

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

April 26, 2019

MEMORANDUM TO: Margie A. Kotzalas, Chief Fuel Facility Licensing and Oversight Branch Division of Fuel Cycle Safety, Safeguards, and Environmental Review Office of Nuclear Material Safety and Safeguards

FROM: Mike F. King, Director /RA for Mike King/ Division of Fuel Cycle Safety, Safeguards, and Environmental Review Office of Nuclear Material Safety and Safeguards

> LaDonna B. Suggs, Director Division of Fuel Facility Inspection Region II

SUBJECT: APPROVAL OF THE WORKING GROUP CHARTER FOR BUILDING A SMARTER FUEL CYCLE INSPECTION PROGRAM

This memorandum approves the charter that describes the review of the Fuel Cycle inspection program for the purpose of improving the effectiveness and efficiency of the program inspections in areas of safety and safeguards. Through this memorandum you are requested to form a working group to conduct a holistic assessment of the Fuel Cycle inspection program as defined in Inspection Manual Chapter (IMC) 2600 "Fuel Cycle Facility Operational Safety and Safeguards Inspection Program" to make recommendations on improving both the effectiveness and efficiency of the inspection program while further integrating risk-informed insights. The working group should look for areas of transformation and innovation in the Fuel Cycle inspection program while adhering to the key principles that guide the manner in which we conduct our work and make decisions, particularly with respect to the concept of "reasonable assurance of adequate protection."

The working group will solicit and assess feedback from internal and external stakeholders (public, industry, etc.) on any proposed changes to the inspection program. The working group will review the suite of IPs referenced in IMC 2600 and IMC 2683 to determine if overlaps of inspection areas exist and to make recommendations on areas of enhancements. The working group will leverage, as appropriate, operating experience and inspection data to determine whether the inspection program guidance applies the appropriate focus on areas with demonstrated performance issues and areas that provide the greatest safety benefit to determine that a facility is operating safely and securely in accordance with regulatory requirements. The working group should consider ways to make all phases of the inspection program smarter (scheduling, preparation, inspection, enforcement, documentation, etc.)

CONTACT: Jonathan Marcano, NMSS/FCSE 301-415-6731

## M. Kotzalas

The enclosed charter includes recommendations provided in the Nuclear Energy Institute letter dated April 12, 2019 (ADAMS Accession Number ML19114A288) and URENCO USA letter dated April 24, 2019 (ADAMS Accession Number ML19115A349).

Enclosure: Charter M. Kotzalas

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- DATED: <u>April 26, 2019</u>

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OFFICE	FCSE/LOB	FCSE/ERB	FCSE/LOB	RGN II/DFFI
NAME	JMarcano	AWalker-Smith	MKotzalas	*RWilliams
DATE	04/24/2019	03/19/2019	04/24/2019	04/25/2019
OFFICE	RGN II/DFFI	FCSE/MCAB	FCSE	RGN II/DFFI
NAME	*EMichel	JRubenstone	MKing	*LSuggs
DATE	04/25/2019	04/24/2019	04/26/2019	04/26/2019

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