

July 30, 1997

SECY-97-167

FOR: The Commissioners

FROM: L. Joseph Callan /s/
Executive Director for Operations

SUBJECT: DSI 22 IMPLEMENTATION

PURPOSE:

To inform the Commission of the staff's plan and schedule for implementation of DSI-22.

BACKGROUND:

The Staff Requirements Memorandum on DSI 22, Research, March 28, 1997, among other things, instructed the staff to develop and submit to the Commission a plan for implementing the Commission's decision that "...the preparation and coordination of rulemaking should move from RES to the Program Offices, and that most confirmatory research activities now in the Program Offices should move to RES." In addition, the Commission noted in the SRM that there are "many key questions raised in the research DSI paper..." and that the staff should develop "...an integrated set of recommendations to be provided for Commission consideration." The purpose of this memorandum is to inform the Commission as to the progress that staff has made in carrying out the Commission's direction and the schedule for the next milestone.

DISCUSSION:

In order to develop the recommendations and implementing plan called for in the SRM in a timely manner, the directors of NRR, NMSS, AEOD, and RES have formed an ad hoc steering group. In its deliberations, the steering group has observed that the issue of the transfer of the preparation and coordination of rulemakings to the program offices, the conduct of research by program offices, and the key questions noted in the SRM have a common theme that impacts on the role and functions of the Office of Research. In addition, the steering group noted that of the 202 issues identified by the Strategic Assessment and Rebaselining Steering Committee, the issue of the future role, scope, and organization of the NRC's generic issues program remains an open issue, the resolution of which also affects the role and function of RES. Hence, it would seem appropriate to pursue resolution of these issues simultaneously.

We are prepared to move preparation and coordination of rulemaking to the program offices. However, there is a question of rulemaking infrastructure involving such items as policy and procedures for conducting regulatory analyses, environmental assessments, Paperwork Reduction Act analyses, obtaining OMB clearance of reporting and record keeping requirements,

CONTACT:
Frank A. Costanzi, DRA/RES
(301) 415-6250

maintenance of the NRC's rulemaking web-site, and the like, and whether each office should be totally responsible for its own, or whether maintenance of such infrastructure should be located in one organization, and if so where. Considerations of efficiency would argue that a single organization be responsible for maintaining such infrastructure. Also, a case can be made for certain rulemakings to be conducted by RES; namely, those rulemakings:

1. which are the logical consequence of confirmatory research, or
2. for which the technical bases do not exist, or
3. for which the technical bases are not sufficiently developed to support technically sound, practical and risk informed rulemaking.

The steering group has agreed to some principles to guide development of the implementation plan requested in the SRM. These are presented below for your information.

- ! Activities which (1) develop new methods or new data, (2) develop new computer programs, (3) modify existing methods by adopting new models or approaches or scientific data, (4) evaluate/validate existing methods or (5) extend the frontiers of understanding of a given area, are research -- either confirmatory or anticipatory depending on whether the research addresses current or potentially emerging issues. Studies which confirm safety design or safety margin are confirmatory research. Anticipatory and confirmatory research will be conducted by RES.
- ! Technical studies which apply existing methods to regulatory decisions applicable to a specific licensee or group of licensees are not confirmatory research. Program offices

will normally conduct technical studies involving compliance or adequate protection. RES will normally conduct technical studies involving all other issues of safety significance.

- ! If technical studies cannot be performed by the responsible office because of resource or schedule limitation, RES and the Program Office will work together to reassign responsibility for the technical studies and establish the priority and schedule for the technical assistance, considering previously planned and ongoing work. To better enable RES to respond to these requests, RES will include provision for performance of short term technical assistance in its research contracts where appropriate. If RES priorities cannot be adjusted to perform the study using RES staff or existing RES contracts, then the Program Office should contract for the support needed.
- ! To use the technical expertise that resides within RES to best agency advantage, RES will concur on those rulemakings under the aegis of the EDO for which RES has the appropriate technical expertise; this will be determined case by case.
- ! Where appropriate, highly specialized technical expertise which presently resides in more than one office should be consolidated to assure maintenance of a 'critical mass.' This is a question of synergy as well as efficiency. As required in the SRM, the areas of severe accidents, PRA, human factors, thermal-hydraulics, and mechanical engineering, should be among the areas of technical expertise considered for consolidation. Further, we will also consider uses of closely coordinated work plans with a clearly delineated lead manager, such as has been established for PRA.
- ! RES will be responsible for carrying out a program to manage the agency GSI program and to resolve generic issues other than those involving compliance or adequate protection. This goes beyond formal GSI programs and includes issues such as the BWR Mk I liner issue and extended fuel burn up. When resolution of any generic issue requires any of the activities characterized above as being research, RES will undertake such activities. When a generic issue is identified which involves compliance or adequate protection but also involves a technical area for which RES has already initiated an existing research or GSI resolution program consideration will be given to having RES resolve the issue.

In developing recommendations to respond to questions raised in the research DSI paper, the steering group is considering the following:

Are there circumstances that argue that research would be more efficiently conducted if conducted by the program offices? Under such an arrangement, would broad anticipatory research continue to be conducted? Could top research talent be attracted and retained?

An additional value added from having a research organization independent of the program offices is the independence of view and the healthy technical debate that contributes to the overall quality of NRC research. How could this value be maintained if the program offices conducted research?

If the broad anticipatory research were no longer conducted by the agency, and the independence of view and technical debate were not retained, what would be the impact on the agency?

The agency needs to stay abreast of national and international nuclear safety developments, emerging technologies, and design concepts. Given the role of RES in staying abreast of the leading edge of technology, should RES be responsible for being aware of the state of technology and for conveying the regulatory significance of same to the program offices?

An implementation plan is being developed for determining and transferring resources, FTE's, and contract support funds as well as for revising the regulations, management directives, and agency guidance, or for developing new management directives and guidance, as appropriate. These plans will include documentation of a process for identification, assignment of responsibility for resolution, and resolution and tracking of generic activities including GSIs. We will work with OGC and the CFO to develop this plan.

The three activities addressed in this memorandum do not have the same due dates: the implementation plan for addressing rulemakings and confirmatory research is due to the Commission on August 1, the response to the questions raised in the SRM is due on November 1, and the disposition of the generic issue question has no date set as yet. It is my intent to address these matters simultaneously and present the requested plans and recommendations to the Commission by September 15, 1997.

COORDINATION:

The Office of the General Counsel has reviewed this paper and has no legal objection. The Office of the Chief Financial Officer concurs that there will be no resource impacts beyond those currently budgeted.

The Commissioners

- 5 -

RECOMMENDATION:

Unless otherwise directed by the Commission, the staff will proceed as described above.

L. Joseph Callan
Executive Director
for Operations

