

June 23, 2017

MEMORANDUM TO: Dr. Brett M. Baker  
Assistant Inspector General for Audits  
Office of the Inspector General

FROM: William M. Dean, Director */RA by Michele G. Evans for/*  
Office of Nuclear Reactor Regulation

SUBJECT: RESPONSE TO THE STATUS OF RECOMMENDATIONS:  
AUDIT OF U.S. NUCLEAR REGULATORY COMMISSION'S  
REGULATORY ANALYSIS PROCESS (OIG-15-A-15)

This letter provides the U.S. Nuclear Regulatory Commission (NRC) staff's status update for recommendations 1 and 3 from the Office of the Inspector General's (OIG) audit OIG-15-A-15, "Audit of the NRC's Regulatory Analysis Process," dated June 24, 2015. In a letter to OIG dated December 22, 2016, and in supplementary information provided on March 3, 2017, the staff outlined the actions taken or planned to address each audit recommendation. OIG responded with an analysis and status of recommendations dated December 22, 2016, which stated that recommendations 2 and 4 are in closed status and recommendations 1 and 3 remain in resolved status. The following provides an update of the status of the staff's actions for these two recommendations.

**Recommendation 1:**

Develop and implement a formal training/qualification program for cost estimators. This training/qualification program can be incorporated into the office instructions and procedures of the NRC offices with regulatory analysis responsibilities.

**Response:**

The Office of Nuclear Reactor Regulation (NRR) issued its regulatory analysis training/qualification program, PRMB-TRNG-02, "Branch-Specific Qualification Plan for Cost Analysts," Rev. 0, on February 18, 2016. The NRR cost analysts have completed or have nearly completed their qualification training and are expected to complete their qualification boards by October 2017.

The staff's intent was to incorporate this qualification plan in the next update of NRR office instruction ADM-504, "Qualification Program." However, since issuing this qualification

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procedure, the Commission has approved a plan to centralize agency specialists in rulemaking and cost analysts into a Rulemaking Center of Expertise (COE) that will be located in the Office of Nuclear Material Safety and Safeguards (NMSS). The Rulemaking COE Implementation Team plans to incorporate this qualification plan into the NMSS office instructions and procedures in accordance with agency processes by October 2017.

**Target Completion Date:** October 2017

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**Recommendation 3:**

Update and implement the cost benefit guidance documents as planned in SECY-14-0002. Incorporate this guidance into office procedures by reference.

**Response:**

The staff published the updated draft NUREG/BR-0058, Revision 5, "Regulatory Analysis Guidelines of the U.S. NRC," for a 60-day public comment period on April 17, 2017, which ended on June 16, 2017. The staff will resolve the comments received and submit the final NUREG for Commission approval by January 15, 2018. This NUREG is expected to be issued for publication by March 2018. The Rulemaking COE is incorporating NUREG/BR-0058 (current revision) into the Rulemaking COE procedure by reference. NMSS management plans to issue the COE procedure for interim use by October 2017.

**Target Completion Date:**

October 2017 (Incorporate guidance into office instructions by reference)  
March 2018 (Issue revised NUREG)

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cc: Chairman Svinicki  
Commissioner Baran  
Commissioner Burns  
SECY

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