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**To:** [Valliere, Nanette](#)  
**Subject:** [External\_Sender] Part 53 and "Performance-Based"  
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Nan:

I'd like to explain why I made such a big deal of the definition for "performance-based" in yesterday's Part 53 meeting.

To me, the Commission's definition of a "performance-based approach" in SRM-SECY-98-0144 is a very powerful statement that indirectly but persuasively addresses safety margins. As you know, safety margins appear in many places in regulatory text but the meaning is implied by the context but without authoritative guidance on implementation. This results in overly prescriptive implementation.

The Commission's definition of a "performance-based approach" clearly identifies four attributes that can be formally implemented. These are: (1) suitable parameters; (2) objective criteria; (3) flexibility to encourage and reward improved outcomes; and (4) a decision-making framework to avoid safety concerns. When an applicant or licensee says that a "performance-based approach" is being implemented, you can immediately test whether Commission directed attributes are present. If these attributes are present, you will see that what they would be doing is using safety margins. In any formal approach the licensee would be totally accountable to how they use margins that we know generally exist.

Prasad