

NRC ROUNDTABLE PUBLIC MEETING

AGENDA

- 7:00 p.m. Introduction and overview of the Revised Reactor Oversight Process
NRC representatives briefly explain the new process**
- 7:20 p.m. Roundtable discussion
Invited Roundtable participants discuss their views of the new process
with representatives from the NRC**
- 8:40 p.m. Remarks from the general public
Open presentation by members of the public who wish to express their
views about the Revised Reactor Oversight Process**
- 9:00 p.m. Adjourn**

QUESTIONS FOR DISCUSSION AT THE ROUNDTABLE PUBLIC MEETING

The NRC is seeking feedback from the public on how well it's revised reactor oversight process meets the following four strategic program objectives.

To maintain safety by establishing an oversight framework that ensures continued safe plant operation.

To enhance public confidence in the agency.

To improve effectiveness, efficiency and realism through an oversight process by focusing resources on the most risk significant issues.

To reduce unnecessary regulatory burden for licensees and the NRC.

The NRC has held public meetings in the vicinity of the pilot plants, published Federal Register Notices, placed information in the public document room, and on the NRC's web site (www.nrc.gov/NRR/OVERSIGHT/overview.html) to provide the public with information about the pilot program, the status of plant performance indicators, and inspection findings. NRC is seeking feedback on its efforts to increase public participation.

- Do you believe the new oversight process will provide adequate assurance that plants are being operated safely?
- Do you believe that the new oversight program will provide sufficient regulatory attention to utilities with performance problems?
- Does the new oversight process enhance public confidence by increasing the predictability, consistency, clarity and objectivity of NRC's oversight?
- Does the available public information associated with the revised reactor oversight process, including the NRC's web page, provide an appropriately balanced view of licensee performance?
- Do you believe the NRC is providing the public with timely and understandable information on plant performance?
- Is the information provided by the NRC appropriate to keep the public informed of agency activities related to the plants?
- Do you believe the new oversight process improves the efficiency and effectiveness of the NRC's regulatory process, focusing agency resources on those issues with the most safety significance?
- Do you believe the new oversight process reduces unnecessary regulatory burden on licensees and the NRC?
- Are there other appropriate means by which the agency could solicit stakeholder feedback, in a timely, structured and consistent manner, on the pilot program or on full program implementation?

NRC Roundtable Public Meeting
Revised Reactor Oversight Process



Office of Nuclear Reactor Regulation
Nuclear Regulatory Commission
Washington, D.C.

What we'll cover . . .

- **Who we are**
- **Brief overview of revised program**
- **Roundtable discussion**
- **Input from audience**

Who we are . . .

The Nuclear Regulatory Commission is a Federal Government agency with the mission of ensuring adequate protection of the public health and safety as it relates to the peaceful use of nuclear materials in the United States.

Overall NRC Activities

- Ensure nuclear plants are designed, constructed, and operated in a safe fashion
- Issue licenses for the peaceful use of nuclear materials in the U. S.
- Ensure licensees use nuclear materials and operate plants safely, and are prepared to respond to emergencies
- Ensure that research provides the technical base for sound rules and regulations

FOUR KEY NRC OUTCOME MEASURES

- *Maintain safety* by establishing regulatory oversight framework that ensures continued safe operation
- *Enhance public confidence*
- *Improve effectiveness, efficiency, and realism of processes and decision making*
- *Reduce unnecessary regulatory burden*

Our current program . . .

- Collection of processes developed over time
- Based only upon inspection
- Compliance orientation
- Enforcement is major input to assessment

Our New Process . . .

- Single process
- Logical framework focuses on key areas most important to ensure adequate protection of public health and safety
- Provides for collection of essential information in each key area
- Objective standards for performance with clearly defined actions when standards are not met

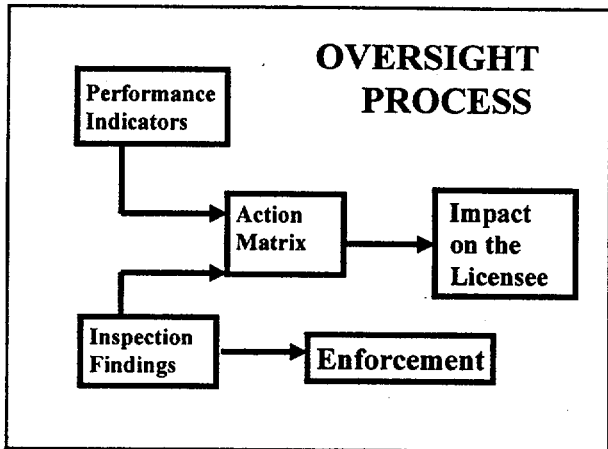
Continued emphasis on safety

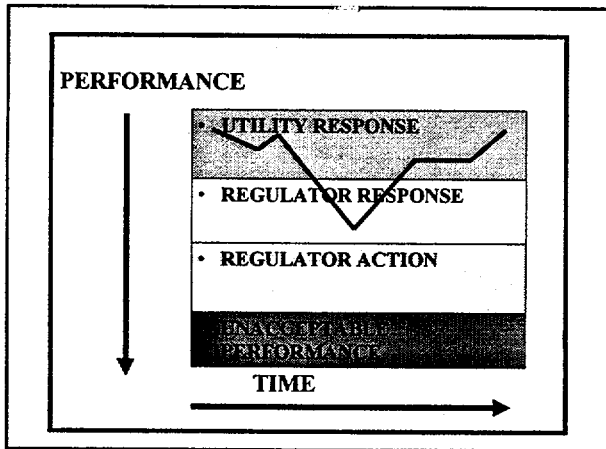
- Strict standards, daily monitoring will continue
- Clear, consistent objectives, focused on safety
- NRC monitoring results easier for public to understand and more readily available
- Enforcement is *outcome* of the process



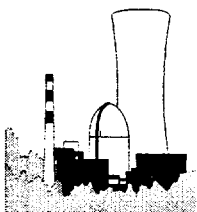
KEY ASPECTS OF THE NEW PROGRAM

- Baseline Inspection Program
 - indicative vs diagnostic
- Performance Indicators established
- Thresholds for Action
- Action Matrix for consistency
- Enforcement outcome





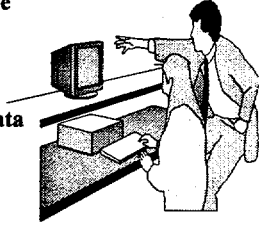
Evaluating Licensee Performance

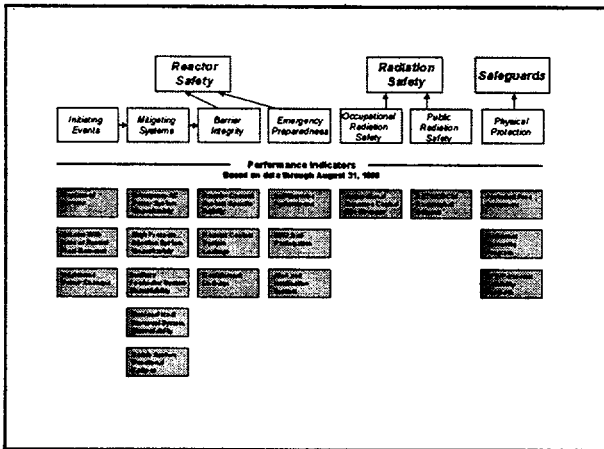


- **Green:** Cornerstone objectives fully met
- **White:** Cornerstone objectives met with minimal reduction in safety margin
- **Yellow:** Cornerstone objectives met with significant reduction in safety margin
- **Red:** Plant performance significantly outside design basis

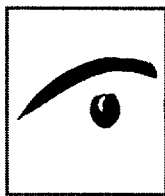
What will the public see?

- Public meetings to provide direct information and opportunity to provide input
- Performance Indicator data will be available on NRC public WEB site
- Periodic reports on NRC WEB site





Inspections will continue. . .



- Baseline Inspections *provide for continual monitoring*
- Supplemental Inspections *to diagnose concerns*
- Special Inspection Teams *when necessary*
- Inspection Reports *readily available to public thru the WEB*

PILOT PROGRAM . . .

- **Six month program started May 30, 1999**
- **Objective is to exercise processes prior to full implementation**
- **Nine sites on national basis**
- **Pre-established success criteria**
- **Pilot Program Evaluation Panel**
- **Public comment/feedback**

PUBLIC INPUT

- **A variety of Public Meetings held or planned throughout the process:**
 - Initial Public Meetings
 - Roundtable Public Meetings
 - Public Workshops
 - Bi-weekly Public Working Meetings
 - Commission Meetings
 - PPEP Meetings
- **Federal Register Notices requesting input**
- **External WEB page**

Future Events

- **Internal Survey**
- **Lessons Learned Workshop**
- **Public Meetings**
- **Commission paper/briefings**
- **Initial Implementation**

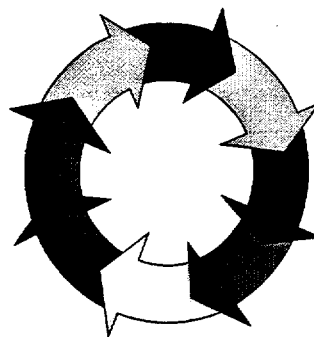
NRC Roundtable Public Meeting
Revised Reactor Oversight Process



Office of Nuclear Reactor Regulation
Nuclear Regulatory Commission
Washington, D.C.

Roundtable Discussion

- **To gain insight and feedback**
- **To focus on the Revised Oversight Process**
- **Moderated discussion**
- **Opportunity for everyone to contribute**
- **Informality welcome**



Question 1

- **Do you believe that the new oversight process will provide adequate assurance that plants are being operated safely?**

NOTES:

Question 2

- **Do you believe that the new oversight program will provide sufficient regulatory attention to utilities with performance problems?**

NOTES:

Question 3

- **Does the new oversight process enhance public confidence by increasing the predictability, consistency, clarity and objectivity of NRC's oversight?**

NOTES:

Question 4

- **Does the available public information associated with the revised reactor oversight process, including the NRC's WEB page, provide an appropriately balanced view of licensee performance?**

NOTES:

Question 5

- **Do you believe the NRC is providing the public with timely and understandable information on plant performance?**

NOTES:

Question 6

- **Is the information provided by the NRC appropriate to keep the public informed of agency activities related to the plants?**

NOTES:

Question 7

- **Do you believe the new oversight process improves the efficiency and effectiveness of the NRC's regulatory process, focusing agency resources on those issues with the most safety significance?**

NOTES:

Question 8

- **Do you believe the new oversight process reduces unnecessary regulatory burden on licensees and the NRC?**

NOTES:

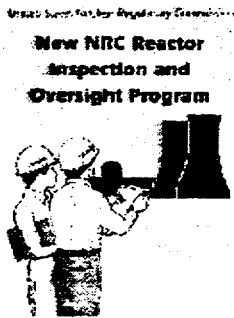
Question 9

- **Are there any other appropriate means by which the agency could solicit stakeholder feedback, in a timely, structured and consistent manner, on the pilot program or on full program implementation?**

NOTES:

New NRC Reactor Inspection and Oversight Program

[Plant Assessment](#) | [News and Information](#) | [NRC Home](#) | [E-mail](#)
[Detailed Information on New Inspection Program](#) | [Pilot Plant Assessments](#)



The Nuclear Regulatory Commission is revamping its inspection and oversight program for commercial nuclear power plants. The new program takes into account improvements in the performance of the nuclear industry over the past twenty years and the desire of the NRC to apply more objective, timely, safety-significant criteria in assessing performance, as well as the agency's need to effectively regulate the industry with a smaller staff and budget.

The new program will be tested at nine nuclear power plants on a pilot basis, beginning in June. This experience will be used to evaluate and, if needed, modify the new processes before they are extended to all plants next year.

The impetus behind this comprehensive change in approach came both from the NRC's own fundamental reviews of its regulatory program as part of the "reinventing government" process and from concerns expressed by the nuclear industry, Congressional committees and public interest groups.

The commercial nuclear power industry in the United States is a mature industry. Most of the more than 100 nuclear plants have been operating for more than 10 years, and half of them have operated for more than 20 years. The industry has not informed the NRC of any plans for new nuclear plants, although the NRC has approved standardized designs for improved nuclear power facilities.

All the evidence suggests that the safety and reliability of the nuclear industry has improved markedly since the mid-1980's. The number of automatic shutdowns, the number of significant safety problems, and the number of outages caused by equipment problems have all decreased.

The improvements in plant performance can be attributed both to efforts within the nuclear industry and to successful regulatory oversight. Despite this success, the NRC has noted that the current processes for inspection, assessment, and enforcement are not always focused on the most important safety issues. In some situations, regulatory activities have been redundant or inefficient and, at times, overly subjective. NRC actions have not always been sufficiently understandable or predictable.

To address these concerns, the new oversight program calls for:

- Focusing inspections on activities where the potential risks are greater
- Applying greater regulatory attention to facilities with performance problems and reducing regulatory attention on facilities that perform well
- Using objective measurements of the performance of nuclear power plants whenever possible
- Giving the nuclear industry and the public timely and understandable assessments of plant performance

Minimizing unnecessary regulatory burdens on nuclear facilities

- Responding to violations of regulations in a predictable and consistent manner that reflects the safety impact of the violations

The key features of the program deal with new methods for assessing performance and inspecting to assure safe operation. It spells out more clearly what a nuclear plant operator can expect with good performance and what agency actions will be taken if performance declines.

The new commercial nuclear plant oversight program is, of course, anchored in the NRC's mission to ensure public health and safety in the operation of such power plants.

The objective is to monitor performance in three broad areas -- reactor safety (avoiding accidents and reducing the consequences of accidents if they occur); radiation safety for plant workers and the public during routine operations; and protection of the plant against sabotage or other security threats.

Another way of looking at the mission is to identify the "cornerstones" of safe nuclear plant operation in each of the three areas:

Reactor Safety Cornerstones

- Initiating Events -- minimizing events that could lead to an accident
- Mitigation Systems -- assure the ability of safety systems to respond to and lessen the severity of an accident
- Barrier Integrity -- maintain barriers to the release of radioactivity in an accident
- Emergency Preparedness -- plans by the utility and governmental agencies to shelter or evacuate people in the community in the event of a severe accident

Radiation Safety Cornerstones

- Plant worker -- minimize exposure during routine operations
- General public -- provide adequate protection during routine operations

Security Cornerstone

- Physical protection of plant and nuclear fuel

Cross-Cutting Elements

Three cross-cutting elements are part of each of these cornerstones:

- Human performance
- Management attention to safety and workers' ability to raise safety issues ("Safety-conscious" work environment)
- Finding and fixing problems (Utility's corrective action program)

Measuring nuclear plant performance

Nuclear plant performance will be measured by a combination of objective performance indicators and by the NRC inspection program which will be focused on those plant activities which have the greatest impact on safety and overall risk.

Performance Indicators

Performance indicators use objective data to monitor each of the "cornerstone" areas. The data which make up the performance indicators will be generated by the utilities and submitted to the NRC. The NRC will also monitor plant activities through its inspection program both to verify the accuracy of the performance indicator information and to assess performance that is not measured by the performance indicators.

The principal performance indicators now planned are:

Safety Cornerstone	Performance Indicator
Initiating events	Unplanned reactor shutdowns (automatic and manual)
	Loss of normal reactor cooling system following unplanned shutdown
	"Transients" -- unplanned events that result in changes in reactor power
Mitigating Systems	Safety System not available <ul style="list-style-type: none"> • Specific Emergency Core Cooling Systems • Emergency Electric Power Systems
	Safety System Failures
Integrity of barriers to release of radioactivity	Fuel Cladding (measured by radioactivity in reactor cooling system)
	Reactor cooling system leak rate
	Reactor containment leak rate (when tested)
Emergency Preparedness	Emergency response organization drill performance
	Readiness of emergency response organization
	Availability of notification system for area residents
Occupational Radiation Safety	Compliance with regulations for controlling access to radiation areas in plant
	Uncontrolled radiation exposures to workers greater than 10 percent of regulatory limit
Public Radiation Safety	Effluent releases requiring reporting under NRC regulations and license conditions
Physical Protection	Security system equipment availability
	Personnel screening program performance
	Employee fitness-for-duty program effectiveness

Inspections

The new inspection program will include baseline inspections common to all nuclear plants. Inspections beyond the baseline will be performed at plants with performance below a specified threshold, based on performance indicators inspection findings. Additional inspections may also be performed in response to a specific event or problem at a plant.

The baseline inspection program will be based on the "cornerstone" areas important to safety. It will focus on activities and systems that are "risk significant," that is those activities and systems that have a potential

to initiate an accident, mitigate the effects of an accident, or increase the consequences of a possible accident. The inspection program will also review how the utilities find and fix problems.

The inspections will be performed by NRC resident inspectors stationed at each nuclear power plant, and by inspectors based in one of the four NRC regional offices or in NRC Headquarters in Rockville, Maryland. The regional offices are in King of Prussia, Pennsylvania; Atlanta, Georgia; Lisle, Illinois; and Arlington, Texas.

The redesigned inspection program was developed using a "risk-informed" approach to select areas to inspect within each cornerstone. The inspection areas were selected because of their importance from the point of view of potential risk, past operational experience, and regulatory requirements. Within each inspection area, the scope of the inspection will be set using the same assessment of risk significance. The degree to which the area is measured by a performance indicator also affects the scope.

The baseline inspection program has three parts -- inspection of areas not covered by performance indicators or where a performance indicator does not fully cover the inspection area; inspections to verify the accuracy of information provided by a licensee's performance indicators; and a comprehensive review of the utility's effectiveness in finding and resolving problems.

The baseline inspection program will be evaluated within the pilot program to determine the level of effort needed to conduct the inspections. It is expected that there will be some reduction in the inspection effort for the better performance plants, compared to the existing program.

As is the current practice, inspection reports will be issued for all inspections. The reports are available to the public. When the NRC's new document management system begins operation later this year, the reports will be available on the agency's Internet web site.

Assessing plant performance

The performance indicator data, submitted by the utilities, will be evaluated and integrated with the findings of the NRC inspection program. Each of the performance indicators has criteria for measuring acceptable performance. (Like all industrial activities, nuclear power plants are not error-free or risk-free. Equipment problems will occur. Each performance indicator is designed to determine acceptable levels of operation within adequate safety margins.)

The performance indicators will be monitored by the NRC staff and reported quarterly by the utilities. Significant problems identified by performance indicators or by NRC inspectors will be dealt with promptly.

Each performance indicator and inspection assessment will be categorized to determine the appropriate regulatory response:

Category "Green" - Performance only calling for NRC "baseline" oversight

- Cornerstone objectives fully met
- No significant deviation from expected performance

Category "White" - Performance calling for increased regulatory response

- Cornerstone objectives met with minimal reduction in safety margin
- Outside bounds of expected performance
- Changes in performance but with very small effect on accident risk

Category "Yellow" - Performance calling for required regulatory response

- Cornerstone objectives met but with reduction in safety margin
- Changes in performance with a small effect on accident risk

Category "Red" - Unacceptable performance.

- Plant performance significantly outside design basis
- Loss of confidence in ability of plant to provide assurance of public health and safety with continued operation
- Significant reduction in margins of safety.

The inspection staff has developed a process to determine the safety significance of inspection findings. The inspectors will clearly describe the plant conditions observed and the effect of those conditions on plant safety systems. An initial review would identify the inspection findings that would not result in a significant increase in risk; these inspection findings would not be analyzed further. Those inspection findings not eliminated in this initial screening would be subject to a more thorough risk assessment. This, in turn, would help determine what NRC action is called for.

Each calendar quarter, the resident inspectors and the inspection staff in the regional office will review the performance of all nuclear power plants in that region as measured by the performance indicators and by inspection findings. Every six months, this review will be expanded to include planning of inspections for the following six-month period.

For those performance indicators and inspection areas outside of the "green" category, the agency may increase its inspection and oversight activities in those affected areas.

Each year, the final quarterly review will involve a more detailed assessment of plant performance over the previous 12 months and preparation of a performance report, as well as the inspection plan for the following six-month period. This review will include NRC headquarters staff members as well as the regional staff and the resident inspectors.

An annual review will also be used to affirm that those plants with declining performance that require action from NRC regional offices or from headquarters have been appropriately considered. These plants will be discussed at an annual meeting of the NRC's senior managers. All such plants also will be discussed during a public Commission meeting on plant performance.

Following the Commission meeting, the annual performance reports for all plants will be issued and the NRC staff will hold public meetings with each licensee to discuss the previous year's performance.

How the NRC will respond to plant performance

The quarterly reviews of plant performance, using the performance indicators and inspection assessments, will determine what additional action, if any, the NRC will take. This process is intended to be more predictable than current practices by linking regulatory actions to performance criteria. The new process

provides for four levels of regulatory response beyond the baseline inspection and oversight program. The first two levels of increased regulatory review would be managed by the appropriate regional office. The higher levels would be an agency response, involving the application of senior management attention and resources from both headquarters and a regional office.

Assessment of Plant Performance (in order of increasing safety significance)	NRC Response
I. All Performance Indicators and Cornerstone Inspection Findings GREEN <ul style="list-style-type: none"> • Cornerstone objectives fully met. 	<ul style="list-style-type: none"> • Routine resident inspector and staff interaction • Normal baseline inspection program • Annual assessment public meeting
II. One or two inputs WHITE in different cornerstones <ul style="list-style-type: none"> • Cornerstone objectives fully met. 	<p style="text-align: center;">Response at Regional level</p> <ul style="list-style-type: none"> • Staff to hold public meeting with utility management • Utility corrective action to address WHITE inputs with NRC oversight • NRC inspection followup on WHITE inputs and corrective action
III. One degraded cornerstone (two inputs WHITE or one input YELLOW) or three inputs in any cornerstone WHITE <ul style="list-style-type: none"> • Cornerstone objectives met with minimal reduction in safety margin 	<p style="text-align: center;">Response at Regional level</p> <ul style="list-style-type: none"> • Senior Regional management to hold public meeting with utility management • Utility to conduct self-assessment with NRC oversight • Utility submits response to degraded area • Additional inspections focused on cause of degraded performance
IV. Repetitive degraded cornerstone, multiple degraded cornerstones, or multiple YELLOW inputs <ul style="list-style-type: none"> • Cornerstone objectives met with longstanding issues or significant reduction in safety margin 	<p style="text-align: center;">Response at Agency level</p> <ul style="list-style-type: none"> • Executive Director for Operations to hold public meeting with senior utility management • Utility develops performance improvement plan with NRC oversight • NRC team inspection focused on cause of degraded performance • "Demand for Information," "Confirmatory Action Letter" or Order
V. Overall RED (unacceptable performance) <ul style="list-style-type: none"> • Unacceptable reduction in safety margin 	<p style="text-align: center;">Response at Agency level</p> <ul style="list-style-type: none"> • Plant not permitted to operate • Commission meeting with senior utility management • Order to modify, suspend, or revoke license

Enforcement Actions

The NRC is changing its enforcement program to integrate it with the overall performance assessment process.

Each violation of NRC requirements found during NRC inspections will be evaluated to determine its effect on plant safety and risk. If the violation is thought to be of low safety significance, it will be discussed in the inspection report with no formal enforcement action. The utility is expected to deal with the violation through its corrective action program, correcting the violation and taking steps to prevent a recurrence. The issue may also be reviewed during future NRC inspections.

While a formal Notice of Violation will usually not be issued for violations of low safety significance, if the utility fails to correct the problem in a reasonable period of time or does not put the problem in its corrective action program a Notice of Violation will be issued. A Notice of Violation may also be issued if the violation is found to be willful.

If the NRC risk evaluation finds that the violation has higher safety significance, a Notice of Violation will be issued. The performance assessment process will be used to establish the appropriate response for the violation. Normally, these violation will not be the subject of a civil penalty. However, there may be violations, when evaluated for their safety significance, that warrant a fine because of the magnitude of the safety significance. These violations are likely to be rare. Possible examples include exceeding a safety limit specified in a reactor license or the inadvertent startup of a reactor.

Some violations will call for the traditional enforcement approach, including the possible issuance of fines. Examples include:

1. Discrimination against workers for raising safety issues or other willful violations.
2. Actions that may adversely affect the NRC's ability to monitor utility activities, including reporting violations, failure to obtain NRC approval for plant changes, failure to maintain accurate records, and failure to provide the NRC with complete and accurate information.
3. Incidents with actual consequences, including radiation exposures above NRC limits, releases of radioactive material above NRC limits, and failure to notify government agencies when emergency response is required.

Pilot Program to Be Conducted

The NRC will test the regulatory oversight process with a six-month pilot program at nine nuclear power plants, beginning in June. The plants represent a cross-section of the nuclear industry, featuring different plant designs and varying levels of performance. In the pilot program, the utilities will collect and report performance indicator data. The NRC will inspect the plants under the new baseline inspection program, taking enforcement action, when appropriate, using the new enforcement policy guidelines. Similarly, the plants will be evaluated using the new assessment process.

The pilot program is intended to test how effectively the new oversight process works and to identify possible problems. The program will also measure the resources required by the NRC and by the industry to implement the new system. Based on lessons learned from the pilot, the NRC will decide whether revisions are necessary before extending the oversight process to all commercial nuclear power plants. Evaluation of the oversight process will be based on criteria established in advance.

Those plants selected to participate in the pilot program are:

Hope Creek, Public Service Electric and Gas Company
Salem 1 and 2, Public Service Electric and Gas Company
FitzPatrick, New York Power Authority
Harris, Carolina Power and Light Company
Sequoyah 1 and 2, Tennessee Valley Authority
Prairie Island 1 and 2, Northern States Power Company
Quad Cities 1 and 2, Commonwealth Edison Company
Ft. Calhoun, Omaha Public Power District
Cooper, Nebraska Public Power District

Making performance information available to public

The new inspection and oversight program will provide more information on plant performance than in the past, and the information will be available on a more frequent basis. Updated plant performance information will be issued by the NRC every three months. This information will be placed on the NRC's internet web site as well as in its Public Document Room in Washington, D.C.

The NRC will develop the format that will be used for the report. The process will call for a utility to submit to the NRC the quarterly performance indicator data for the plant which it operates. The NRC staff will review the data for completeness and accuracy. The staff will then combine the utility-submitted performance indicators with performance indicators generated for each of the "safety cornerstone" areas by the NRC's own inspection program. The quarterly performance report will include performance indicator data and inspection findings for the previous four quarters to provide a context for assessing performance and observing change in that performance. This unified report will then be issued to the utility and to the public.

Every six months, the performance review will also be used to develop the plan for inspections to be conducted during the ensuing six months. The last report in a yearly cycle will include a narrative assessment of the plant's performance over the previous 12 months together with those steps called for by the NRC or taken by the licensee on its own initiative to address problems. The NRC staff will also hold an annual public meeting with each utility to discuss the plant's performance.

The fourth quarter report for each plant will be issued following a public Commission meeting to review the performance of all commercial nuclear plants. This meeting will focus on any plants which require additional NRC oversight because of declining performance or continued performance problems.

How this oversight program differs from the current system

The current inspection program was designed to regulate an industry which was more likely to experience performance problems than is currently the case. Therefore, the existing programs are aimed at closely observing plant activities and performance and responding to operational problems as they occur.

The new inspection program recognizes that most plants are now performing substantially better than did the plants of the mid-1980's. For example, in the 1980's the typical plant had about six unplanned shutdowns ("scrams") a year. In the past year, the number of reactor scrams averaged less than one per year per plant. This is an important measure of plant operations and demonstrates the significant improvement in performance at most plants.

The new program is designed to focus more of the agency's resources on the relatively small number of plants which evidence performance problems, while reducing the regulatory impact on plants that perform well. The baseline inspection program is considered the minimum inspection effort needed to assure that plants have demonstrated that they meet the "safety cornerstone" objectives. The baseline inspection program will be performed at all reactor sites utilizing NRC resident inspectors and inspectors from the regional offices.

The baseline inspection program will monitor plant activities as an "indicator" of plant performance. If performance declines, the inspection effort would increase to consider what caused the decline. By way of contrast, the traditional NRC inspection program was more diagnostic in the first instance, looking for possible problems and their causes, no matter how the plant was performing. The new baseline program is more "risk-informed" -- it concentrates on those plant activities and systems which have the greatest potential impact on safety.

Plants which do not meet the "safety cornerstone" objectives will receive increased inspection, focusing on areas of declining performance. There will also be "reactive" inspections beyond the baseline program, even at plants performing well, if there are operational problems or events the NRC believes require greater scrutiny. Generic problems, affecting some or all plants, may also require additional inspections.

The assessment program will be substantially different from the previous process. The new program makes greater use of performance indicators. Together, the indicators and inspection findings provide the information needed to support the quarterly reviews of plant performance.

The new enforcement policy will complement the assessment process by focusing on the safety significance of individual violations. For those of lesser significance the utilities will be expected to address the violations in their corrective action programs. More significant violations may lead to further NRC action, including meetings with utility officials, formal orders, or other regulatory tools. Fines may also be proposed, if appropriate.

The performance assessment process previously involved three processes:

- Plant Performance Review -- conducted every six months to assess events, inspection findings, and other data. This review was done to plan future inspections and to identify those plants with declining performance that required further NRC action.
- Senior Management Meeting and Watch List- - the plant performance review was used to identify those plants which required further discussion by the NRC senior managers to determine if additional regulatory action was needed. The senior managers reviewed the information assessing plant performance. The managers designated those plants warranting heightened NRC monitoring as being on a "watch list." These "watch list" plants were then discussed at a public meeting with the Commission.
- About every 18 months, the NRC staff performed a separate review of the performance of each plant, preparing a Systematic Assessment of Licensee Performance (SALP) report. This report included a numerical rating of the plant in four categories--plant operations, maintenance, engineering, and plant support--as well as providing a narrative discussion of overall performance. For plants with performance problems, the SALP period could be shortened to as little as once a year, while plants with superior performance were assessed every 24 months.

The revamping of the NRC's inspection and oversight program should fulfill the following four goals established by the Commission:

1. To maintain safety by establishing a regulatory oversight framework that ensures that plants continue to be operated safely. Maintaining safety is the foremost consideration in what NRC does.
2. To enhance public confidence by increasing the predictability, consistency, objectivity and scrutability of the oversight process so that all parties will be well served by the changes taking place.
3. To improve effectiveness and efficiency of the oversight process by focusing agency resources and utility resources on those issues with the most risk-significance.
4. To reduce unnecessary regulatory burden as the process becomes more efficient and effective.

First revision, May 11, 1999.