



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

**OFFICE OF THE
INSPECTOR GENERAL**

December 19, 2017

MEMORANDUM TO: Victor M. McCree
Executive Director for Operations

FROM: Dr. Brett M. Baker */RA/*
Assistant Inspector General for Audits

SUBJECT: STATUS OF RECOMMENDATIONS: AUDIT OF NRC'S
REGULATORY ANALYSIS PROCESS (OIG-15-A-15)

REFERENCE: DIRECTOR, OFFICE OF NUCLEAR MATERIAL SAFETY
AND SAFEGUARDS, MEMORANDUM DATED
NOVEMBER 17, 2017, AND SUPPLEMENTARY
RESPONSE DATED DECEMBER 1, 2017

Attached is the Office of the Inspector General's (OIG) analysis and status of recommendations as discussed in the agency's response dated November 17, 2017, and a supplementary response dated December 1, 2017. Based on these responses recommendation 1 is closed and recommendation 3 remains in resolved status. Recommendations 2 and 4 were closed previously. Please provide an updated status of the resolved recommendation by February 28, 2018.

If you have any questions or concerns, please contact me at (301) 415-5915 or Eric Rivera, Team Leader, at (301) 415-7032.

Attachments: As stated

cc: R. Lewis, OEDO
H. Rasouli, OEDO
J. Jolicoeur, OEDO
J. Bowen, OEDO
EDO_ACS Distribution

Audit Report

AUDIT OF NRC'S REGULATORY ANALYSIS PROCESS

OIG-15-A-15

Status of Recommendations

Recommendation 1: Develop and implement a formal training/qualification program for cost estimators. The training/qualification program can be incorporated into the office instructions and procedures of the NRC offices with regulatory analysis responsibilities.

Agency Responses Dated November 17, 2017, and December 1, 2017:

The Office of Nuclear Reactor Regulation (NRR) issued the procedure for its regulatory analysis training/qualification program, PRMB-TRNG-02, "Branch-Specific Qualification Plan for Cost Analysts," Rev. 0, on February 18, 2016. All four cost analysts completed their qualification training and passed their qualification boards as of October 13, 2017.

As a result of the October 29, 2017, implementation of the Rulemaking Center of Expertise in the Division of Rulemaking (DRM) in the Office of Nuclear Material Safety and Safeguards (NMSS), the NRC's regulatory analysis responsibilities transferred from NRR to the Regulatory Analysis and Rulemaking Support Branch in NMSS/DRM. The procedure for the qualification program will be re-issued to reflect the change in organizational structure from NRR to NMSS.

Target Completion Date: Completed

OIG Analysis: OIG received and reviewed documentation verifying that (1) NRR issued a new procedure for its regulatory analysis training/qualification program titled "Branch-Specific Training Plan for Cost Analysts," and (2) four cost analysts completed their qualification training and passed their qualification boards based on Qualification Panel Examination Results and the required NRR Division Director notifications. Therefore, this recommendation is closed.

Status: Closed.

Audit Report

AUDIT OF NRC'S REGULATORY ANALYSIS PROCESS

OIG-15-A-15

Status of Recommendations

Recommendation 3: Update and implement the cost benefit guidance documents as planned in SECY-14-0002. Incorporate this guidance into office procedures by reference.

Agency Response Dated
November 17, 2017:

On April 17, 2017, the staff published in the Federal Register (82 FR 18163) a request for public comment on the draft NUREG/BR-0058, Revision 5, "Regulatory Analysis Guidelines of the U.S. Nuclear Regulatory Commission." The 60-day public comment period closed on June 16, 2017. The staff considered and addressed, as appropriate, the comments submitted on the draft NUREG. The subject NUREG is currently in the concurrence process with an expected delivery to the Commission as a notation vote paper by January 5, 2018. The staff updated interim Revision 2 of NMSS Policy and Procedure 6-10, "NMSS Procedures for Preparation and Review of Rulemaking Packages," to reference the draft Revision 5 of NUREG/BR-0058 that was released in April 2017. Following Commission review and approval, the staff will revise its procedures to reference the final NUREG.

Target Completion Dates:

April 2017 (completed – issued draft NUREG/BR-0058, Revision 5)

October 2017 (completed – updated NMSS Policy and Procedure 6-10)

January 2018 (target – issue notation vote paper with Revision 5 to NUREG/BR-0058)

OIG Analysis:

The proposed corrective action addresses the intent of OIG's recommendation. This recommendation will be closed when OIG receives and reviews the updated cost benefit guidance documents, with evidence that the guidance documents are implemented and incorporated into office procedures by reference.

Status:

Resolved.