

POLICY ISSUE INFORMATION

April 26, 2007

SECY-07-0074

FOR: The Commissioners

FROM: Luis A. Reyes
Executive Director for Operations

SUBJECT: UPDATE ON THE IMPROVEMENTS TO THE RISK-INFORMED
REGULATION IMPLEMENTATION PLAN

PURPOSE:

To provide the Commission: (1) the staff's progress on improving the Risk-Informed Regulation Implementation Plan (RIRIP); (2) a summary of the significant accomplishments completed over the past six months and anticipated for the next six months; and (3) potential policy issues associated with a risk-informed and performance-based regulatory structure, that may be transmitted to the Commission in the next six months.

BACKGROUND:

On May 3, 2006, the staff of the U.S. Nuclear Regulatory Commission (NRC) and representatives of the nuclear power industry briefed the Commission on the status of risk-informed and performance-based reactor regulation. As discussed during that meeting, the staff has made significant progress on the agency's risk-informed initiatives, but much work remains. As a result of the meeting on June 1, 2006, the Commission issued a Staff Requirements Memorandum (M060503B), which directed the staff to improve the RIRIP so that it is an integrated master plan for activities designed to help the agency achieve the Commission's goal of a holistic, risk-informed and performance-based regulatory structure. It also directed the staff to seek ways to communicate the purpose and use of probabilistic risk assessments (PRAs) in NRC's reactor regulatory program more transparently to the public and stakeholders.

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On October 25, 2006, the staff provided the Commission with its proposal to improve the RIRIP in SECY-06-0217, "Improvement to and Update of the Risk-Informed Regulation Implementation Plan" (ML062650356). In the SECY paper, the staff committed to update the Commission in the next semi-annual RIRIP update (i.e., April 2007) on progress made in implementing the RIRIP improvements which will result in an integrated master plan. The staff also committed to maintain the schedule for conducting effectiveness reviews, and to develop and implement a communications plan in conjunction with the launch of a new Web site.

DISCUSSION:

This paper provides the staff's progress on the commitments, as noted above, in SECY-06-0217. It also provides the significant accomplishments completed by the staff since September 2006, and those planned for the near term, and any potential policy issues associated with a risk-informed and performance-based regulatory structure.

RIRIP Improvements

The staff continues to make progress in developing an integrated master plan to achieve the Commission's goal of establishing a holistic, risk-informed and performance-based regulatory structure. In the past, the RIRIP focused largely on risk-informed initiatives. In this improved plan, the objectives have been expanded to more fully achieve a risk-informed and performance-based regulatory structure. This improved plan will now be referred to as the **Risk-Informed and Performance-Based Plan (RPP)**. The RPP is provided in Enclosure 1.

In addition to including the performance-based element, the RPP addresses the improvements described in SECY-06-0217 by: (1) focusing on the up-front planning process through development of objectives and goals for each arena to determine what initiatives should be continued, what initiatives should be sunset, and what new initiatives are needed; (2) focusing on the back-end following completion of the RPP initiatives by performing an effectiveness review consistent with the schedule in the RPP; and (3) restructuring the plan by the different regulatory arenas (i.e., reactor, materials, waste). The staff has developed draft objectives for each arena (Enclosure 1). The staff will provide the final objectives and their bases in the next status report.

To achieve the Commission's expectations for a risk-informed and performance-based regulatory structure, the RPP process also includes explicit criteria for the staff's review and consideration of performance-based approaches for initiatives that are to be risk-informed.

In the past, the RIRIP described the risk-informed initiatives including a detailed discussion of their purpose, milestones, and schedule. Their status was updated semi-annually in RIRIP which was included in an enclosure to the SECY paper. As noted in SECY-06-0217, a major change to the RPP is that a database, accessible on the NRC public Web site, will be developed summarizing each RPP initiative. An individual plan will be developed for each initiative (in many cases, these plans are already in place) and will be maintained by each responsible office. This database will link each initiative to its individual plan that will provide the associated activities, milestones, and schedule. The database and initiative plans will be updated semi-annually and will indicate the latest revision date. The database will present the RPP initiatives at a high level. An initial draft of this database is provided in Enclosure 1.

To support development of the RPP, the staff held a public meeting on February 23, 2007, to solicit stakeholder input. Stakeholders attending the meeting provided positive feedback and indicated that they support the efforts to clearly define the future direction of risk-informed and performance-based initiatives. Nuclear Energy Institute (NEI) representatives expressed interest in the ultimate use of the RPP. In addition, the NEI representatives did not see an immediate need to initiate any new risk-informed initiatives for operating reactors, and stated that the NRC should focus on completing and implementing current risk-informed reactor initiatives. The staff indicated that they would continue to interact in all three arenas (i.e., reactors, materials, and waste) with stakeholders and solicit their input.

In the past, a semi-annual status report on risk-informed initiatives was provided to the Commission. The update generally included two enclosures: (1) the RIRIP which provided detailed information on the risk-informed initiatives and (2) past and planned accomplishments. The staff will continue to provide the Commission with a semi-annual status report of the accomplishments as previously provided. However, with the implementation of the web-based database of the risk-informed initiatives, the need to provide the Commission with a hard copy in future updates will no longer be necessary and will not be provided to the Commission in future status reports.

Communication Plan and Web Site

Significant progress has been made on the risk-informed NRC public Web site. The redesign will make information on the purpose and use of PRAs and risk-informed initiatives easier to find and more understandable. This Web site has been tested, but its launch was delayed because of the overall redesign of the agency's public Web site (ML063260378). In the interim, the staff is updating the redesigned site to include performance-based elements. The completion of the Web site will be coordinated with the Office of Information Services (OIS). A communication plan for launching this Web site is being developed and will be used.

Significant Accomplishments

Enclosure 2 summarizes the highlights of the staff's major risk-informing initiatives completed over the past six months, as well as those planned for the next six months.

Policy Issues

In continuing to develop a risk-informed and performance-based regulatory structure, the staff plans to identify any policy issues for Commission consideration in each semi-annual report. No policy issues have been identified in this report.

COMMITMENTS:

Listed below are the actions or activities committed to by the staff in this paper:

1. The staff will complete the development of the RPP database.
2. The staff will complete the Web site in coordination with OIS.

3. The staff will provide the Commission with any potential policy issues associated in achieving a holistic, risk-informed and performance-based regulatory structure in the periodic status reports.
4. The staff will finalize the objectives and supporting bases for each regulatory arena.

RESOURCES:

The staff determined priorities of risk-informed and performance-based initiatives through the agency's planning, budgeting, and performance management process, according to a common prioritization methodology developed by the program offices and used to derive a prioritized listing of planned initiatives. Resources for the RPP initiatives have been budgeted in FY 2007 and FY 2008.

COORDINATION:

The Office of the Chief Financial Officer has reviewed this paper for resource implications and has no objections. The Office of the General Counsel has also reviewed this paper and has no legal objection.

/RA Martin J. Virgilio Acting for/

Luis A. Reyes
Executive Director
for Operations

Enclosures:

1. Risk-Informed and Performance-Based Plan
2. Significant Accomplishments

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2. Significant Accomplishments

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