MEMORANDUM TO:	R. W. Borchardt Executive Director for Operations	
FROM:	Annette L. Vietti-Cook, Secretary	/RA/
SUBJECT:	STAFF REQUIREMENTS – SECY-12-0110 OF ECONOMIC CONSEQUENCES WITHIN REGULATORY COMMISSION'S REGULA	N THE U.S. NUCLEAR

The Commission has approved the staff's recommended Option 2, to enhance the currency and consistency of the existing framework through updates to guidance documents integral to performing cost-benefit analyses in support of regulatory, backfit, and environmental analysis, subject to the following comments and additional direction. The staff should identify the potential changes to current methodologies and tools that would enhance regulatory analysis guidance under current Option 2 in a comprehensive paper on Option 2 implementation so it is clear how Option 2 "would help harmonize regulatory guidance across the agency" in both the reactor and materials programs arenas. The development of implementation approaches for Option 2 will likely expose policy issues (e.g., use of a particular decontamination level) during the staff's efforts to improve guidance for estimating offsite economic costs or to identify potential areas to develop new guidance, as needed, for other regulatory applications, and these issues should be brought to the Commission for review and approval. Given this, the Option 2 paper should be a notation vote paper. However, the staff may continue with ongoing staff activities described in SECY-12-0110 to update guidance documents (i.e., an update to NRC's dollar per person-rem conversion factor policy and an update to replacement energy costs).

(EDO)

(SECY Suspense: 9 months)

The Commission finds that economic consequences should not be treated as equivalent in regulatory character to matters of adequate protection of public health and safety.

In the Option 2 paper, the staff should identify what activities will be impacted by this work and describe how the staff's priorities will be modified.

The paper on Option 2 should integrate a summary and analysis of how other federal government agencies and international nuclear regulatory bodies assess economic consequences into its recommendations.

The Commission endorses the Near Term Task Force conclusion that the NRC's current approach to the issue of land contamination from reactor accidents is sound.

To facilitate public communications, the staff should document its comparison of U.S. and Japanese regulatory requirements that were in effect at the time of the accident, focused on those areas most relevant to the sequence of events and accident mitigation capabilities at Fukushima. The staff should also describe how those differences were factored into post-Fukushima actions taken by the NRC.

The identification of new areas to develop guidance for other regulatory applications under Option 2 should be limited and should be resourced as a lower priority than activities under Option 2 associated with applying SOARCA insights and improving guidance and analysis tools (such as the MACCS2 computer code) based on up-to-date data and advancements in accident consequence assessment knowledge.

The staff should provide the Commission with a regulatory gap analysis prior to developing new guidance for application across business lines (e.g., materials, fuel cycle facilities, or emergency preparedness).

The staff should provide to the Commission any cost benefit model developed for use in guidance documents to address offsite property damage costs. This would include any proposed methodology for changing the calculated value of averted dose referenced in NUREG-1530.

The staff should ensure adherence to the Commission's policy for review of proposed new requirements by the Committee to Review Generic Requirements (CRGR).

The staff paper should also address if and how Option 2 may influence future NRC recommendations to Congress regarding renewal of the Price-Anderson Act.

The staff should report to the Commission on its plan, including a timeframe, to dissolve the Steering Committee and return accountability for the underlying activities to each program office.

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