

U.S. NUCLEAR REGULATORY COMMISSION MANAGEMENT DIRECTIVE (MD)

MD 8.14	AGENCY ACTION REVIEW MEETING	DT-23-05
<i>Volume 8:</i>	Licensee Oversight Programs	
<i>Approved By:</i>	Andrea D. Veil Director of Nuclear Reactor Regulation	
<i>Date Approved:</i>	May 1, 2023	
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<i>Issuing Office:</i>	Office of Nuclear Reactor Regulation Division of Reactor Oversight	
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EXECUTIVE SUMMARY

Management Directive 8.14, “Agency Action Review Meeting,” is revised to—

- Reflect the elimination of the Reactor Oversight Process Industry Trends Program and Inspection Manual Chapter 0313, in accordance with SECY-16-0009;
- Reflect the merger of the Office of New Reactors and the Office of Nuclear Reactor Regulation into the Office of Nuclear Reactor Regulation, in accordance with SECY-16-0075; and
- Clarify the applicability of the Agency Action Review Meeting to all categories of licensees.

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For updates or revisions to policies contained in this MD that were issued after the MD was signed, please see the Yellow Announcement to Management Directive index ([YA-to-MD index](#)).

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I. POLICY

It is the policy of the U.S. Nuclear Regulatory Commission (NRC) to have its senior managers conduct an annual Agency Action Review Meeting (AARM). The AARM is an integral part of the evaluative process used by the agency to ensure the operational safety performance of nuclear licensees.

II. OBJECTIVES

- Review the appropriateness of agency actions taken for those power reactor plants with significant performance issues using data compiled during the end-of-cycle (EOC) review and those that have moved into the “multiple/repetitive degraded cornerstone” or the “unacceptable performance” columns of the Reactor Oversight Process (ROP) Action Matrix during the first quarter of the year in which the AARM is held and to identify additional actions, as appropriate.
- Review the appropriateness of agency actions taken for those power reactor plants under construction with significant performance issues using data compiled during the Construction EOC (CEOC) review and those that have moved into the “multiple/repetitive degraded cornerstone” or the “unacceptable performance” columns of the Construction Reactor Oversight Process (cROP) Action Matrix during the first quarter of the year in which the AARM is held and to identify additional actions, as appropriate.
- Review the appropriateness of agency actions taken for those nuclear reactor or nonpower production and utilization facilities, operating or under construction, that are not under the ROP or cROP and meet the criteria for discussion at the AARM as defined in SECY-11-0132, “Revision of the Criteria for Identifying Nuclear Materials Licensees for Discussion at the Agency Action Review Meeting,” and to identify additional actions, as appropriate.
- Review the appropriateness of agency actions taken for licensees, inclusive of all categories of licensees regulated by the Office of Nuclear Materials Safety and Safeguards (NMSS), including but not limited to, material licensees, fuel cycle facilities, uranium recovery facilities, reactor and materials decommissioning facilities, spent fuel storage facilities and radioactive waste disposal facilities, that meet the criteria for discussion at the AARM as defined in SECY-11-0132 and to identify additional actions, as appropriate.

- Ensure that coordinated courses of action are developed and implemented for licensees with performance issues.
- Review the results of the staff’s annual assessment of ROP effectiveness, including a review of all approved deviations from the Action Matrix.
- Review the results of the staff’s assessment of cROP effectiveness, including all approved deviations from the Construction Action Matrix.
- Ensure that trends in licensee performance are recognized and appropriately addressed.

III. ORGANIZATIONAL RESPONSIBILITIES AND DELEGATIONS OF AUTHORITY

A. Executive Director for Operations (EDO)

1. Oversees AARM activities and conducts the meeting.
2. Decides if any additional or alternate NRC actions besides those already completed or planned are to be conducted at a particular licensee’s facility on the basis of discussions at the AARM.
3. Briefs the Commission on the results of the AARM.

B. Director, Office of Nuclear Reactor Regulation (NRR)

1. Develops guidance for coordinating AARM preparation activities.
2. Coordinates AARM preparations and discussions pertaining to nuclear reactor or nonpower production and utilization facilities, operating or under construction, within the Office of Nuclear Reactor Regulation (NRR) and between other NRC headquarters and regional offices.
3. Coordinates and conducts EOC summary meetings, if necessary, on the basis of the results of the regional EOC reviews.
4. Develops ROP and cROP program policies and procedures and ensures the effectiveness of program implementation.
5. Participates in the AARM and leads discussion, as necessary.
6. Coordinates with other NRC headquarters and regional offices on preparation of the AARM agenda and meeting minutes.

C. Director, Office of Nuclear Material Safety and Safeguards (NMSS)

1. Coordinates with other NRC headquarters and regional offices on preparations and discussions before the AARM pertaining to Nuclear Materials and Waste Safety Program licensees. In consultation with the appropriate regional administrators (RAs), NMSS determines which, if any, licensees will be discussed at the AARM.
2. Participates in the AARM and leads discussions, as necessary.

D. Director, Office of Nuclear Security and Incident Response (NSIR)

1. Coordinates AARM preparations and discussions pertaining to the emergency preparedness and security cornerstones of the ROP and cROP, as well as nuclear materials security issues between other NRC headquarters and regional offices.
2. Develops emergency preparedness and security-related ROP, cROP, and nuclear materials program policies and procedures, and ensures the effectiveness of program implementation.
3. Participates in the AARM and leads discussion, as necessary.
4. Coordinates with the other NRC headquarters and regional offices on preparation of the AARM agenda and meeting minutes.

E. Region II Regional Administrator

Briefs the Director of NRR and other internal stakeholders at the EOC summary meeting on the performance of licensees with reactors under construction for those plants with significant performance problems.

F. All Regional Administrators (RAs)

1. Brief the Director of NRR and other internal stakeholders at the EOC summary meeting on the performance of licensees of operating reactors in their respective regions for those plants with significant performance problems.
2. Coordinate AARM preparations with the program offices.
3. Participate in the AARM and lead discussions for reactor licensees in their respective regions.
4. Make recommendations to the Director of NMSS, as applicable, on candidate licensees to be discussed at the AARM. Brief the Director of NMSS and other internal stakeholders on the performance of licensees within the region and the Agreement States that are identified for discussion as a result of significant safety or safeguards performance issues, and lead the related AARM discussions, as applicable.

G. Directors of Staff Offices

1. Coordinate with program and regional offices in providing input to both the AARM and EOC meetings, as applicable.
2. Participate in the AARM as specified in the applicable portions of Handbook 8.14 or as directed by the EDO.

H. Assistant for Operations, Office of the Executive Director for Operations (OEDO)

1. Coordinates or delegates coordination of AARM preparations with program and regional offices.
2. Is responsible or delegates responsibility for AARM logistics.

IV. APPLICABILITY

The policy and guidance in Management Directive 8.14 apply to all NRC employees and contractors.

V. DIRECTIVE HANDBOOK

Handbook 8.14 provides guidance for the preparation and conduct of the AARM.

VI. REFERENCES***Code of Federal Regulations***

10 CFR 2.348, "Separation of Functions."

Nuclear Regulatory Commission Documents

Management Directive—

5.12, "International Nuclear and Radiological Event Scale (INES) Participation."

8.1, "Abnormal Occurrence Reporting Procedure."

NRC Enforcement Manual, available at

<http://www.nrc.gov/about-nrc/regulatory/enforcement/guidance.html#manual>.

NRC Enforcement Policy, available at

<http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html>.

NRC Inspection Manual Chapters:

0305, "Operating Reactor Assessment Program."

0307, "Reactor Oversight Process Self-Assessment Program."

0350, "Oversight of Reactor Facilities in a Shutdown Condition Due to Significant Performance and/or Operational Concerns."

2505, "Periodic Assessment of Construction Inspection Program Results."

2522, "Construction Reactor Oversight Process Self-Assessment Program."

NUREG-1614, "NRC Strategic Plan."

SECY-11-0132, "Revision of the Criteria for Identifying Nuclear Materials Licensees for Discussion at the Agency Action Review Meeting," September 20, 2011 ([ML112280111](#)).

Staff Requirements Memorandum, from Andrew L. Bates to Luis A. Reyes, COMSECY-07-0005, "Discussion of Plants in the Multiple/Repetitive Degraded Cornerstone Column of the Reactor Oversight Process Action Matrix," April 19, 2007 ([ML071090473](#)).

Staff Requirements Memorandum, from Annette L. Vietti-Cook to Luis A. Reyes, "Staff Requirements, Briefing on Results of the Agency Action Review Meeting (SECY-05-0070), 9:30 a.m., Wednesday, May 25, 2005, Commissioners' Conference Room, One White Flint North, Rockville, Maryland (Open to Public Attendance)," June 30, 2005 ([ML051810313](#)).

Staff Requirements Memorandum, from Annette L. Vietti-Cook to Luis A. Reyes, SRM-M040504B, "Staff Requirements - Briefing on Results of the Agency Action Review Meeting, 9:30 a.m., Tuesday, May 4, 2004, Commissioners' Conference Room, One White Flint North, Rockville, Maryland (Open to Public Attendance)," May 27, 2004 ([ML041480131](#)).

U.S. NUCLEAR REGULATORY COMMISSION DIRECTIVE HANDBOOK (DH)

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<i>Volume 8:</i>	Licensee Oversight Programs	
<i>Approved By:</i>	Andrea D. Veil Director of Nuclear Reactor Regulation	
<i>Date Approved:</i>	Month X, 200X [Date of Final Approval]	
<i>Cert. Date:</i>	N/A, for the latest version of any NRC directive or handbook, see the online MD Catalog .	
<i>Issuing Office:</i>	Office of Nuclear Reactor Regulation Division of Reactor Oversight	
<i>Contact:</i>	Nicole Fields	
EXECUTIVE SUMMARY		
Management Directive 8.14, “Agency Action Review Meeting,” is revised to—		
<ul style="list-style-type: none"> • Reflect the elimination of the Reactor Oversight Process Industry Trends Program and Inspection Manual Chapter 0313, in accordance with SECY-16-0009; • Reflect the merger of the Office of New Reactors and the Office of Nuclear Reactor Regulation into the Office of Nuclear Reactor Regulation, in accordance with SECY-16-0075; and • Clarify the applicability of the Agency Action Review Meeting to all categories of licensees. 		

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I. PREPARATION FOR THE AGENCY ACTION REVIEW MEETING (AARM)

A. General

1. Headquarters and regional staff will work together to develop the information to be used at the Agency Action Review Meeting (AARM). The Office of Nuclear Reactor Regulation (NRR) will assemble this information into the AARM notebook, which will be distributed to AARM participants in advance of the meeting. Informational copies will be provided to the Commission after the AARM as part of background material for the Commission briefing on the results of the AARM.
2. Throughout this Handbook 8.14—
 - (a) The term “Action Matrix” refers to the Reactor Oversight Process (ROP) Action Matrix in Inspection Manual Chapter (IMC) 0305, “Operating Reactor Assessment Program.”
 - (b) The term “Construction Action Matrix” refers to the Construction Reactor Oversight Process (cROP) Action Matrix in IMC 2505, “Periodic Assessment of Construction Inspection Program Results.”
 - (c) Any reference to Nuclear Materials and Waste Safety Program licensees includes certificate holders and other regulated entities.

B. End-of-Cycle Reviews and Summary Meetings for Operating Power Reactors

1. Each regional office will conduct an end-of-cycle (EOC) review for all operating power reactors within its purview in accordance with IMC 0305. The EOC review is a comprehensive assessment of licensee performance using the most recent performance indicators and inspection findings from the recently completed 12-month annual assessment cycle. The staff conducts EOC reviews to analyze licensee performance information from inspection reports and performance indicators, along with other pertinent data, to confirm NRC actions and allocate resources.
2. In addition, the EOC summary meeting is conducted at the conclusion of the EOC reviews to discuss the results with the Director of NRR and other internal stakeholders. Plant performance discussions are limited to those plants that meet the criteria specified in IMC 0305. The regional staff will coordinate with NRR to schedule and conduct the summary meeting.

C. Final AARM Preparations for Operating Reactor Licensees (Under the ROP)

1. Following the EOC reviews, the headquarters and regional staff will work together to develop the information to be discussed at the AARM. Plant performance discussions are limited to those plants that met the following criteria during the recently completed 12-month annual assessment:
 - (a) Have been in the “multiple/repetitive degraded cornerstone” column (Column 4);
 - (b) Have been in the “unacceptable performance” column (Column 5);
 - (c) Are under IMC 0350, “Oversight of Reactor Facilities in a Shutdown Condition Due to Significant Performance and/or Operational Concerns”;
 - (d) Have been in the “degraded performance” column (Column 3) for 3 years; or
 - (e) Have moved into the “multiple/repetitive degraded cornerstone” column (Column 4) or the “unacceptable performance” column (Column 5) of the Action Matrix during the first quarter of the year in which the AARM is held.
2. NRR will assemble information into the AARM notebook. For each operating power reactor to be discussed, the associated regional office will provide NRR the following information:
 - (a) A presentation of plant performance,
 - (b) Pertinent performance indicator (PI) report,
 - (c) Finding summary report, and
 - (d) The plant performance summary information used in the EOC summary meeting that is revised to incorporate any insights developed during the meeting, including—
 - (i) An operating summary,

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- (ii) A performance overview (current overall assessment and previous assessment results),
 - (iii) Inspection and PI results by cornerstones,
 - (iv) Other issues (i.e., substantive cross-cutting issues (SCCIs), PI verification, and non-significance determination process (non-SDP) enforcement actions of at least Severity Level III),
 - (v) A proposed inspection plan, and
 - (vi) The plant-specific Action Matrix used in the EOC summary meeting that details the timeline and consideration of PIs and inspection findings in the assessment program.
3. NRR will include the following information in the AARM notebook.
- (a) A meeting agenda.
 - (b) A presentation of the self-assessment of the ROP, including lessons learned and recommended program adjustments. An annual report, prepared in accordance with IMC 0307, "Reactor Oversight Process Self-Assessment Program," may be referenced for the AARM but will be included in the AARM notebook provided to the Commission. This process is intended to assess the effectiveness of the ROP and to develop recommendations for improvement.
 - (c) All ROP Action Matrix deviations to ensure that the causes for the deviations are fully understood and to identify any necessary changes to the ROP to improve guidance documents. (This specific aspect of the self-assessment must be discussed at the AARM, and the Commissioners must also be briefed on this evaluation).
 - (d) Other information, as necessary or as specified by the Executive Director for Operations (EDO).

D. End-of-Cycle Reviews and Summary Meetings for Power Reactors that are Under Construction

1. Region II will conduct an EOC review for all power reactors that are under construction in accordance with IMC 2505. The EOC review is a comprehensive assessment of licensee performance using the most recent inspection findings from the recently completed (12-month) annual assessment cycle. The regional staff conducts EOC reviews to analyze licensee performance information from inspection reports, along with other pertinent data, to confirm NRC actions and allocate resources.
2. An EOC Summary Briefing may be necessary before the AARM to summarize licensee performance results with NRR senior management. Plant performance discussions are limited to those plants that meet the criteria specified in IMC 2505. The regional staff will coordinate with NRR to schedule and conduct the summary meeting.

E. Final AARM Preparations for Reactor Construction Licensees (Under the cROP)

1. Following the EOC reviews, the headquarters and regional staff will work together to develop the information to be discussed at the AARM. Plant performance discussions are limited to those plants during the recently completed 12-month annual assessment cycle that—
 - (a) Have been in the “multiple/repetitive degraded cornerstone” column (Column 4), or
 - (b) Have been in the “unacceptable performance” column (Column 5), or
 - (c) Have been in the “degraded performance” column (Column 3) for one and one-half years, or
 - (d) Have moved into the “multiple/repetitive degraded cornerstone” column (Column 4) or the “unacceptable performance” column (Column 5) of the Construction Action Matrix during the first quarter of the year in which the AARM is held.
2. NRR will include the following information in the AARM notebook. For each power reactor under construction to be discussed, Region II will provide NRR the following information:
 - (a) A presentation of plant performance,
 - (b) Finding summary report, and
 - (c) Construction plant performance summary information used in the EOC summary meeting that is revised to incorporate any insights developed during the meeting, including—
 - (i) A performance overview (current overall assessment and previous assessment results),
 - (ii) Other issues (i.e., construction SCCIs and non-SDP enforcement actions of at least Severity Level III),
 - (iii) A proposed inspection plan, and
 - (iv) The plant-specific Construction Action Matrix used in the EOC summary meeting that details the timeline and consideration of inspection findings in the assessment program.
3. NRR will include the following information in the AARM notebook:
 - (a) A presentation of the self-assessment of the cROP, including lessons learned and recommended program adjustments. An annual report, prepared in accordance with IMC 2522, “Construction Reactor Oversight Process Self-Assessment Program,” may be referenced for the AARM but will be included in the AARM notebook provided to the Commission. This process is intended to assess the effectiveness of the cROP and to develop recommendations for improvement.

- (b) All cROP Construction Action Matrix deviations to ensure that the causes for the deviations are understood and to identify any necessary changes to the cROP to improve the guidance documents. (This specific aspect of the self-assessment must be discussed at the AARM, and the Commissioners must also be briefed on this evaluation.)
- (c) Other information, as necessary or as specified by the EDO.

F. AARM Preparations for Reactor or Nonpower Production and Utilization Facilities (Not Under the ROP or cROP)

1. NRR will prepare briefing documents regarding nuclear reactor or nonpower production and utilization facilities, operating or under construction, that are not under the ROP or cROP and meet the criteria for discussion at the AARM as defined in SECY-11-0132, "Revision of the Criteria for Identifying Nuclear Materials Licensees for Discussion at the Agency Action Review Meeting," September 20, 2011 ([ML112280111](#)). The staff will distribute the briefing documents to AARM participants in advance of the meeting, as applicable. NRR will include a narrative summary of facility performance for each facility to be discussed at the AARM in the AARM notebook.
2. NRR will limit the performance discussion to those facilities that meet one or more of the following criteria as described in SECY-11-0132:
 - (a) The facility has an event that results in the failure to meet a Strategic Outcome for Safety or Security in the NRC Strategic Plan (NUREG-1614).
 - (b) The facility's performance has unique or unusual aspects that required or will likely require additional NRC oversight (e.g., a significant event warranting an incident investigation team or augmented inspection team, or an oversight panel formed for order implementation), and the facility has an issue or event that results or will likely result in—
 - (i) An Abnormal Occurrence Report to Congress (in accordance with MD 8.1, "Abnormal Occurrence Reporting Procedure");
 - (ii) A Severity Level I or II violation, as defined in the [NRC Enforcement Policy](#), (including equivalent violations dispositioned by Alternative Dispute Resolution); or
 - (iii) A Level 3 or higher International Nuclear Event Scale Report to the International Atomic Energy Agency (in accordance with MD 5.12, "International Nuclear and Radiological Event Scale (INES) Participation").
 - (c) The facility's performance has unique or unusual aspects that required or will likely require additional NRC oversight, and the facility has or will likely have—
 - (i) Multiple and/or repetitive significant program issues identified over more than one inspection or inspection period, and
 - (ii) The issues are supported by a Severity Level I, II, or III violation (including equivalent violations dispositioned by Alternative Dispute Resolution).

- (d) The facility's corrective actions did not address or were ineffective in correcting the underlying issues that were discussed at the previous AARM.

G. AARM Preparations for the Nuclear Materials and Waste Safety Program

1. The Office of Nuclear Material Safety and Safeguards (NMSS), in collaboration with the regions and the Agreement States, will prepare briefing documents regarding licensees with significant performance issues. This is inclusive of all categories of licensees in the Nuclear Materials and Waste Safety program, including but not limited to, material licensees, fuel cycle facilities, uranium recovery facilities, reactor and materials decommissioning facilities, spent fuel storage facilities, and radioactive waste disposal facilities. Headquarters and regional staff will work together to develop the information to be used at the AARM. The staff will distribute the briefing documents to AARM participants in advance of the meeting, as applicable. NRR will assemble this information into the AARM notebook, which will include—
 - (a) A presentation of licensees with significant performance issues that meet the criteria described in SECY-11-0132 as appropriate, and
 - (b) A presentation of the Nuclear Materials and Waste Safety Program's performance and trending analysis.
2. NMSS and the regional offices will limit the performance discussion to the Nuclear Materials and Waste Safety Program licensees that meet one or more of the following criteria as described in SECY-11-0132:
 - (a) The licensee has an event that results in the failure to meet a Strategic Outcome for Safety or Security in the NRC Strategic Plan (NUREG-1614).
 - (b) The licensee's performance has unique or unusual aspects that required or will likely require additional NRC oversight (e.g., a significant event warranting an incident investigation team or augmented inspection team, or an oversight panel formed for order implementation), and the licensee has an issue or event that results or will likely result in—
 - (i) An Abnormal Occurrence Report to Congress (in accordance with MD 8.1);
 - (ii) A Severity Level I or II violation, as defined in the [NRC Enforcement Policy](#), (including equivalent violations dispositioned by Alternative Dispute Resolution); or
 - (iii) A Level 3 or higher International Nuclear Event Scale Report to the International Atomic Energy Agency (in accordance with MD 5.12, "International Nuclear and Radiological Event Scale (INES) Participation").
 - (c) The licensee's performance has unique or unusual aspects that required or will likely require additional NRC oversight, and the licensee has or will likely have—
 - (i) Multiple and/or repetitive significant program issues identified over more than one inspection or inspection period, and
 - (ii) The issues are supported by a Severity Level I, II, or III violation (including equivalent violations dispositioned by Alternative Dispute Resolution).

- (d) The licensee's corrective actions did not address or were ineffective in correcting the underlying issues that were discussed at the previous AARM.
3. The cognizant regional office will prepare a narrative summary of licensee performance for each licensee to be discussed at the AARM.
 4. NMSS, in collaboration with the regions and the Agreement States, will prepare an annual report that analyzes significant licensee issues and adverse licensee performance trends in the Nuclear Materials and Waste Safety Program. The annual report may be referenced for the AARM and will be included in the AARM notebook provided to the Commission. This process will ensure that trends in licensee performance are recognized and appropriately addressed.

H. AARM Notebook Distribution

1. The AARM notebooks will be distributed to AARM participants in advance of the meeting. The notebooks will be provided to the Commission after the AARM as part of background material for the Commission briefing.
2. The staff ensures that sensitive information used in the AARM and in the notebooks is appropriately controlled based on information security requirements.
3. The staff coordinates with the Office of the General Counsel (OGC) before distribution of the AARM materials to the Commission to ensure conformance to the separation of functions rules in Title 10 of the *Code of Federal Regulations* (10 CFR) 2.348, "Separation of Functions," pertaining to communications related to contested adjudicatory matters.

II. CONDUCT OF THE AGENCY ACTION REVIEW MEETING (AARM) AND COMMISSION BRIEFING

A. General

1. The AARM is part of an integrated evaluative process used by the agency to ensure the operational safety, construction safety, and security performance of all nuclear licensees. The AARM includes management reviews according to the objectives as described in Section II of Directive 8.14.
2. Since the AARM serves as a forum to review overall trends and the effectiveness of the ROP, the cROP, and the Nuclear Materials and Waste Safety Program, the AARM is conducted on an annual basis regardless of whether any individual licensees are scheduled to be discussed.
3. The EDO directs the conduct of the AARM. Participation will vary, depending on the portion of the AARM involved. The attendees typically will include, at varying times, the Deputy Executive Director for Reactor and Preparedness Programs (DEDR); the Deputy Executive Director for Materials, Waste, Research, State, Tribal, Compliance, Administration, and Human Capital (DEDM); the Directors of NMSS, NRR, Office of Nuclear Security and Incident Response (NSIR), Office of Enforcement (OE), Office of Investigations (OI), Office of Nuclear Regulatory Research (RES), regional administrators (RAs); and other support personnel, such as OGC, as directed.

4. Agreement State participation in the AARM, at the discretion of the Organization of the Agreement States, can be approved by the Director of NMSS. Participation in each portion of the AARM will be as noted in the relevant sections of this handbook or as determined by the EDO.
5. The AARM is conducted annually and occurs when all necessary inputs from Section I of this handbook are complete. If discussion of classified, Safeguards, or Controlled Unclassified Information is necessary to achieve AARM objectives, a separate, closed session will be conducted among senior NRC managers with a need-to-know. The results of that meeting will be summarized by the EDO or designee during the AARM, ensuring that sensitive content remains undisclosed.
6. Following each AARM, licensees are informed of any NRC decisions or actions that differ from those previously conveyed (if any agency actions change as a result of the senior managers' discussions). The Commission is briefed on the AARM results at a public meeting.

B. Operating Power Reactor Plant Performance Discussions and Review of Agency Actions

1. The discussions of plant performance are led by the cognizant RA. Plant performance discussions are limited to those plants that meet the criteria outlined in Section I.C of this handbook, "Final AARM Preparations for Operating Reactor Licensees (Under the ROP)."
2. Primary participants in the plant performance discussion portion of the AARM include the EDO, the DEDR, the Director of NRR, and the RAs. OGC and the Directors of OE, OI, NSIR, and RES, also may participate if issues relative to their areas of responsibility will be discussed.
3. As noted in IMC 0305, agency actions based on licensee performance are expected to be in accordance with the ROP Action Matrix. The ROP Action Matrix provides for a range of actions for NRC to take to appropriately address plant performance issues. Because actions would be taken on an ongoing basis, the role of the AARM is more informational and confirmatory. The senior managers will review the agency's actions that have been planned or completed to confirm their appropriateness. This step may include discussion of possible improvements or enhancements to the ROP.
4. The staff ensures that safeguards and other sensitive unclassified information is appropriately controlled and not released to the public. Furthermore, attendance of personnel must be controlled as necessary when sensitive information is being discussed, with additional focus on control of Safeguards Information.
5. As a result of AARM discussions, the senior managers may identify additional or alternate actions and/or allocation of agencywide resources. These actions should all be encompassed by and in accordance with the ROP Action Matrix or approved deviations from the Action Matrix. This step may include conducting a special team inspection to ascertain the causes of the performance problems, holding discussions between senior officials of both the NRC and the licensee to further enhance the

quality of communications, or convening a meeting with the Commission to review plant performance and licensee plans to improve performance.

6. Any or all of the actions discussed in the applicable sections of IMC 0305 are appropriate for plants that are discussed. The objective of these actions is to ensure that the licensee establishes a plan for improvement that incorporates measurable goals to determine when performance has improved. Whether and when to take any one of these actions is a determination that will be made at the NRC's sole discretion. The contents of this handbook and IMC 0305 do not restrict the NRC from taking any necessary actions to fulfill its responsibilities under any applicable law.

C. Operating Reactor Oversight Process Self-Assessment

1. The ROP annual self-assessment report is discussed by NRR at the AARM. The ROP self-assessment program is implemented in accordance with IMC 0307, "Reactor Oversight Process Self-Assessment Program." This program is conducted to assess the effectiveness of the ROP and develop recommendations for improvement.
2. NRR prepares a report on an annual basis that includes an ROP self-assessment, analysis of the ROP metrics, and other relevant information. These reports form the basis for discussions during the AARM regarding the ROP self-assessment and will be provided to the Commission. Also, Action Matrix deviations must be discussed at the AARM, and the Commissioners must also be briefed on this evaluation. This Commission direction is in "Staff Requirements – Briefing on the Results of the Agency Action Review Meeting, 9:30 a.m., Tuesday, May 4, 2004, Commissioners' Conference Room, One White Flint North, Rockville, Maryland (Open to Public Attendance)," dated May 27, 2004, reference M040504B ([ML041480131](#)).
3. Participants in the ROP self-assessment portion of the AARM include the EDO; the DEDR; the Directors of NRR, NSIR, RES, and OE; and the RAs. Other office directors may also participate as applicable and at the discretion of the EDO.

D. Power Reactor Construction Performance Discussions and Review of Agency Actions

1. The discussions of reactor construction performance are led by the Region II RA. Construction performance discussions are limited to those plants that met the criteria outlined in Section I.E of this handbook, "Final AARM Preparations for Reactor Construction Licensees (Under the cROP)."
2. Primary participants in the plant performance discussion portion of the AARM will include the EDO, the DEDR, the Director of NRR, and the RAs. In addition, OGC and the Directors of OE, OI, NSIR, and RES, may also participate if issues relative to their areas of responsibility will be discussed.
3. As noted in IMC 2505, agency actions based on licensee performance are expected to be in accordance with the cROP Construction Action Matrix. The cROP Construction Action Matrix provides for a range of actions for NRC to take to appropriately address plant performance issues. Because actions are taken on an ongoing basis, the role of the AARM is more informational and confirmatory. The

- senior managers will review the agency's actions that have been planned or completed to confirm their appropriateness. This step may include discussion of possible improvements or enhancements to the cROP.
4. The staff ensures that safeguards and other sensitive unclassified information is appropriately controlled and not released to the public. Furthermore, attendance of personnel must be controlled, as necessary, when sensitive information is being discussed, with additional focus on control of Safeguards Information.
 5. As a result of AARM discussions, the senior managers may identify additional or alternate actions and/or allocation of agencywide resources. These actions should all be encompassed by and in accordance with the cROP Construction Action Matrix or approved deviations from the Construction Action Matrix. This step may include conducting a special team inspection to ascertain the causes of the performance problems, holding discussions between senior officials of both the NRC and the licensee to further enhance the quality of communications, or convening a meeting with the Commission to review construction performance and licensee plans to improve performance.
 6. Any or all of the actions discussed in the applicable sections of IMC 2505 are appropriate for plants that are discussed. The objective of these actions is to ensure that the licensee establishes a plan for improvement that incorporates measurable goals to determine when performance has improved. Whether and when to take any one of these actions is a determination that will be made at the NRC's sole discretion. The contents of this handbook and IMC 2505 do not restrict NRC from taking any necessary actions to fulfill its responsibilities under any applicable law.

E. Construction Reactor Oversight Process Self-Assessment

NRR will conduct an annual self-assessment to assess the effectiveness of the cROP, resource utilization, and to develop recommendations for improvement. An annual report will be prepared and used as the basis for discussion during the AARM. This report will be provided to the Commission and made publicly available.

F. Reactor or Nonpower Production and Utilization Facilities Performance Discussions and Review of Agency Actions

1. The Director of NRR, will lead the discussion of performance for any nuclear reactor or nonpower production and utilization facilities, operating or under construction, that are not under the ROP or cROP and meet the criteria for discussion at the AARM as defined in SECY-11-0132. Primary participants in these discussions will include the EDO, the DEDR, and the Director of NRR. In addition, other office directors may participate as appropriate and at the discretion of the EDO.
2. The staff ensures that classified, safeguards, and other sensitive unclassified information is appropriately controlled and not released to the public. Furthermore, attendance of personnel must be controlled as necessary when sensitive information is being discussed, with additional focus on control of Safeguards Information.
3. The senior managers will review the agency's actions that have been planned or completed to confirm their appropriateness. As a result of AARM discussions, the

senior managers may recommend additional or alternate actions and/or allocation of agencywide resources.

G. Nuclear Materials and Waste Safety Program Licensee Discussion

1. The Director of NMSS or the RAs, as directed by the EDO, will lead the discussion of performance for any identified licensees, including categories of licensees that have significant safety, security, or safeguards performance issues. Primary participants in these discussions will include the EDO, the DEDM, the Director of NMSS, and the RAs. In addition, other office directors may participate as appropriate and at the discretion of the EDO. As noted above, the Director of NMSS may invite Agreement State participation in the AARM, at the discretion of the Organization of the Agreement States.
2. The staff ensures that classified, safeguards, and other sensitive unclassified information is appropriately controlled and not released to the public. Furthermore, attendance of personnel must be controlled as necessary when sensitive information is being discussed, with additional focus on control of Safeguards Information.
3. The senior managers will review the agency's actions that have been planned or completed to confirm their appropriateness. As a result of AARM discussions, the senior managers may recommend additional or alternate actions and/or allocation of agencywide resources.

H. Nuclear Materials and Waste Safety Program Performance and Trending Analysis

1. NMSS, in collaboration with the regional offices and the Agreement States, will analyze licensee performance trends. Data for this trending analysis will be obtained from operating experience associated with reportable events and generic issues. The data will be compiled and examined for any significant trends in performance, particularly adverse trends. If any significant trends are identified, NRC will conduct further examination of the data to determine what, if any, actions may be appropriate.
2. A report will be prepared on an annual basis that includes the Nuclear Materials and Waste Safety Program's performance and trending analysis. This report will be used as the basis for discussion during the AARM. This report will be provided to the Commission and made publicly available.

I. Correspondence Following the AARM

1. In addition to the annual assessment letters to power reactor licensees, regional offices will issue separate letters to those power reactor licensees discussed during the AARM if any agency actions change as a result of the senior managers' discussions. These letters are issued within 1 week following completion of the AARM, and at least 2 weeks before the Commission briefing. NRR will evaluate the need to issue letters to any other reactor or nonpower production and utilization facilities on a case-by-case basis. For Nuclear Materials and Waste Safety Program licensees, the agency will evaluate the need to issue a letter to individual licensees or categories of licensees on a case-by-case basis.

2. For Agreement State licensees, regional offices will consult on a case-by-case basis with the Agreement State Radiation Control Program Director when evaluating the need to issue a letter to individual licensees or categories of licensees.
3. A meeting summary that summarizes the key discussions and conclusions from the AARM is issued by the EDO. The AARM meeting summary will be provided to the Commission as part of the briefing background material. The staff will coordinate with OGC on potential separation of functions issues before such distribution.

J. Commission Briefing

1. The staff will brief the Commission on the AARM results at a public meeting, approximately 4 to 6 weeks following completion of the AARM. The staff delivering the briefing will typically include the EDO and the appropriate office directors or RAs, as directed by the EDO. The staff will consult with OGC to ensure the briefing is consistent with the NRC's separation of functions rules in 10 CFR 2.348.
2. The public briefing will include discussions of those licensees that have significant performance problems and that were discussed during the AARM, if applicable. The staff's briefing will also include discussions of the results of the staff's self-assessment of the ROP and cROP, including lessons learned and recommended policy adjustments, changes to the ROP and/or the cROP as a result of evaluating Action Matrix deviations, and an analysis of licensee performance trends.
3. A separate public meeting or session between the Commission and the licensee may be convened for licensees that are discussed at the AARM Commission meeting, if deemed appropriate by the EDO or the Commission. The staff should invite these licensees to present their plans for improving performance at their facilities. This Commission direction is in "Staff Requirements, Briefing on Results of the Agency Action Review Meeting (SECY-05-0070), 9:30 a.m., Wednesday, May 25, 2005, Commissioners' Conference Room, One White Flint North, Rockville, Maryland (Open to Public Attendance)," dated June 30, 2005, reference M050525B ([ML051810313](#)). The staff will typically invite the chief nuclear officer of a licensee of a new "multiple/repetitive degraded cornerstone" column (Column 4) plant to brief the Commission on the activities the licensee will be taking to improve the operation of the unit within 6 months of entering into Column 4. Similarly, the staff will typically invite the chief nuclear officer of a licensee of a new "multiple/repetitive degraded cornerstone" column (Column 4) plant under construction, within 6 months of entering into Column 4, to brief the Commission on the activities the licensee will be taking to improve the construction of the unit(s). The time of the meeting will be based on a determination by the Commission informed by a recommendation from the EDO. In addition, the staff should invite any reactor licensee that remains in the "degraded performance" column (Column 3) for 3 or more years to meet with the Commission. The Commission will then evaluate the need for subsequent briefings by the licensee with senior agency management after the AARM. This Commission direction is in "Staff Requirements – COMSECY-07-0005 - Discussion of Plants in the Multiple/Repetitive Degraded Cornerstone Column of the Reactor Oversight Process Action Matrix," dated April 19, 2007 ([ML071090473](#)).

4. Information regarding licensee performance that is not publicly available will not be discussed at the public meeting. As necessary, the Commissioners will be briefed on non-public/sensitive discussion topics from the AARM in a separate non-public meeting.