



PROJECT AIM STATUS
UPDATE
July 1 – September 30, 2019

In the June 8, 2015, staff requirements memorandum for SECY-15-0015, "Project Aim 2020 Report and Recommendations," the Commission directed Project Aim's 19 tasks to address the U.S. Nuclear Regulatory Commission's (NRC) need to improve efficiency and agility, as well as to right-size the agency, while retaining employees with the appropriate skills to accomplish its mission and streamline processes.

The staff continues to implement several tasks related to Project Aim. The most notable accomplishments for the period of July through September 2019 are discussed below.

Task 5. Common Prioritization and Re-baselining

Task 5 involved the integrated prioritization and re-baselining of 150 agency work activities to be shed, de-prioritized, or performed with fewer resources. The main deliverable for this task was provided to the Commission in SECY-16-0009, "Recommendations Resulting from the Integrated Prioritization and Re-Baselining of Agency Activities." The agency has now completed all 150 specific re-baselining activities.

Task 5 also involved providing the Commission with known changes in workload and longer-term efficiencies. This product was provided to the Commission on March 18, 2016, in SECY-16-0035, "Additional Re-Baselining Products." The staff continues to make progress on the remaining longer-term efficiencies and closed four longer-term efficiencies as discussed below.

1. Streamline the Allegations Program

The goal of this efficiency is to make the allegations program more efficient by more clearly articulating concerns that would not warrant allegation processing. To meet this goal, the staff implemented a change in policy to allow licensee-identified wrongdoing related to fitness-for-duty drug and alcohol violations by nonlicensed individuals to no longer be processed in the Allegation Program. The staff issued allegation guidance memorandum 2019-001, "Licensee Identified Fitness-for-Duty Drug and Alcohol Violations by Individuals," to provide guidance to the NRC staff on implementing this change in policy. The staff will incorporate this guidance into the Allegation Manual (Agencywide Documents Access and Management System (ADAMS) Accession No. ML17003A227) and the next revision of Management Directive 8.8, "Management of Allegations" (ADAMS Accession No. ML18073A206).

2. Reduce Office Space in Three White Flint North (3WFN)

The goal of this efficiency is to achieve significant savings per year paid in rent for 3WFN through the end of the agency's lease by relinquishing and backfilling two floors in 3WFN. A total of 108,000 useable square feet of space was released on schedule between October 1, 2018, and October 1, 2019, by consolidating space and moving staff into the newly renovated Two White Flint North space. In September 2019, the NRC vacated floors

eight and nine, and half of floor four in 3WFN and relinquished the space to the General Services Administration (GSA) for occupation by the National Institutes of Health. The release of space will save the agency \$4.5 million in annual rent and related costs.

3. Reduce Office Space in the Regions

The goal of this efficiency is to achieve significant savings per year paid in rent through the end of the agency's lease in Region II and III offices by reducing and backfilling regional office space based on regional reductions planned for fiscal year (FY) 2018 through FY 2020.

The staff notified GSA of its intent to release space in the Region III office in April 2018 and the space was vacated in July 2019. The NRC vacated a floor in RII in June 2019. Additional savings may be realized through reductions to office space in Regions I and IV. Region I and GSA are in the early planning stages of a lease procurement that will significantly reduce space utilization in Region I. The agency plans to move Region I to a new location (in the same geographical area) that is approximately one-half the size and cost of the current footprint by April 2022.

4. Standardize Budget Formulation and Execution across Business Lines

The goal of this efficiency is to increase reliance on budget execution information to inform formulation, streamline the congressional budget justification, and provide reports that are more driven by data to the Commission for decision making. The staff took efforts to improve and standardize budget execution processes, reports, tools, and technology and reduce the level of effort related to these activities. The staff developed a new agency level budget execution Commitment Planning Module (CPM) that integrates execution, acquisition, formulation, and Contracting Officer's Representatives Spend Plan data with contract level execution plans in a single system to institute standardized, streamlined, and transparent execution planning and processing. By replacing custom applications and disconnected, disparate processes, handoffs, and approvals, the CPM introduces efficiency and control over the agency's budget execution processes. This facilitates effective and informed decision making both during the year of execution and for the next budget formulation cycle. As of September 30, 2019, all participating offices and regions are working in parallel in CPM.

Task 14. Evaluate Consolidation of Regional Corporate Support Functions

In Task 14, the staff completed an evaluation of the corporate support functions in the Division of Resource Management and Administration (DRMA) in each NRC region and identified process efficiencies that will yield savings through standardization or centralization of specific support functions over time. The deliverable completing this task was provided to the Commission through a Commissioners' Assistants Note on June 6, 2016.

Though completed, the work on Project Aim Task 14 inspired a broader, follow-on effort to standardize and centralize mission support activities performed by DRMA and Program Management, Policy Development, and Analysis divisions in program offices and regions across the agency. On May 11, 2017, the mission support standardization and centralization working group provided an agencywide implementation plan for 28 projects to centralize and standardize financial management, human resource, information technology/information

management, and administrative functions. During this period, the staff closed one project, Project 2 – Budget Execution and Standardization through implementation of the new CPM as discussed above.

Task 15. Transitional Plan for the Merger of the Office of Nuclear Reactor Regulation and Office of New Reactors

In Task 15, the Commission directed the staff to develop a plan to merge the Office of Nuclear Reactor Regulation (NRR) and the Office of New Reactors (NRO) at the appropriate time. A working group performed an assessment and developed a business case for a merger, which included a description of projected efficiencies and challenges, and plans for the staff to address those challenges. The assessment also included an evaluation of leading resource drivers and proposed timing for a merger. The Project Aim deliverable was provided in SECY-16-0075 on June 8, 2016. In SRM-SECY-16-0075, the Commission approved the merger of NRR and NRO and directed the staff to complete the consolidation of the two offices by September 30, 2020. Subsequently, the staff was directed to phase-in the NRR/NRO merger with the goal of completing it by mid-FY 2020. Early in calendar year 2019, it was decided to implement the merger in October 2019.

The NRR/NRO merger implementation team was formed in January 2019 and completed a series of activities focused on implementing an organizational structure based on the needs of the agency, feedback from the staff, and flexibility to organize around future work. Activities included conducting listening sessions with staff to gain insights on merging the organizations; developing combined high-level workload and staffing projections for operating reactor and new reactor work through FY 2021; creating an eight-division organizational model; and, conducting targeted staff and management meetings, including a joint NRR/NRO all hands meeting, and monthly open-door meetings. The merger became effective on October 13, 2019.