



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
REGION II
245 PEACHTREE CENTER AVENUE NE, SUITE 1200
ATLANTA, GEORGIA 30303-1257

February 20, 2018

EA-17-166

Mr. Darin Myers
Vice President
Southern Nuclear Operating Company, Inc.
7821 River Road
Waynesboro, GA 30830

**SUBJECT: VOGTLE ELECTRIC GENERATING PLANT – NOTICE OF VIOLATION AND
PROPOSED IMPOSITION OF CIVIL PENALTY – \$145,000, NRC INSPECTION
REPORT 05000424/2018090 AND 05000425/2018090; INVESTIGATION
REPORT NO. 2-2017-005**

Dear Mr. Myers:

This refers to the investigation completed on August 24, 2017, by the Nuclear Regulatory Commission's (NRC) Office of Investigations (OI) concerning activities at the Southern Nuclear Company's (SNC) Vogtle Electric Generating Plant (VEGP). The purpose of the investigation was to determine if SNC non-licensed System Operators (SO) deliberately failed to conduct operator rounds as required by procedure and deliberately falsified information material to the NRC at VEGP Units 1 and 2.

The details of the investigation are documented in NRC Inspection Report 05000424/2017012 and 05000425/2017012, issued on December 21, 2017 (ML17355A481). The report identified two apparent violations (AVs) that were considered for escalated enforcement. The first AV involved the failure to conduct operator rounds as required by 10 CFR 50, Appendix B, Criterion V, Instructions, Procedures, and Drawings. The second AV involved the inaccurate/incomplete documentation of the data collected during operator rounds, contrary to the requirements of 10 CFR 50.9(a), Completeness and Accuracy of Information.

On February 12, 2018, a predecisional enforcement conference (PEC) was conducted, at SNC's request, in the NRC's Region II office with members of your staff to discuss the AVs. At the conference, SNC accepted the violations as described in the inspection report, including the willful aspects, and provided details of the significance, the root causes, and corrective actions. The conference was closed to public observation because the subject matter was related to an OI report, the details of which have not been publicly released. At the PEC, SNC agreed that two violations occurred as stated in the NRC's inspection report dated December 21, 2017. SNC senior management communicated the seriousness with which it viewed and responded to this matter, from a site-specific manner at Vogtle, and across SNC's nuclear fleet including SNC's corporate office. SNC's review of this matter identified the direct root cause to be the willful falsification of rounds by SOs. Contributing causes included less than adequate station

leadership recognition of the integrity issue, less than adequate supervisory oversight of SO rounds, and less than adequate recognition and follow-up of internal and external events related to integrity.

Based on the information developed during the investigation and the information that you provided during the conference, the NRC has determined that two violations of NRC requirements occurred. These violations are cited in the enclosed Notice of Violation and Proposed Imposition of Civil Penalty (Notice) and the circumstances surrounding the violations are described in detail in Inspection Report 05000424/2017012 and 05000425/2017012. To summarize, on multiple instances during August through mid-October 2016, at least 13 SOs entered data related to equipment status, general area inspections, and housekeeping conditions for specific areas without actually entering those areas as required by Operations Procedure 11882-1/2, "Outside Area Rounds," versions 97/82. The NRC concluded that the actions of the SOs were deliberate and caused SNC to be in violation of SNC Operations Procedure 11882-1/2, "Outside Area Rounds," versions 97/82 and NRC regulations.

Additionally, the NRC identified a second violation that was associated with inaccurate/incomplete documentation of the data collected during operator rounds, contrary to the requirements of 10 CFR § 50.9(a), Completeness and Accuracy of Information. Specifically, the outside area operator round logs, which are quality assurance records required to be maintained by NRC regulations, were not complete and accurate in all material respects. The NRC concluded that the actions of the SOs were deliberate.

Based on the NRC's review, the violations did not result in any actual consequences. In this case, the NRC is unaware of any specific degraded plant equipment or conditions that should have been identified during the August – October 2016 timeframe, had the outside rounds and related documentation been completed as required.

However, the potential consequences of multiple missed outside rounds, and subsequent falsifications, are significant and concerning to the NRC. Outside rounds are conducted for a variety of reasons, including the early identification, trending, and correction of degraded, abnormal, or undesirable plant conditions. In this case, however, this vital function was intentionally precluded by the deliberate misconduct of at least 13 SOs over an extended period of time.

The fact that SNC management was unaware that multiple SOs engaged in deliberate misconduct over at least several months is of significant concern to the NRC. SNC management failed to provide necessary management oversight of plant staff, and for a period of time failed to ensure that SOs fully embraced a culture of commitment to procedural compliance with trustworthiness and integrity. As discussed in the NRC Enforcement Policy, willful violations are of particular concern because the NRC's regulatory program is based on licensees and their contractors, employees, and agents acting with integrity and communicating with candor. In light of the above, and because the two violations are interrelated, both violations have been categorized together as a Severity Level III Problem in accordance with the NRC Enforcement Policy.

In accordance with the Enforcement Policy, a base civil penalty in the amount of \$145,000 is considered for an SL III Problem. Because the violations were willful, the NRC considered whether credit was warranted for *Identification* and *Corrective Action* in accordance with the civil penalty assessment process in Section 2.3.4 of the Enforcement Policy.

The issue involving missed outside rounds was not identified by SNC, but rather was brought to the attention of SNC via NRC inspection. As such, credit is not warranted for the factor of *Identification*.

At the predecisional enforcement conference, SNC identified a number of site-specific, corporate, and fleet-wide corrective actions including, but not limited to: (1) the immediate investigation into missed rounds and the initiation of a root cause analysis; (2) an extent of condition review at Vogtle, as well as other SNC nuclear sites; (3) the creation of a site procedure for random verification of records by performing periodic audits of operator, security, and fire watch rounds, as well as other functional areas; (4) site and corporate leadership evaluation of Condition Reports for potential integrity issues, as part of SNC's Corrective Action Program Instruction NMP-GM-002-001; (5) revision of several procedures to improve and clarify the operator rounds process and chain of command for SOs; (6) the conduct of independent assessments focused on personal integrity issues, on a six-month frequency for the next two years; (7) a nuclear fleet-wide analysis of the event and fleet-wide corrective actions in the areas of operator rounds process improvements, human resources policies reviews, training, and communications; and (8) disciplinary actions for the individuals involved. Based on the above, credit is warranted for the factor of *Corrective Action*.

Therefore, to emphasize the importance of prompt identification of violations, the importance of SNC's oversight of routine plant operations including SO rounds, and in recognition of the willful aspects, I have been authorized, after consultation with the Director, Office of Enforcement, to issue the enclosed Notice of Violation and Proposed Imposition of Civil Penalty (Notice) in the base amount of \$145,000 for the SL III Problem.

At the PEC, SNC requested that the NRC consider the exercise of enforcement discretion to refrain from issuing any civil penalty, based on SNC's corrective actions. The NRC notes that the civil penalty assessment process fully considers the promptness and comprehensiveness of corrective actions. In this case, the NRC fully considered and credited SNC's prompt and comprehensive corrective actions in the determination of the proposed civil penalty. SNC did not provide any additional bases for mitigating the proposed civil penalty.

If you disagree with this enforcement sanction, you may deny the violations, as described in the Notice, or you may request alternative dispute resolution (ADR) with the NRC in an attempt to resolve this issue. ADR is a general term encompassing various techniques for resolving conflicts using a neutral third party. The technique that the NRC has decided to employ is mediation. Mediation is a voluntary, informal process in which a trained neutral (the "mediator") works with parties to help them reach resolution. If the parties agree to use ADR, they select a mutually agreeable neutral mediator who has no stake in the outcome and no power to make decisions. Mediation gives parties an opportunity to discuss issues, clear up misunderstandings, be creative, find areas of agreement, and reach a final resolution of the issues. Additional information concerning the NRC's ADR program can be found at <http://www.nrc.gov/about-nrc/regulatory/enforcement/adr.html>.

The Institute on Conflict Resolution (ICR) at Cornell University has agreed to facilitate the NRC's program as a neutral third party. If you are interested in pursuing this issue through the ADR program, please contact: (1) the ICR at (877) 733-9415; and (2) Alan Blamey at (404) 997-4415 within 10 days of the date of this letter. You may also contact both ICR and Alan Blamey for additional information. Your submitted signed agreement to mediate using the NRC ADR program will stay the 30-day time period for payment of the civil penalties and the required written response, as identified in the enclosed notice, until the ADR process is completed.

The NRC has concluded that information regarding: (1) the reason for the violations or, if contested, the basis for disputing the violations; (2) the corrective steps that have been taken and the results achieved; (3) the corrective steps that will be taken; and (4) the date when full compliance was achieved was adequately addressed at the predecisional enforcement conference. Therefore, you are not required to respond to this letter unless the description therein does not accurately reflect your corrective actions or your position. In that case, or if you choose to provide additional information, you should follow the instructions specified in the enclosed Notice.

For administrative purposes, this letter is issued as NRC IR 05000424/2018090 and 05000425/2018090. AVs 05000424/2017012 and 05000425/2017012-01, and -02 have been re-designated as Violations 05000424/2017012 and 05000425/2017012-01, and -02. In accordance with 10 CFR 2.390 of the NRC's "Agency Rules of Practice and Procedure," a copy of this letter, its enclosures, and your response, if you choose to provide one, will be made available electronically for public inspection in the NRC Public Document Room and from the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the Public without redaction. The NRC also includes significant enforcement actions on its Web site at <http://www.nrc.gov/reading-rm/doc-collections/enforcement/actions/>.

If you have any questions concerning this matter, please contact Alan Blamey of my staff at (404) 997-4415.

Sincerely,

/RA Laura Dudes Acting for/

Catherine Haney
Regional Administrator

Docket No.: 50-424, 50-425
License No.: NPF-68, NPF-81

Enclosures:

1. Notice of Violation and Proposed Imposition of Civil Penalty
2. NUREG/BR-0254 Payment Methods

cc: Distribution via ListServ

D. Myers

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SUBJECT: VOGTLE ELECTRIC GENERATING PLANT – NOTICE OF VIOLATION AND
PROPOSED IMPOSITION OF CIVIL PENALTY – \$145,000, NRC INSPECTION
REPORT 05000424/2018090 AND 05000425/2018090; INVESTIGATION
REPORT NO. 2-2017-005 February 20, 2018

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DATE	2/13/2018	2/13/2018	2/13/2018	2/13/2018	2/13/2018	2/13/2018
OFFICE	OE	OGC				
NAME	DJones	RCarpenter/NLO				
DATE	2/14/2018	2/14/2018				

OFFICIAL RECORD COPY

NOTICE OF VIOLATION
AND
PROPOSED IMPOSITION OF CIVIL PENALTY

Southern Nuclear Company
Vogtle Electric Generating Plant
Units 1 and 2

Docket No. 50-424/425
License Nos.: NPF-68/81
EA-17-166

During an NRC investigation completed on August 24, 2017, violations of NRC requirements were identified. In accordance with the NRC Enforcement Policy, the NRC proposes to impose a civil penalty pursuant to Section 234 of the Atomic Energy Act of 1954, as amended (Act), 42 U.S.C. 2282, and 10 CFR 2.205. The particular violations and associated civil penalty are set forth below:

- A. 10 CFR § 50, Appendix B, Criterion V requires, in part, that activities affecting quality shall be prescribed by documented instructions, procedures, or drawings, of a type appropriate to the circumstances and shall be accomplished in accordance with these instructions, procedures, or drawings.

NMP-OS-007, Conduct of Operations, Version 12, Section 3.19 required system operators (SOs) to perform detailed building rounds to detect actual or potential equipment problems that could hamper plant operations. Operations Procedure 11882-1/2, "Outside Area Rounds," versions 97/82, required SOs to record equipment status, general area inspections, and housekeeping conditions of the areas listed below once per shift:

- Motor Driven Auxiliary Feed-Water-Alpha/Bravo (MDAFW – A/B)
- North Main Steam Valve Room (NMSVR)
- Turbine Driven Auxiliary Feed Water (TDAFW)
- Alpha Diesel Generator ("A" DG)
- Bravo Diesel Generator ("B" DG)
- South Main Steam Valve Room (SMSVR)
- Alpha Train Nuclear Service Cooling Water ("A" Train NSCW)
- Bravo Train Nuclear Service Cooling Water ("B" Train NSCW)
- Diesel Fuel Oil Storage Area (DFO Storage Area)

Contrary to the above, on multiple instances during approximately August 2016 through mid-October 2016, at least 13 SOs failed to complete their rounds, an activity affecting quality, as prescribed by documented instructions and procedures. Specifically, at least 13 SOs entered data related to equipment status, general area inspections, and housekeeping conditions of the areas listed above on multiple occasions without actually entering those areas as required by Operations Procedure 11882-1/2, "Outside Area Rounds," versions 97/82.

- B. 10 CFR § 50.9 requires, in part, that information required by the Commission's regulations to be maintained by the licensee shall be complete and accurate in all material respects.

10 CFR § 50, Appendix B, Criterion V requires, in part, that activities affecting quality shall be prescribed by documented instructions, procedures, or drawings, of a type appropriate to the circumstances and shall be accomplished in accordance with these instructions, procedures, or drawings.

NMP-OS-007, Conduct of Operations, Version 12, Section 3.19 required system operators (SOs) to perform detailed building rounds to detect actual or potential equipment problems that could hamper plant operations. Operations Procedure 11882-1/2, "Outside Area Rounds," versions 97/82, required SOs to record equipment status, general area inspections, and housekeeping conditions of the areas listed below once per shift:

- Motor Driven Auxiliary Feed-Water-Alpha/Bravo (MDAFW – A/B)
- North Main Steam Valve Room (NMSVR)
- Turbine Driven Auxiliary Feed Water (TDAFW)
- Alpha Diesel Generator ("A" DG)
- Bravo Diesel Generator ("B" DG)
- South Main Steam Valve Room (SMSVR)
- Alpha Train Nuclear Service Cooling Water ("A" Train NSCW)
- Bravo Train Nuclear Service Cooling Water ("B" Train NSCW)
- Diesel Fuel Oil Storage Area (DFO Storage Area)

10 CFR § 50, Appendix B, Criterion XVII, Quality Assurance Records, requires that sufficient records shall be maintained to furnish evidence of activities affecting quality. The records shall include at least the following: Operating logs and the results of reviews, inspections, tests, audits, monitoring of work performance, and materials analyses. The records shall also include closely-related data such as qualifications of personnel, procedures, and equipment. Inspection and test records shall, as a minimum, identify the inspector or data recorder, the type of observation, the results, the acceptability, and the action taken in connection with any deficiencies noted. Records shall be identifiable and retrievable. Consistent with applicable regulatory requirements, the applicant shall establish requirements concerning record retention, such as duration, location, and assigned responsibility.

Contrary to the above, on multiple instances from approximately August 2016 thru mid-October 2016, information required by the Commission's regulations to be maintained by the licensee was not complete and accurate in all material respects. Specifically, at least 13 SOs failed to comply with the procedural requirements of Operations Procedure 11882-1/2, "Outside Area Rounds," versions 97/82, in that the SOs recorded data for areas that they never actually entered on multiple occasions.

This is a Severity Level III Problem (Enforcement Policy Sections 2.2.1.d, 6.9).
Civil Penalty - \$145,000.

The NRC has concluded that information regarding the reason for the violations, the corrective actions taken and planned to correct the violations and prevent recurrence and the date when full compliance was achieved was adequately addressed at the February 12, 2018, predecisional enforcement conference. However, if the description therein does not accurately reflect your position or your corrective actions, you are required to submit a written statement or explanation pursuant to 10 CFR 2.201 within 30 days of the date of the letter transmitting this Notice of Violation. In that case, or if you choose to respond, clearly mark your response as a

Reply to a Notice of Violation, and send it to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, One White Flint North, 11555 Rockville, MD 20852-2738, with a copy to the Regional Administrator, U.S., Nuclear Regulatory Commission, Region II, the NRC Resident Inspector at the facility that is the subject of this Notice, and the Document Control Desk, Washington, DC 20555-0001.

SNC may pay the civil penalty proposed above in accordance with NUREG/BR-0254 and by submitting to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, a statement indicating when and by what method payment was made, or may protest imposition of the civil penalty in whole or in part, by a written answer addressed to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, within 30 days of the date of this Notice. Should SNC fail to answer within 30 days of the date of this Notice, the NRC will issue an order imposing the civil penalty. Should SNC elect to file an answer in accordance with 10 CFR 2.205 protesting the civil penalty, in whole or in part, such answer should be clearly marked as an "Answer to a Notice of Violation" and may: (1) deny the violations listed in this Notice, in whole or in part; (2) demonstrate extenuating circumstances; (3) show error in this Notice; or (4) show other reasons why the penalty should not be imposed. In addition to protesting the civil penalty in whole or in part, such answer may request remission or mitigation of the penalty.

In requesting mitigation of the proposed penalty, the response should address the factors discussed in Section 2.3.4 of the Enforcement Policy. Any written answer addressing these factors pursuant to 10 CFR 2.205 should be set forth separately from the statement or explanation provided pursuant to 10 CFR 2.201, but may incorporate parts of the 10 CFR 2.201 reply by specific reference (e.g., citing page and paragraph numbers) to avoid repetition. The attention of SNC is directed to the other provisions of 10 CFR 2.205 regarding the procedure for imposing a civil penalty.

Upon failure to pay any civil penalty which subsequently has been determined in accordance with the applicable provisions of 10 CFR 2.205 to be due, this matter may be referred to the Attorney General, and the penalty, unless compromised, remitted, or mitigated, may be collected by civil action pursuant to Section 234c of the Act, 42 U.S.C. 2282c.

The responses noted above, i.e., Reply to Notice of Violation, Statement as to Payment of Civil Penalty, and Answer to a Notice of Violation, should be addressed to: Anne Boland, Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, One White Flint North, 11555 Rockville Pike, Rockville, MD 20852-2738, with a copy to the Regional Administrator, U.S. Nuclear Regulatory Commission, Region II, the NRC Resident Inspector at the facility that is subject to this Notice, and the Document Control Center, Washington, DC 20555-0001.

If you choose to respond, your response will be made available electronically for public inspection in the NRC Public Document Room or in the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, your response should not include any personal privacy or proprietary information so that it can be made available to the public without redaction. If personal privacy or proprietary information is necessary to provide an acceptable response, then please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your response that deletes such information. If you request that such material is withheld from public disclosure, you must specifically identify the portions of your response that you seek to have withheld and provide in detail the bases for your claim (e.g., explain why the disclosure of information will create an unwarranted invasion of personal privacy or provide the information required by 10 CFR

2.390(b) to support a request for withholding confidential commercial or financial information). If safeguards information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.21.

In accordance with 10 CFR 19.11, you may be required to post this Notice within two working days of receipt.

Dated this 20th day of February 2018.

FedEx or overnight mailings must be delivered to:

U.S. Nuclear Regulatory Commission
U.S. Bank Government Lockbox
SL-MO-C2GL
1005 Convention Plaza
St. Louis, MO 63101

TAXPAYER IDENTIFICATION NUMBER

You must file your Taxpayer Identification Number with the NRC. NRC Form 531 can be viewed and printed from the NRC Web site at <http://www.nrc.gov>. Select NRC Library> Document Collections> Forms> Forms (NRC). You can also obtain a form by calling the Accounts Receivable Help Desk at (301) 415-7554.

FOR INFORMATION

The Office of the Chief Financial Officer will promptly respond to all requests for information. Please contact the office at:

U.S. NUCLEAR REGULATORY COMMISSION
OCFO/DOC/ARB
Mail Stop T9-E10
Washington, DC 20555-0001
PH (301) 415-7554
E-mail FEES.Resource@nrc.gov

U.S. NUCLEAR REGULATORY COMMISSION
OCFO/DOC/ARB
Mail Stop T9-E10
Washington, DC 20555-0001
PH (301) 415-7554



NUREG/BR-0254, Rev. 7
July 2015



Payment Methods

Estimated burden per response to comply with this voluntary collection request: 5 minutes. This collection solicits information that will allow the respondent to transfer funds electronically. Forward comments regarding burden estimate to the Records Management Branch (T-6 F33), U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, and to the Paperwork Reduction Project (3150-0190), Office of Management and Budget, Washington, DC 20503. If a means used to impose an information collection does not display a currently valid OMB control number, the NRC may not conduct or sponsor, and a person is not required to respond to, the information collection.

The following are payment methods accepted by the NRC for payment of an annual fee, a proposed or imposed civil penalty, a full cost licensing or inspection invoice, an application fee, a revision to a reciprocity application, a registration fee, or other fees.

PAYMENT BY AUTOMATED CLEARINGHOUSE

The Automated Clearinghouse / Electronic Data Interchange (ACH/EDI) Network is a highly reliable and efficient nationwide batch-oriented electronic funds transfer system. The ACH/EDI is governed by operating rules that provide for the interbank clearing of debit and credit transactions and for the exchange of information among participating financial institutions.

A growing number of transactions involving the collection of funds by Federal agencies are being made through the ACH/EDI. The Federal government is the largest single user of the ACH/EDI, originating and receiving millions of transactions each month. At the NRC, collections via the ACH/EDI have been increasing each year since 1996.

ACH offers several advantages over checks:

- Provides automatic bill payment
- Eliminates postage fees
- Eliminates lost checks
- Reduces transaction time
- Reduces check writing and reconciliation fees
- Least expensive of all electronic collection systems
- Both payment and refunds (debits and credits) can be processed through the ACH/EDI Network

To respond to the growing needs of companies to electronically send payment information as well as payments between trading partners, the ACH/EDI system incorporated Corporate-to-Corporate payments. Because of the importance of moving information quickly, the NRC can now accept electronic payment through our Corporate-to-Corporate payment program.

To pay by ACH/EDI, you may obtain a copy of NRC Form 628, FINANCIAL EDI AUTHORIZATION, by calling the Accounts Receivable Help Desk at (301) 415-7554. Completed forms should be returned to the NRC Office of the Chief Financial Officer at the contact information provided under FOR INFORMATION of this brochure.

PAYMENT BY CREDIT CARD

The NRC is currently accepting credit cards for payment of annual fees, full cost licensing and inspection fees, new license fees, revisions to reciprocity applications, civil penalties, and other fees. We accept Visa, MasterCard, American Express, and Discover. If you wish to pay by credit card, complete the authorization form included with your invoice or civil penalty. You may also print a copy of the form from the NRC Web site. The URL is <http://www.nrc.gov>. Select NRC Library> Document Collections> Forms> Forms (NRC). The authorization form is NRC Form 629, Authorization for Payment by Credit Card.

Mail the completed credit card authorization to:
U.S. Nuclear Regulatory Commission
U.S. Bank
P.O. Box 979051
St. Louis, MO 63197-9000

DISCOVER
FINANCIAL SERVICES



Be sure to reference your invoice number if you are paying a bill. If you are submitting an application fee for a new license or a revision to a reciprocity application, just state this in the invoice field. Credit card payments are only accepted for invoices under \$24,999.99.

If you are paying a civil penalty, reference the Enforcement Action (EA) number in the invoice field.

PROCEDURE FOR ELECTRONIC FUNDS TRANSFER

The NRC can receive funds through the U.S. Department of the Treasury (Treasury) Fedwire Deposit System. The basic wire message format below complies with the Federal Reserve Board's standard structured third-party format for all electronic funds transfer (EFT) messages.

The diagram illustrates the structure of an EFT message with numbered fields:

- 1: TO (021030004)
- 2: FROM (021030004)
- 3: REF (\$)
- 4: AMOUNT
- 5: ORDERING BANK AND RELATED DATA
- 6: TREAS NYC/CTR
- 7: BNF=/AC-31000001
- 8: OBI=
- 9: (blank line)
- 10: (blank line)

See sample EFT message to Treasury above. Each numbered field is described below:

- 1 **RECEIVER-DFI#** - Treasury's ABA number for deposit messages is 021030004.
- 2 **TYPE-SUBTYPE-CD** - The sending bank will provide the type and subtype code.
- 3 **SENDER-DFI#** - The sending bank will provide this number.
- 4 **SENDER-REF#** - The sending bank will insert this 16-character reference number at its discretion.

5 **AMOUNT** - The transfer amount must be punctuated with commas and decimal point; use of the "\$" is optional. The depositor will provide this item.

6 **SENDER-DFI-NAME** - The Federal Reserve Bank will automatically insert this information.

7 **RECEIVER-DFI-NAME** - Treasury's name for deposit messages is "TREAS NYC". The sending bank will enter this name.

8 **PRODUCT CODE** - A product code of "CTR" for customer transfer should be the first data in the RECEIVER-TEXT field. Other values may be entered, if appropriate, using the ABA's options. A slash must be entered after the product code.

9 **AGENCY LOCATION CODE (ALC)** - THIS ITEM IS OF CRITICAL IMPORTANCE. IT MUST APPEAR ON THE FUNDS TRANSFER DEPOSIT MESSAGE IN THE PRECISE MANNER AS STATED TO ALLOW FOR THE AUTOMATED PROCESSING AND CLASSIFICATION OF THE FUNDS TRANSFER MESSAGE TO THE AGENCY LOCATION CODE OF THE APPROPRIATE AGENCY. The ALC identification sequence can, if necessary, begin on one line and end on the next line; however, the field tag "BNF=" must be on one line and cannot contain any spaces. The NRC's 8-digit ALC is: BNF=/AC-31000001

10 **THIRD-PARTY INFORMATION** - The Originator to Beneficiary Information (OBI) field tag "OBI=" signifies the beginning of the free-form third-party text. All other identifying information intended to enable the NRC to identify the deposit—for example, NRC annual fee invoice number, description of fee, 10 CFR 171 annual fee, and licensee name—should be placed in this field.

The optimum format for fields 7, 8, 9, and 10 using an 8-digit ALC is as follows:

TREAS NYC/CTR/BNF=/AC-31000001 OBI=

The optimum format, shown above, will allow 219 character positions of information following the "OBI=" indicator.

If the licensee's bank is not a member of the Federal Reserve System, the non-member bank must transfer the necessary information and funds to a member bank, which then must transfer the information and funds to the local Federal Reserve Bank.

For transfer of funds from local Federal Reserve Banks to be recorded on the same day, the transfer must be received at the New York Federal Reserve Bank by 4 p.m., EST. Otherwise, the deposit will be recorded on the next workday.

PAYMENT BY CHECK

Checks should be made payable to the U.S. Nuclear Regulatory Commission with the invoice number, Enforcement Action (EA) number, or other information which identifies the payment, written on the check. Mail the check to:

U.S. Nuclear Regulatory Commission
U.S. Bank
P.O. Box 979051
St. Louis, MO 63197-9000