



OFFICE OF THE
SECRETARY

UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555

July 31, 1979

MEMORANDUM FOR: Lee V. Gossick, Executive Director
for Operations

FROM: *[Signature]* Samuel J. Chilk, Secretary

SUBJECT: SECY-79-387 - RESPONSE TO GAO RECOMMENDATIONS
REGARDING NRC HIGHER CIVIL PENALTY AUTHORITY
(COMMISSIONER ACTION ITEM)

This is to advise you that the Commission (with three Commissioners concurring, Commissioners Gilinsky and Bradford non-concurred) approves the proposed response to the GAO recommendations subject to the attached modifications.

Commissioners Gilinsky and Bradford would have preferred to reply to the effect that we have a new I&E Director who is reviewing enforcement policy among other areas and that this subject is currently being reassessed by the NRC and would modify the response to reflect this position.

The staff is requested to prepare the letter with its enclosure for the Chairman's signature.

(SECY Suspense: August 15, 1979)

Attachment:
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cc:
Chairman Hendrie
Commissioner Gilinsky
Commissioner Kennedy
Commissioner Bradford
Commissioner Ahearne
General Counsel
Acting Director, OPE
Director, OCA
Director, OPA
Director, I&E

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3. Recommendation - Establish procedures to ensure that NRC promptly clarifies regulatory requirements which are being misinterpreted by licensees.

NRC Action - NRC agrees that timely clarification of misinterpreted regulatory requirements, is necessary and that procedures to assure such timely clarifications are appropriate. All affected Office Directors will be directed to establish appropriate procedures.

4. Recommendation - Notify appropriate state utility commissions when NRC imposes civil penalties on utilities operating nuclear power plants.

NRC Action - Currently NRC has a contact in ^{In} each state, a State Liaison Officer designated by the Governor. ~~On~~ all cases of elevated enforcement action or other NRC actions of importance to the state, NRC routinely notifies the Liaison Officer. Even prior to the GAO recommendation, the staff had begun examining the usefulness of notifying regulatory commissions directly. This examination will be completed by July 1979 after which appropriate recommendations will be forwarded to the Commission and a decision reached on the matter.

5. Recommendation - Assign a higher priority to processing proposed civil penalties, including eliminating the present 5-day advance notice to Commissioners.

NRC Action - Civil penalties are given a high priority within the Commission. The staff has renewed its emphasis on seeking ways of streamlining the processing of civil penalties. Both the regions' timeliness in initially proposing actions and the Headquarters review and coordination of cases, ~~are being examined for methods of improving timeliness. We anticipate completion of the examination by June 1979 and implementation of revised methods by September 1979.~~ have been

It should be noted that the advance notice to the Commission is now 3-days. Elevated enforcement cases have, on occasion, caused interest by the media or the affected parties. This prior notification is for the purpose of informing the Commissioners of elevated actions in the event these actions cause concern or comment.

A report has been prepared by the I+E staff making specific recommendations for streamlining the process. Implementation of revised methods is expected by September, 1979.