussed, the revised resident inspector staffing policy gives the Regional Administrators greater flexibility to assign additional inspection resources to plants with performance problems. It is important to note that the revised policy also gives the Regional Administrators greater flexibility to reduce inspection resources at good performing plants where not only does the NRC gain little additional oversight value from the "+1 inspector", but the presence of the "+1 inspector" has the potential to cause unnecessary regulatory burden through the performance of unnecessary and unproductive inspection efforts which divert licensee attention away from truly risk-significant aspects of plant operation. I believe the revised policy in no way represents less of a commitment to safety by the NRC. In fact, I believe it reflects an even greater commitment to safety because it facilitates more effective utilization of agency and licensee resources on matters of greatest risk significance.

Finally, I believe it is important to address the issue of public confidence. It is essential that the NRC effectively communicate with our stakeholders and our staff regarding the proposed resident inspector staffing policy revision and its basis. This issue is likely to receive a great deal of attention internal and external to the agency and is the type of matter which lends itself to misunderstanding as well as misinformation from those that oppose the Commission's decision. We must make it clear to our stakeholders and staff that the policy revision will not in and of itself result in a reduction of inspection resources, will enhance our ability to allocate resources on the basis of licensee performance, in no way represents a reduction in our commitment to safety, and in fact, represents an even greater agency focus on safety for the reasons discussed above. I believe it is imperative that the staff develop and implement a thorough communication plan regarding this policy matter prior to implementing the revision so that the basis for the Commission's decision is clear to our internal and external stakeholders.



UNITED STATES
NUCLEAR REGULATORY COMMISSION


WASHINGTON, D.C. 20555-0001

January 11, 2000

SECRETARY

MEMORANDUM TO: William D. Travers
Executive Director for Operations

William M. Beecher
Director, Office of Public Affairs

FROM: Annette Vietti-Cook, Secretary 

SUBJECT: STAFF REQUIREMENTS - SECY-99-227 - N+1 RESIDENT
INSPECTOR STAFFING POLICY

The Commission has approved a revision to the resident inspector staffing policy to require two resident inspectors at single and dual unit sites and three resident inspectors at triple unit sites pending completion of the study in June 2001.

The Commission approved the staff's plans to provide recommendations on inspection staffing in June 2001 as part of the report on full implementation of the revised reactor oversight program. The report should include recommendations on how those resources should best be allocated among headquarters, the regions, and the sites.

(EDO)

(SECY Suspense:

6/2001)

The Commission takes this step during the interim period with the understanding that:

- the change in policy will not directly result in a diminution in the overall inspection resources or the agency's ability to complete planned inspection program requirements,
- the staff will not direct reassignment of any resident inspector solely to achieve N resident staffing at dual or triple unit sites,
- the staff should provide heightened management oversight on staffing for sites where the number of resident inspectors assigned is N,
- the Regional Administrators, in consultation with NRR, will retain the flexibility to adjust the number of resident inspectors assigned to a site upward if the circumstances warrant, and

- the number of resident inspectors at any given site will not be reduced to less than two individuals.

The Commission believes that the policy revision will not in and of itself result in a reduction of inspection resources, and represents a greater agency focus on safety by enhancing NRC's ability to allocate resources on the basis of licensee performance. The staff should develop and implement a communication plan regarding this policy matter prior to implementing the revision so that the basis for the Commission's decision is clear to our internal and external stakeholders.

(EDO/OPA)

(SECY Suspense: 1/21/00)

With regard to the quality of resident inspectors, the staff should continue to make them an important focus of our recruitment and retention efforts.

cc: Chairman Meserve
Commissioner Dicus
Commissioner Diaz
Commissioner McGaffigan
Commissioner Merrifield
OGC
CFO
OCA
OIG
Regional Administrators