

October 4, 2000

MEMORANDUM TO: Chairman Meserve
Commissioner Dicus
Commissioner Diaz
Commissioner McGaffigan
Commissioner Merrifield

FROM: William D. Travers */RA/*
Executive Director for Operations

SUBJECT: REQUEST TO DISCONTINUE THE DIAGNOSTIC EVALUATION PROGRAM

This memorandum requests that you approve my recommendation to discontinue the Diagnostic Evaluation Program (DEP) and that Incident Response Operations (IRO) discontinue management responsibility for the development and administration of Management Directive (MD) 8.7, "NRC Diagnostic Evaluation Program," and the associated Guidelines for Diagnostic Evaluations.

On November 24, 1986, the Commission approved a new inspection method (the DEP) in which a dedicated assessment team would be formed to review those cases where additional information is needed for management decision making. The management responsibility for this program was assigned to the former Office for the Analysis and Evaluation of Operational Data (AEOD).

In April 1999 AEOD was abolished, and the DEP was assigned to the newly organized office, IRO. Following the reorganization, the IRO staff performed an efficiency and effectiveness assessment of the DEP policy and guidance documents to identify alternative organizational/staffing structures that would provide adequate programmatic support for future Diagnostic Evaluation Teams (DETs). As a result, it was determined that although it would be possible, dedicating the necessary resources to assist in the preparation and conduct of an effective DET would place a considerable burden on the IRO staff. Thus, there were no dedicated agency resources budgeted for a diagnostic evaluation. If a decision were made to conduct such an evaluation, reprogramming of existing resources would be necessary.

In parallel with the IRO assessment, the Division of Inspection Program Management (DIPM) staff in the Office of Nuclear Reactor Regulation (NRR), issued [SECY-99-007](#), on January 8, 1999, entitled, "Recommendations for Reactor Oversight Process Improvements. This paper forwarded the staff's recommendations for a revised reactor oversight process (RROP) for commercial nuclear power plants that consisted of a framework that established seven cornerstones of safety. On March 22, 1999, the staff issued [SECY-99-007A](#), "Recommendations for Reactor Oversight Process Improvements (Follow-up to SECY-99-007)," which forwarded to the Commission additional information on the concepts for the RROP, and presented the staff's plans for a 6-month pilot of the revised oversight processes at two sites per region. On May 17, 2000, the revised reactor oversight process was approved by the Commission in a [Staff Requirements Memorandum, "SECY-00-0049 -- Results of the Revised Reactor Oversight Process Pilot Program \(Part 2\)."](#)

In developing the NRC's revised inspection program, three supplemental inspection procedures were prepared. [IP 95003](#), "Supplemental Inspection for Repetitive Degraded Cornerstones, Multiple Degraded Cornerstones, Multiple Yellow Inputs, or One Red Input," was developed to provide the NRC with supplemental information regarding licensee performance, as necessary to determine the breadth and depth of safety, organizational, and programmatic issues. In addition, this procedure is more diagnostic than indicative, and includes reviews of programs and processes not inspected as part of the baseline inspection program. As such, IP 95003 sufficiently incorporates diagnostic evaluation processes and techniques originally incorporated in MD 8.7 and therefore, IP 95003 adequately provides for a range of options that would allow for an independent, full-scope diagnostic evaluation effort which was the original intent of MD 8.7 and the associated Guidelines.

Therefore, I request that you approve my recommendation to discontinue the DEP as a separate program and that MD 8.7 and the associated Guidelines for Diagnostic Evaluations be abolished.

If you or your staff have any questions regarding our recommendation or suggestions, please contact Frank J. Congel, Director, IRO, at 415-7476 (e-mail FJC), or Peter Prescott, Technical Assistant, IRO, at 415-7591 (e-mail PJP).

SECY, please track.

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