

NRC INSPECTION MANUAL

PIPB ||

MANUAL CHAPTER 0030

POLICY AND GUIDANCE FOR DEVELOPMENT OF NRC INSPECTION MANUAL PROGRAMS

0030-01 PURPOSE

This chapter provides management guidance for the development and maintenance of the NRC inspection program. It contains basic policies forming the general framework to be used in shaping the program.

0030-02 POLICY AND OBJECTIVES

02.01 This document presents a statement of fundamental philosophy and basic policy upon which the NRC inspection program is based. The policy statements contained throughout this chapter are to be used as guidelines:

- a. Basing the program on a foundation of regulatory requirements and safety principles.
- b. Ensuring the program is a logical and consistent link in the regulatory process.
- c. Building the program on priorities which are based on safety significance.
- d. Structuring the program to account for the impact of reactive efforts on planned, periodic, and scheduled routine inspections.
- e. Revising the program to reflect experience gained through implementation of the program.

02.02 The discussion of the inspection program policy is organized and presented under seven headings.

- a. Section 05, Program Philosophy
- b. Section 06, Program Objectives
- c. Section 07, Nature of the Program
- d. Section 08, Structure of the Program
- e. Section 09, Scope of the Program
- f. Section 10, Expressing the Program
- g. Section 11, Coordinating Development of the Program

0030-03 DEFINITIONS

Audit. An activity that gathers information for the purpose of making decisions relative to future inspections or regulatory decisions. No inspection report is issued and the effort is not charged to a docket. The only examples are: (1) a trial run for an inspection procedure or temporary instruction from which a final decision will be made to go final with the proposed inspection document or cancel it and (2) a visit to a site to gather information for a generic letter or bulletin. Audits are expected to be infrequent.

Industry and Nuclear Industry. Terms used in an all-inclusive sense meaning any activity licensed or regulated by the NRC.

Inspection Program and Program. Terms used in an all-inclusive sense meaning functions of inspection and the specific policies, procedures, and guidance which describe and provide instructions for carrying out those functions. The terms are occasionally used for a particular element of the program, such as inspection procedures. Any distinction of this type should be evident by the context in which the term is used.

Inspection. An activity that implements the requirements on an inspection procedure or a temporary instruction. The results of the inspection activity are captured in an inspection report, and the inspection effort is fee billable to a specific docket number.

Licensee and Licensed Facility (and like terms). Include both licensees and applicants for licenses, permits, or authorizations as well as vendors.

Public, Public Protection and Public Health and Safety. Terms which include industry employees as well as the general public. Any special distinction among these terms should be evident by the context in which the term is used.

Safety Significance. A term used to indicate a priority. For example, systems and controls which have high relative safety significance should receive priority inspection effort; those efforts not directly related to safety are inspected with less resource expenditure, or, in some cases not inspected at all.

0300-04 RESPONSIBILITIES AND AUTHORITIES

04.01 Division and Staff Directors. Ensure that the statements of inspection program policy as presented in this Manual Chapter are incorporated in the inspection program areas for which they are responsible.

04.02 NRR, Inspection Program Branch. Ensures that these programs reflect the statements of inspection policy presented in this instruction.

0300-05 PROGRAM PHILOSOPHY

05.01 The NRC exists to assure that the public health and safety, the common defense and security, and the environment are protected. If this protection cannot be reasonably assured by a licensee's actions, the licensee should not be permitted to operate.

05.02 The regulated nuclear licensee is ultimately responsible for the safety of its activities and the safeguarding of nuclear facilities and materials used in its operation. The NRC ensures that the licensee adequately discharges this ultimate responsibility.

05.03 The NRC develops programs and licensee requirements which reflect emphasis on safety and safeguards considerations.

05.04 Safety and safeguards result from proper design, proper fabrication and construction, adequate testing, controlled operations, and responsible management oversight. The inspection program should provide for assessing whether the licensee has achieved the desired result.

05.05 A planned "sampling" inspection approach is to be used. The findings resulting from the planned and selective sampling are indicators of the licensee's overall performance.

05.06 Inspection must focus on areas of greatest safety significance, with appropriate independent verification of licensee performance.

05.07 Inspection is not aimed at merely confirming compliance on the part of the licensee; rather, inspection is a deliberate, systematic evaluation of the overall adequacy and effectiveness of licensee performance.

05.08 Enforcement actions are a logical consequence of a licensee's failure to comply with Commission requirements. The enforcement program is detailed in the NRC Enforcement Manual.

05.09 The NRC inspection does not replace any inspection or control of activities performed by the licensee, but examines the licensee's control and actions for adequacy and effectiveness in protecting the public. The inspection program must be objective and technically correct. Through prompt, fair, and impartial documentation of findings of noncompliance, it must also bring about licensee adherence to NRC requirements to the degree necessary for public protection.

0030-06 PROGRAM OBJECTIVES

The fundamental task of the NRC is to ensure that planned and existing licensed operations can be and are being conducted without undue risk to the public. The program objectives derived from that task are as follows:

- a. To provide a basis for recommending issuance, denial, continuation, modification, or revocation of an NRC permit or license.
- b. To identify conditions within areas inspected that may adversely affect public safety in order that appropriate corrective action(s) can be taken.
- c. To determine the level of effectiveness of the licensee's performance in general as well as in each inspection program area.
- d. To determine the status of compliance with NRC regulations, licenses, and orders.

0030-07 NATURE OF THE PROGRAM

07.01 General. The program is, by nature, dynamic. It is continually being shaped by experience and lessons learned in the inspection and enforcement process, by analysis and evaluation of operational data and events, and by ongoing evaluation of its adequacy and effectiveness. It is kept up to date, reflecting significant new and revised statements of regulatory policy and guidance and changes to resource levels.

07.02 Changed by Experience. The focus of inspections is sharpened as a result of the ongoing process of evaluation of inspection findings, enforcement actions, operational events, and the results of the systematic assessment of licensee performance (SALP) program and special team inspections. ||

07.03 Changed by Appraisal. The ongoing process of program appraisal searches for ways to improve the quality of the inspection program and thereby advance the quality and uniformity of its implementation. The appraisal process includes consideration of: the effectiveness and practicality of program policies and requirements; the adequacy of procedures and guidance; the ordering of priorities with respect to safety; the adequacy of management information; third party inspection efforts; program documentation required by program directives; and changes in inspection resources.

07.04 Changed by New NRC Requirements. New and revised NRC standards and requirements are incorporated into the program according to their safety importance and priority in relation to existing and planned program requirements and available inspection resources.

0030-08 STRUCTURE OF A PROGRAM

08.01 General. The program recognizes two basic kinds of inspection efforts--routine and reactive. Routine inspections are performed on a planned, and scheduled basis and make up the core of the program. In contrast to being scheduled, reactive inspections, as the name implies, are performed in response to an event or

circumstances. Resources should be allotted for reactive inspections based upon past experience.

08.02 Routine Inspections. The purpose of routine inspections is to maintain ongoing assurance of the adequacy and effectiveness of licensee performance with respect to safe operation and adherence to NRC requirements. This effort is systematic and scheduled. It is characterized in large part by repetitive, cyclic inspection of various licensee activities. The amount of allotted inspection effort is based on safety significance and the frequency that an activity is performed. A minimum inspection effort will be performed at all sites in each of the SALP functional areas. This minimum effort is defined in the core inspection program (IMC 2515, Appendix A). Risk assessment techniques should be used in setting frequencies and priorities of inspection where risk information is available, warrants such use, and lends itself to the purpose.

The Regional Administrators also have the responsibility to modify the inspection program at individual facilities based upon the licensee's performance and in accordance with established practices. The SALP process and other indicators of licensee performance aid in this decision regarding program implementation. This flexibility is an integral part of the program.

08.03 Reactive Efforts. The purpose of the reactive inspection is basically the same as that of the routine inspection. In this case, however, the examination and evaluation of licensee controls are sharply focused on a particular aspect of licensee operation. This focus is brought about by the inspection being in reaction to a specific event or condition.

The reactive inspection effort is characterized by its intensive focus on a specific problem. The written guidance is, in effect, a general inspection plan or concept of action based on available information for events which have or can be reasonably expected to occur. The procedures for reactive efforts are therefore limited in number and coverage.

The reaction to an event must be technically correct and the correctness will be achieved by reliance on the technical competence of the inspection staff.

The level and extent of effort expended in reaction to an event is determined on the basis of safety significance; that is, the degree of threat or risk to public health and safety presented by the situation.

Examples of reactive efforts are given below:

- a. Response to allegations and complaints.
- b. Response to incidents and unusual events.
- c. Special followup inspections of corrective actions not covered by the routine inspection program.

- d. Response to requests or a situation suited for special inspections or like actions outside the defined written program of routine inspections.

0030-09 SCOPE OF THE PROGRAM

09.01 General. The inspection program is carefully constructed taking into account several factors which directly affect the scope, depth, and emphasis of inspections. These factors include:

- a. The program requirements defined in NRC rules and regulations.
- b. The safety significance of licensee functions and aspects of licensee operations being inspected.
- c. The inspector resources available to perform the program.

09.02 Bases. The bases of the program will be the fundamental requirement that licensed operations be conducted without undue risk to public safety and that the program reflect the requirements imposed on licensees in NRC regulations, licenses, permits, authorizations, and orders. The program will recognize the large number of requirements imposed on licensees by establishing priorities for inspection and by planned sampling of safety significant activities.

09.03 Focus. The program will focus on important and substantive requirements, standards, and principles connected with administrative, managerial, scientific, engineering, construction, and operation aspects of licensee activities; it will emphasize evaluation of the adequacy and effectiveness of licensee controls, quality assurance programs, and overall evaluation of licensee performance.

09.04 Size. The inspection program will be achievable with available resources. This will be accomplished by emphasizing safety-important inspection activities. In addition, a planned sampling approach will be utilized. Program alternatives should provide Regional Managers the flexibility to carry out the program with available resources, and by specifying the program requirements which must be completed.

09.05 Changes. The addition of new program requirements will be evaluated from the standpoint of safety significance and justified on the basis of cost-benefit. New program requirements will normally be accommodated by a reduction in existing requirements with the trade off based on safety significance.

0030-10 EXPRESSING THE PROGRAM

10.01 General. The principal purpose of the written expression of the program is to ensure quality, uniformity and effectiveness of inspections and to present a well-defined base from which evaluations of licensee activities and overall performance can be made.

10.02 Consistency. The program will be structured and defined in a manner to advance consistency of implementation within and among regional offices. Definitive guidance and acceptance criteria will be provided when necessary to supplement and explain regulatory requirements and safety standards; new and revised programs will be explained and discussed with the inspection staff; the ongoing function of program appraisal will search for ways to improve consistency in implementation through better expression of policies, procedures and guidance; and the program will be expressed in clear terms using plain writing standards.

10.03 Independence. The assurance of proper licensee operation obtained by the inspection program depends primarily on NRC-generated information. Inspections will focus on the activities and operations of licensees, licensee contractors, and vendors. Independent observations and evaluation by the inspector will be emphasized. Independent observations of ongoing activities and plant installations and confirmatory measurements as appropriate and reasonable will be emphasized over other inspection techniques such as personal discussions and record and document review.

10.04 Emphasis. The inspection program will emphasize evaluation of the performance of licensees. This evaluation will recognize that licensees operate differently and may satisfy NRC requirements from among a selection of alternatives where NRC requirements permit judgment. Inspection requirements and guidance will be expressed in the form of performance objectives and evaluation criteria.

10.05 Technical Adequacy. The technical adequacy of the program will be founded on NRC regulations, safety objectives and licensee commitments to satisfy those objectives, and the planned scope and depth of inspection activities. It will be expressed in a manner that recognizes the inspector as: knowledgeable of applicable scientific or engineering principles; qualified by experience and training to perform the inspection; capable of evaluating the technical significance of situations encountered in the inspection; and equally as capable as the licensee's staff and the writer of the program. The program is not merely an item-by-item listing of actions the inspector must "check off" or "get through" to complete an inspection. Rather, the program identifies those matters an inspector is to consider in arriving at a conclusion whether the licensee is conducting the activities in a safe and effective manner.

0030-11 COORDINATING DEVELOPMENT OF THE PROGRAM

Inspection and enforcement are the operating functions of the regulatory process. The respective programs, then, are the detailed implementing policies for carrying out these operating functions.

11.01 Coherence with Standards and Licensing Function. The program is consistent and logical within the framework of the regulatory scheme of standards setting, licensing (against standards), inspection (against standards), and enforcement (of standards). The licensing function and the inspection program make

up a coherent system for fulfilling NRC's fundamental task of making sure that existing and planned nuclear activities operate safely. The program is consistent with the evaluations performed in the licensing function as the results of the program provide a basis for recommending issuance, denial, modification, or revocation of an NRC permit or license.

11.02 Inspector Feedback. The program recognizes the traditional function of the inspection staff that molds the regulatory scheme into a continuing or closed-loop process; the feedback of relevant field experience into the standards-setting and licensing processes. It recognizes the inspection staff, among other NRC staff, as unique in being able to directly observe and evaluate the impact on licensee operations of regulatory policies, standards, and requirements.

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