

# **NNR Annual Performance Plan Presentation**



*For the protection of persons, property  
and the environment against nuclear damage.*

## **PC: MINERAL RESOURCES AND ENERGY**



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# **EMERGING ISSUES & PRIORITY PROJECTS - 2020-25 STRATEGIC PLAN**



# Long-Term Operation (LTO)

The project is about preparing the NNR for the review and assessment of the Long Term Operation safety documentation, to clearly identify the activities and resources required for such review as well as identifying the risks related. The project plan will also provide the means for monitoring the project deliverables as informed by Eskom submissions.

## **Eskom Submission already reviewed:**

- Licensing basis updates
- Scoping and screening process
- Ageing Management Review process
- TLAA revalidation process
- PSR Basis Document

## **Challenges**

- LTO for the first time for both Eskom and NNR
- New standards and methodologies for Ageing Management and PSR
- Fixed timelines are envisaged, deadline July 2024
- Key major projects undertaken concurrently before 2024



# Steam Generator Replacement (SGR) project

Eskom informed the NNR in letter K-19821-E, dated 8 September 2010 of their proposed Long Term Asset Management (LTAM) interventions at Koeberg Nuclear Power Station, including TPU-SGR-PLEX (Thermal Power Uprate, Steam Generator Replacement and Plant Life Extension). Eskom endorsed the following business strategies:

- The 60 year Koeberg Plant Life Extension strategy (PLEX).
- The steam generator replacement project (SGRP). The steam generator selected will allow for thermal power uprate (TPU)
- The Thermal Power Uprate strategy to continue with a detailed feasibility study to confirm the 10% thermal power uprate target.
- Major interventions required for the 60-year life extension included the replacement of:
  - Steam Generators,
  - Unit 2 RPV Head,
  - Feed-train components (i.e. heaters, pumps, motors)
  - Cables, and
  - PTR Tank Replacement



## **Small Modular Reactor (SMR) Licencing Framework**

SMR licensing framework is being developed by the NNR as part of the response to the IRP. The Regulator aims to embark on the following:

- The development of regulatory standards for SMRs
- The upskilling of staff and key personnel for the regulation of SMRs
- Embarking on a benchmarking exercise to determine industry practices for SMR regulation



# The sustainability of the NNR

Following are the issues likely to affect the sustainability of the NNR:

- The increasing number of surrenders of Certificates of Registration (CORs) is likely to affect financial sustainability of the Regulator going forward – i.e. decline of 15.5% from 2020/21 – 2021/22
- The freeze in salary increases will impact on staff retention and consequently on viability as far as regulatory expertise are concerned.



## Dry cask storage 2019/20 & 2020/21

- The NNR has reviewed and subsequently approved the safety case for the loading and transport of the HI-STAR-100 casks on site and storage of four casks in the CSB. During the reporting period Eskom and its contractor loaded one cask in the Unit 2 Spent Fuel Pool and transported and stored the cask in the CSB.
- The IAEA safeguard inspectors that must observe the activities could not travel to the country. Special approval was requested from the DoH to allow for the safe guard inspectors to come to Koeberg subject to a 14-day quarantine period. The loading, transportation of fuel to the CSB has been successfully completed.
- The TISF is an interim arrangement for the storage of used fuel. NRWDI has been tasked to establish a Central Storage Facility by 2024 for storage of used fuel until such time that a deep geological storage facility has been established.





# **NRWDI License application for the operation of Vaalputs**

Regulatory activities inline with the above mentioned application is as follows:

- The NNR has completed the reviewing of the safety case
- Public consultation process was undertaken from 1<sup>st</sup> March to 30<sup>th</sup> March 2021
- NRWDI will be requested to update the PID in order to address some for the comments emanating from the Public consultation process



# **APP 2021/22**



Outcome	Output Indicator	Annual Target	Quarterly Target			
			Q1	Q2	Q3	Q4
Provide an independent radio- analytical verification capability and capacity.	RM1: SANAS Accreditation Gamma Spec: (Soil/Sediment)  ISO/IEC 17025:2017	SANAS Accreditation Report	Approved accreditation plan	Implemented quarterly activities as per the accreditation plan	Implemented quarterly activities as per the accreditation plan	Implemented quarterly activities as per the accreditation plan
Provide and implement an effective approach towards compliance assurance.	RM2: Updated process for developing the CAP	Approved process for the development of the Compliance Assurance Programme (CAP)	N/A	N/A	Update process for developing the compliance assurance programme	N/A
Maintain the implementation of regulatory programmes to assure effective nuclear and radiation safety	RM3a: Number of inspections conducted (NORM, NTWP and NPP)	199 inspections conducted	Conduct 35 NORM inspections	Conduct 35 NORM inspections	Conduct 25 NORM inspections	Conduct 25 NORM inspections
			Conduct 13 NTWP inspections	Conduct 14 NTWP inspections	Conduct 10 NTWP inspections	Conduct 13 NTWP inspections
			Conduct 6 NPP inspections	Conduct 9 NPP inspections	Conduct 9 NPP inspections	Conduct 5 NPP inspections
Maintain the implementation of regulatory programmes to assure effective nuclear and radiation safety.	RM3b: % Implementation of reviews and assessments undertaken (NORM, NTWP and NPP)	100% reviews and assessments undertaken per programme	100% Implemented planned quarterly activities	100% Implemented planned quarterly activities	100% Implemented planned quarterly activities	100% Implemented planned quarterly activities



Outcome	Output Indicator	Annual Target	Quarterly Target			
			Q1	Q2	Q3	Q4
Maintain the implementation of regulatory programmes to assure effective nuclear and radiation safety.	RM3c: Indoor radon regulatory framework	Approved indoor radon regulatory framework	N/A	N/A	N/A	Approved indoor radon regulatory framework
Provide an effective oversight of the Long Term Operation (LTO).	RM4: % Training plan implemented	100% of training plan	Approve LTO training plan	Undertake 100% of quarterly approved training plan	Undertake 100% of quarterly approved training plan	Undertake 100% of quarterly approved training plan
Ensure readiness to regulate SMRs	RM5: Benchmarking study on SMRs regulation	Benchmark Report on SMRs regulation	N/A	N/A	N/A	Benchmarking Report
Ensure the long-term sustainability of the CNSS.	RM6: CNSS sustainability strategy	Approved sustainability strategy	N/A	N/A	N/A	Approve sustainability strategy
Provide a framework for securing and managing information and intellectual property emanating from CNSS activities	RM7: Framework for CNSS intellectual property	Approved framework on management of information and intellectual property	N/A	Conduct review on information and intellectual property from CNSS activities	Conduct benchmark study on management and intellectual property	Approved framework for CNSS intellectual property

Promote nuclear safety awareness (role of the NNR).	RM8: Implementation of activities as per the nuclear safety awareness programme	100% Implementation of planned activities as per the nuclear safety awareness programme	Approve nuclear awareness programme	100% Implementation of quarterly planned activities	100% Implementation of quarterly planned activities	100% Implementation of quarterly planned activities
Develop and implement a stakeholder relationship management plan.	RM9: % Implementation of the stakeholder relationship management plan	100% Implementation of planned activities as per stakeholder relationship management plan	Approve the stakeholder relationship management plan	100% Implementation of quarterly planned activities	100% Implementation of quarterly planned activities	100% Implementation of quarterly planned activities
Adequate funding for execution of NNR mandate.	FM1: % Funding of NNR planned activities	100% Funding of NNR planned activities	Conduct a baseline review and develop RADCON fee structure	N/A	Compile budget proposal	Secure approval for the proposed budget
Financial sustainability of the CNSS.	FM2: Approved funding model of the CNSS	Approved funding model of the CNSS	N/A	N/A	Develop a funding model of the CNSS in line with the Ministerial directive	N/A
Inclusion of previously disadvantaged individuals in economic activities.	FM3: % Procurement spent on designated groups	70% of procurement spent on designated groups	N/A	70% of procurement spent on designated groups	70% of procurement spent on designated groups	70% of procurement spent on designated groups
Develop and implement an ISO: 27001 aligned ICT Security Plan	PM1: % Implementation of the activities as per the ISO: 27001 plan	100% Implementation of planned ISO: 27001 activities	Approve the ISO: 27001 aligned ICT Security Plan	100% Implementation of quarterly planned activities	100% Implementation of quarterly planned activities	100% Implementation of quarterly planned activities

Outcome	Output Indicator	Annual Target	Quarterly Target			
			Q1	Q2	Q3	Q4
Develop and implement a Protection of Personal Information Act (POPIA) compliance plan.	PM2: % Implementation of the activities as per POPIA plan	100% Implementation of planned activities as per POPIA plan	Approve the POPIA plan	100% Implementation of quarterly planned activities	100% Implementation of quarterly planned activities	100% Implementation of quarterly planned activities
Ensure proactive management of potential litigation.	PM3: Number of Legislative Compliance Reports	4 Legislative Compliance Reports	Review and update NNR regulatory universe Review checklist of sections relevant to the NNR  Identify/confirm relevant Act Owners and Workflow users  Monitor compliance controls to ensure that they are adequate and effective  Identify and track non-compliant issues to resolution	Monitor compliance controls to ensure that they are adequate and effective  Identify and track non-compliant issues to resolution  Monitor implementation of corrective measures to address non-compliances  Prepare quarterly report	Monitor compliance controls to ensure that they are adequate and effective  Identify and track non-compliant issues to resolution  Monitor implementation of corrective measures to address non-compliances  Prepare quarterly report	Monitor compliance controls to ensure that they are adequate and effective  Monitor implementation of corrective measures to address non-compliances  Identify and track non-compliant issues to resolution  Conduct risk assessment of the legislative universe to assess legal and reputational risk



Outcome	Output Indicator	Annual Target	Quarterly Target			
			Q1	Q2	Q3	Q4
Provision of adequate and safe facilities for the site office.	PM4: % Implementation of the Cape Town Office construction project plan	100% Implementation of planned activities as per project plan	100% Implementation of planned activities as per project plan	100% Implementation of planned activities as per project plan	100% Implementation of planned activities as per project plan	100% Implementation of planned activities as per project plan

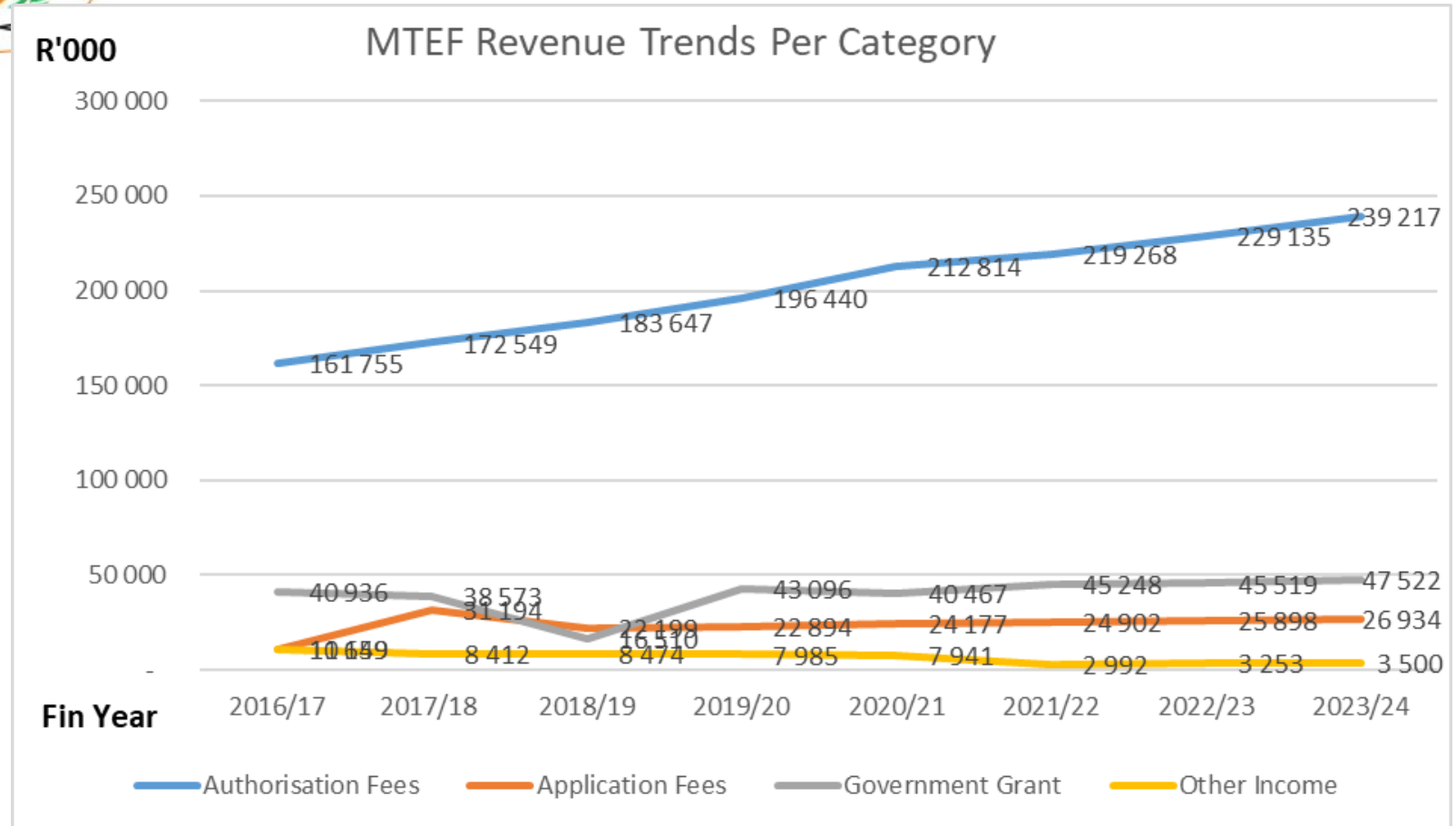


# **2021/22 MTEF FINANCIAL TRENDS**



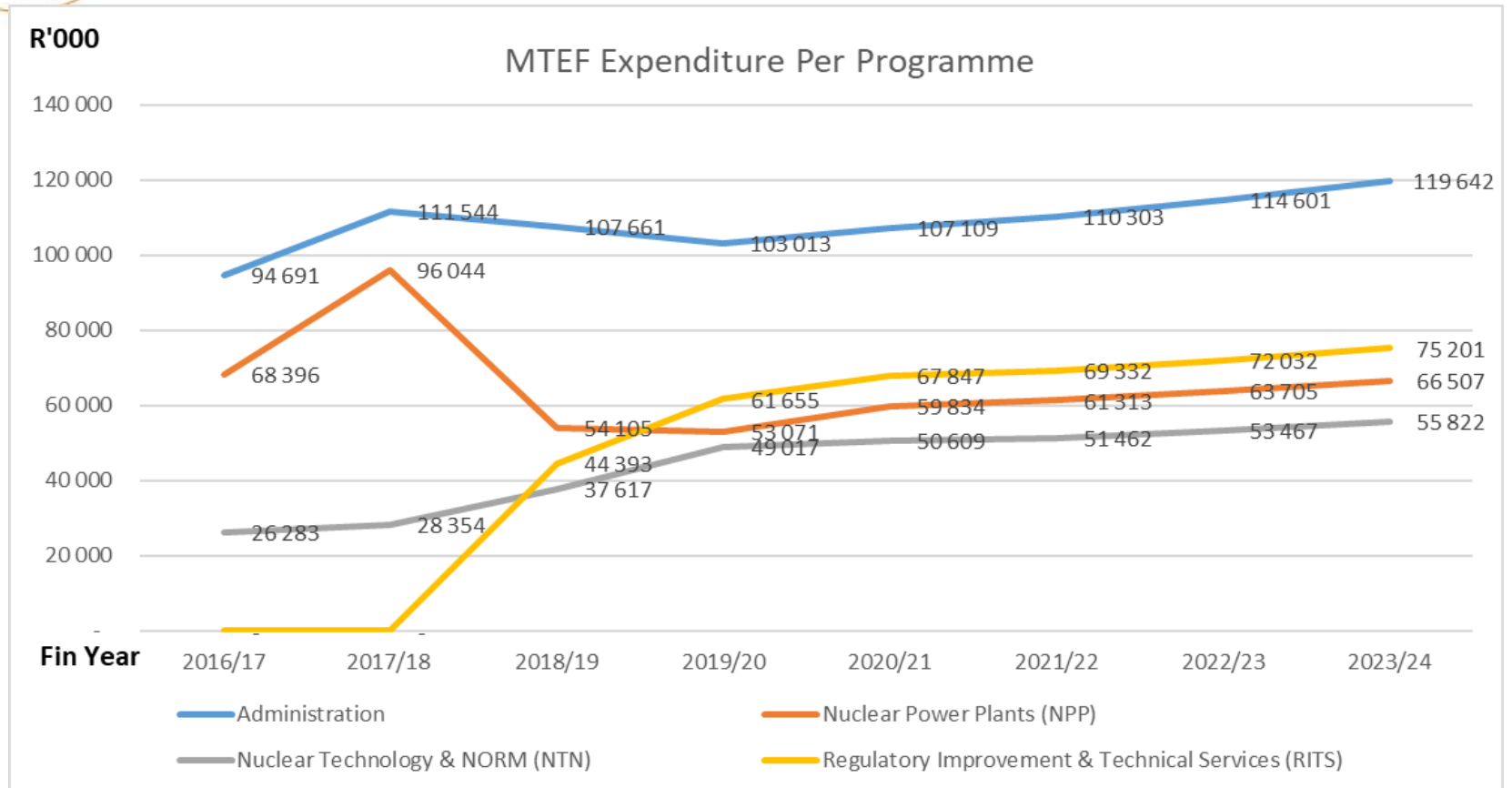


Statement of financial performance										Outcome/ Budget Average %	Average growth rate (%)	Expen- diture/ total: Average (%)				Average growth rate (%)	Expen- diture/ total: Average (%)
	Budget	Audited Outcome	Budget	Audited Outcome	Budget	Audited Outcome	Budget estimate	Approved budget	Revised budget				Medium-term estimate	2023/24			
R thousand	2017/18		2018/19		2019/20		2020/21			2017/18-2020/21			2021/22	2022/23	2023/24	2020/21 - 2023/24	
Revenue																	
Tax revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Non-tax revenue	198,145	212,155	211,952	214,320	223,660	227,775	243,686	244,932	244,932	102.5%	4.9%	86.8%	247,162	258,286	269,651	3.3%	85.1%
Sale of goods and services other than capital assets	170,776	172,549	180,339	183,647	199,926	196,440	235,745	212,814	212,814	97.3%	7.2%	73.9%	219,268	229,135	239,217	4.0%	75.1%
of which:																	
Administrative fees	170,776	172,549	180,339	183,647	199,926	196,440	235,745	212,814	212,814	97.3%	7.2%	73.9%	219,268	229,135	239,217	4.0%	75.1%
Sales by market establishment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other sales	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other non-tax revenue	27,369	39,606	31,613	30,673	23,734	31,335	7,941	32,118	32,118	147.5%	-6.7%	13.0%	27,894	29,151	30,434	-1.8%	10.0%
Interest, dividends and rent on land	2,934	5,769	1,549	5,586	5,500	5,766	5,781	6,002	6,002	146.7%	1.3%	2.2%	6,343	6,629	6,921	4.9%	2.2%
Transfers received	38,573	38,573	16,510	16,510	43,096	43,096	45,467	45,467	40,467	96.5%	1.6%	13.2%	45,248	45,519	47,522	5.5%	14.9%
Tax benefit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Outside shareholders Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total revenue	236,718	250,728	228,462	230,830	266,756	270,871	289,153	290,399	285,399	101.6%	4.4%	100.0%	292,410	303,805	317,173	3.6%	100.0%
Expenses										-	-	-				-	
Current expenses	236,718	235,942	228,462	243,776	266,756	253,830	289,153	290,399	285,399	99.8%	6.5%	100.0%	292,410	303,805	317,172	3.6%	100.0%
Compensation of employees	138,156	136,182	142,350	150,368	165,606	169,119	174,714	186,508	186,508	103.4%	11.1%	62.8%	193,290	200,225	209,034	3.9%	65.8%
Goods and services	84,675	84,485	72,025	78,645	87,778	70,035	99,080	90,775	85,775	92.8%	0.5%	31.4%	85,414	89,257	93,185	2.8%	29.5%
Depreciation	9,801	10,443	10,369	10,854	9,450	11,646	11,826	10,536	10,536	104.9%	0.3%	4.3%	11,010	11,506	12,012	4.5%	3.8%
Interest, dividends and rent on land	4,086	4,832	3,718	3,909	3,922	3,030	3,533	2,580	2,580	94.0%	-18.9%	1.4%	2,696	2,817	2,941	4.5%	0.9%
Transfers and subsidies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Tax payment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Outside shareholders Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total expenses	236,718	235,942	228,462	243,776	266,756	253,830	289,153	290,399	285,399	99.8%	6.5%	100.0%	292,410	303,805	317,172	3.6%	100.0%
Surplus/(Deficit)	-	14,786	-	(12,946)	-	17,041	-	-	-		-100.0%		-	-	1	-	

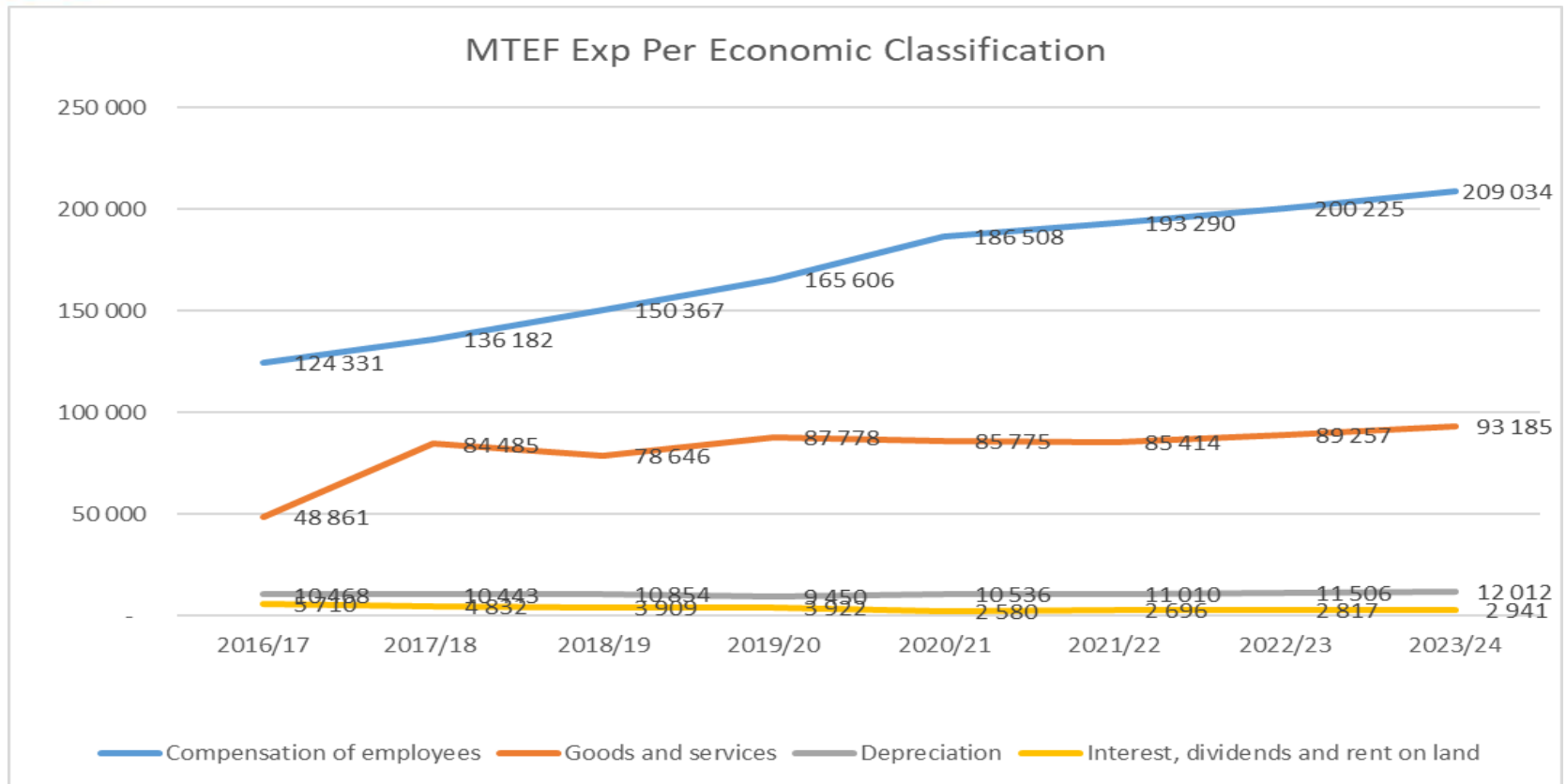


The NNR revenue is composed of Authorisation Fees, Application Fees, Government Grant and Other Income of which each contribute an average of 75%, 10%, 13% and 2% respectively.

The total revenue is projected to increase at 3,6% over the MTEF period



Expenditure is projected to increase by 3,33% over the MTEF period. Average expenditure per programme over the MTEF period is projected as follows: Administration - 38%, Nuclear Power Plants (NPP) – 21%, Nuclear Technology & NORM (NTN) – 18% and Regulatory Improvement & Technical Services (RITS) – 24%.



Compensation of Employees (CoE) accounts for the major share of the total expenditure at 66% on average while goods and services' portion is 29%. The remaining 5% is allocated to all other activities including capital expenditure.



Thank You