

efficiency bulletin

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Eliminate Formal Margin Management Programs

Existing engineering tools have proven adequate to monitor and manage design and operating margins. Formal margin management programs can be eliminated.

Addressees: Chief nuclear officers and site vice presidents

Issue: ENG-002, Margin Management Programs

Summary of Efficiency Opportunity

- Desired end-state—Design and operating margins are understood, considered in decision-making, and maintained consistent with design and regulatory requirements and operational constraints. Available tools and processes, specifically system and program health reports and the corrective action program, will be used to identify, prioritize and resolve margin issues. This will eliminate the need to have a formal margin management program.
- Value proposition (vision of excellence)—System and component margins continue to be maintained, commensurate with the level of equipment component criticality.
- Why it is important?—Elimination of a separate, formal program allows for the redirection of personnel resources to perform other tasks.

Relevant Standards

- INPO Performance Objectives and Criteria (PO&C) CM.1, "Design and Operating Margins Management"—design and operating margins are understood, considered in decision-making, and maintained consistent with design and regulatory requirements and operational constraints.



NUCLEAR ENERGY INSTITUTE

The Nuclear Energy Institute is the nuclear energy industry's policy organization.

This bulletin and additional information about nuclear energy are available at nei.org.

**1201 F Street, NW
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- INPO 10-005, "Principles for Maintaining an Effective Technical Conscience."

Guidance

- The Performance Objectives & Criteria (PO&Cs) do not require a formal margin management program. Margins can be documented and managed in other processes, such as system and program health reporting and the corrective action program.
- INPO 09-003, "Excellence in Management of Design and Operating Margins," is available as a good practice. This is classified as an INPO Tier 3 document, making it a reference document, not a standard, and it is available for industry use.

Recommend Industry Actions

- Revise INPO 09-003, "Excellence in Management of Design and Operating Margins," to ensure: (1) there is no implication of a requirement for having a margin management program; and (2) to document the use of system and program health reports as an acceptable tool for tracking identification, prioritization and resolution of margin issues.

Change Management Considerations

Industry Activities

- Industry webinar on April 6, 3-4 p.m. EDT, to provide background for initiative, INPO discussion, and an open forum to clarify expectations and ask questions.
- INPO will discuss this at the various industry meetings, such as those involving engineering vice presidents and directors.

Company Actions

- Individuals understand their responsibility to monitor plant conditions to identify and advocate for correction of reductions in operating, design or safety margins. Ongoing training and leadership interactions will reinforce this expectation.
- Validate that maintaining adequate margins is integrated in station processes, such as system health, program health, engineering change, calculation and corrective action.
- Eliminate the requirements for a formal margin management program.
- Revise documents that refer to a formal margin management program.

Guidelines

- Ensure existing station engineering tools monitor and manage design and operating margins commensurate with the safety importance of the equipment.

Report Your Site's Results

Please report your company's implementation of this improvement opportunity, including the date of completion. Send this information along with your company point of contact to EfficiencyBulletin@NEI.org.

Key to Color Codes:

Red: NSIAC initiative – full participation required for viability

Blue: Action expected at all sites, but is not needed for broad industry viability

Green: Utility discretion to implement, consistent with its business environment

Industry Contacts

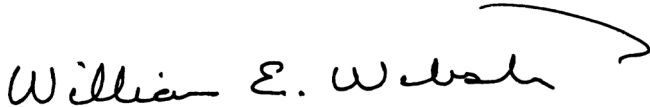
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