



OFFICE OF THE  
INSPECTOR GENERAL

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

August 8, 2017

MEMORANDUM TO: Victor M. McCree  
Executive Director for Operations

FROM: Dr. Brett M. Baker */RA/*  
Assistant Inspector General for Audits

SUBJECT: STATUS OF RECOMMENDATIONS: AUDIT OF NRC'S  
SIGNIFICANCE DETERMINATION PROCESS FOR  
REACTOR SAFETY (OIG-16-A-21)

REFERENCE: DEPUTY EXECUTIVE DIRECTOR FOR REACTOR AND  
PREPAREDNESS PROGRAMS MEMORANDUM DATED  
JULY 27, 2017

Attached is the Office of the Inspector General's (OIG) analysis and status of recommendations as discussed in the agency's response dated July 27, 2017. Based on this response, recommendations 1, 2, 3 and 4 are resolved. Please provide a status update for these recommendations by February 9, 2018.

If you have questions or concerns, please call me at (301) 415-5915 or Paul Rades, Team Leader, at (301) 415-6228.

Attachment: As stated

cc: R. Lewis, OEDO  
H. Rasouli, OEDO  
J. Jolicouer, OEDO  
J. Bowen, OEDO  
EDO\_ACS Distribution Resource

## Audit Report

### AUDIT OF NRC'S Significance Determination Process for Reactor Safety

#### OIG-16-A-21

#### Status of Recommendations

Recommendation 1: Assess SDP workflow, and establish, communicate, and document clear and consistent expectations for staff and managers to complete their roles in the SDP.

Agency Response Dated  
July 27, 2017:

Update

The Inspection Finding Resolution Management (IFRM) trial period began on November 16, 2016 and is on track to be completed by December 31, 2017. To support the IFRM, several Inspection Manual Chapters (IMC) were issued, including:

- IMC 0609TP, Significance Determination Process
- IMC 0609 Attachment 1TP, Significance and Enforcement Review Panel (SERP)
- IMC 0609 Attachment 5TP, Inspection Finding Review Board

Since the IFRM trial period began every regional office has had the opportunity to use the above IMC's to assess the SDP workflow, and establish, communicate and document clear and consistent expectations for staff and managers to complete their roles in the SDP for inspection findings of potentially greater than very low safety significance.

To assess the effectiveness of the IFRM initiative, a team was established represented by each regional office and the Office of Nuclear Reactor Regulation. The team meets on a quarterly basis to provide feedback on the progress being made and to identify areas for improvement. Once the trial period ends, an effectiveness review will be completed and provided to the Office of the Inspector General.

Target date for completion: August 31, 2018

Contact: Russell A. Gibbs, NRR/DIRS  
(301) 415-8578

## Audit Report

### AUDIT OF NRC'S Significance Determination Process for Reactor Safety

OIG-16-A-21

#### Status of Recommendations

Recommendation 1 (Cont.):

OIG Analysis:

The proposed actions meet the intent of this recommendation. OIG will close the recommendation after reviewing appropriate documentation, and other information as needed, to verify that staff have undertaken these actions as described.

**Status:**

Resolved.

## Audit Report

### AUDIT OF NRC'S Significance Determination Process for Reactor Safety

OIG-16-A-21

#### Status of Recommendations

Recommendation 2: Clarify IMC 0612 Appendix B issue screening questions, so that they are readily understood and easily applied.

Agency Response Dated  
July 27, 2017:

Update

An example has been drafted to illustrate how to apply the more than minor screening questions. Due to other ROP enhancement efforts, IMC 0612, "Power Reactor Inspection Reports" will be split into two documents. The revised IMC 0612 will capture issues screening and a new IMC (0611) will capture inspection report documentation. The drafted example will be included in the revision of IMC 0612 so that all changes to the IMC can be implemented concurrently. This alignment will ensure a clear picture is provided to the staff to ensure adequate feedback on the holistic changes to IMC 0612 through the inspection manual change review and concurrence process.

Target date for completion: January 1, 2018

Contact: Michael T. Montecalvo, NRR/DIRS  
(301) 415-1678

OIG Analysis: The proposed actions meet the intent of this recommendation. OIG will close the recommendation after reviewing the revised version of IMC 0612 and verifying that the guidance addresses inspection issue screening.

**Status:** Resolved.

## Audit Report

### AUDIT OF NRC'S Significance Determination Process for Reactor Safety

OIG-16-A-21

#### Status of Recommendations

Recommendation 3: Implement controls to ensure independent audits of greater than Green inspection findings are performed.

Recommendation 4: Document independent audits of greater than Green inspection findings.

Agency Response Dated  
July 27, 2017:

#### Update

Independent audits of greater-than-Green inspection findings are performed annually in accordance with Metric R-2, "Predictability and Repeatability of Significance Determination Results" of IMC 0307, Appendix A, "Reactor Oversight Process Self-Assessment Metrics." Metric R-2 and the other ROP self-assessment metrics are reported out annually and get referenced in the ROP self-assessment SECY paper. To ensure the audits of greater-than-Green inspection findings are properly documented with supporting information to justify the staff's conclusion, the staff has 1) created and issued a job guide detailing how to perform the annual metric report, and 2) created a revision to IMC 0307, Appendix A that details proper documentation for Metric R-2. The revision to IMC 0307, Appendix A is currently in the comment resolution period which will end on August 7, 2017. Regional resource demands are currently high due to a large number of programmatic changes being proposed to the ROP. The changes proposed to close these recommendations are required to be in place for the 2017 ROP self-assessment, which will begin in January of CY 2018.

Target date for completion: January 1, 2018

Contact: Andrew J. Waugh, NRR/DIRS  
(301) 415-5601

## Audit Report

### AUDIT OF NRC'S Significance Determination Process for Reactor Safety

OIG-16-A-21

#### Status of Recommendations

Recommendations 3 and  
4 (Cont.):

OIG Analysis:

The proposed actions meet the intent of recommendations 3 and 4. OIG will close recommendations 3 and 4 after reviewing appropriate documentation, and other information as needed, to verify that staff have undertaken these actions as described.

**Status:**

Resolved.