

March 4, 2015

MEMORANDUM TO: Mark A. Satorius  
Executive Director for Operations

FROM: Annette L. Vietti-Cook, Secretary **/RA/**

SUBJECT: STAFF REQUIREMENTS – SECY-14-0087 – QUALITATIVE  
CONSIDERATION OF FACTORS IN THE DEVELOPMENT OF  
REGULATORY ANALYSES AND BACKFIT ANALYSES

The Commission has approved the staff's plans for updating guidance regarding the use of qualitative factors to improve the clarity, transparency and consistency of the agency's regulatory analyses and backfit analyses. This approval does not authorize an expansion of the consideration of qualitative factors in regulatory analyses and backfit analyses. The appropriate degree of weight of application of qualitative factors in regulatory decision making ultimately lies with the Commission.

The focus of the update should be on capturing best practices for the consideration of qualitative factors. The updated guidance should provide a toolkit to the analysts to help them clarify their thinking with regard to how they considered qualitative factors. The guidance should support regulatory analyses that clearly present the analyst's consideration of qualitative factors in a transparent way that decisionmakers, stakeholders, and the public can understand. The updated guidance should not be overly complicated or prescriptive in such a way that would hinder decisionmaking. The revised guidance should adhere to the following high-level principles:

- a. The staff should continue to strive to improve its methods for quantitative analyses, including the treatment of uncertainties.
- b. The staff should use the best information available to develop realistic estimates of the cost of implementing proposed requirements.
- c. To ensure that qualitative factors are used in a judicious and disciplined manner, the revised guidance should continue to encourage quantifying costs to the extent possible and use qualitative factors to inform decision making, in limited cases, when quantitative analyses are not possible or practical (i.e., due to lack of methodologies or data).
- d. To improve transparency and decision making, any revised guidance should outline how the staff will articulate its rationale for the selection of qualitative factors and describe with specificity how these factors were used in the analysis, including the use of sensitivity analyses.

The staff should continue to engage stakeholders and the Advisory Committee on Reactor Safeguards as the staff updates the guidance documents. At a minimum, this should include a public opportunity to comment on proposed revisions to guidance, but the staff should also

consider holding public workshops and other mechanisms to ensure meaningful stakeholder input. The staff should provide a detailed plan and schedule for developing the draft revised guidance to the Commission for information. Any updated guidance resulting from the Commission's decision in this matter should be provided to the Commission in draft form for a period no shorter than 10 working days prior to its issuance by the staff. Lastly, the staff should resume using the term "consideration of qualitative factors" in lieu of the syntax presented in SECY-14-0087, i.e., "qualitative consideration of factors."

cc: Chairman Burns  
Commissioner Svinicki  
Commissioner Ostendorff  
Commissioner Baran  
OGC  
CFO  
OCA  
OPA  
Office Directors, Regions, ACRS, ASLBP (via E-Mail)  
PDR