



UNITED STATES  
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

September 20, 1996

Mr. Gary Gibson, Manager, Compliance  
San Onofre Nuclear Generating Station  
Southern California Edison  
P. O. Box 128  
San Clemente, California 92674-0128

SUBJECT: MEETING BETWEEN NRC AND THE REGION IV UTILITY GROUP

Dear Mr. Gibson:

This refers to the public meeting conducted in NRC Headquarters on September 17, 1996, between members of the NRC staff and the Region IV Utility Group (RUG). The purpose of the meeting was to discuss NRC's Policy on the non-escalated enforcement action assessment process. A list of the attendees is included in Enclosure 1, and the RUG presentation handouts are included as Enclosure 2.

NRC considered this meeting beneficial in exchanging ideas regarding licensee's impressions on the current application of the Enforcement Policy, especially as it relates to minor violations.

In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and the enclosures will be placed in the NRC's Public Document Room.

Should you have any questions concerning this matter, we will be pleased to discuss them with you.

Sincerely,

A handwritten signature in dark ink, appearing to be "James Lieberman", written over a horizontal line.

James Lieberman, Director  
Office of Enforcement

Enclosures:

1. Attendance List
2. Licensee Presentation and Handouts

cc w/o encl. 2: Ellen Ginsburg, NEI

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RUGIV PUBLIC MEETING W/NRC OFFICE OF ENFORCEMENT

<u>NAME</u>	<u>COMPANY/GROUP/MEMBER OF PUBLIC</u>
Mark Satorius	USNRC/Office of Enforcement
Greg Gibson	SCE/RUGIV
Jim Lieberman	USNRC/Office of Enforcement
Mark Shaffer	USNRC/Office of Executive Director for Operations
Jocelyn Mitchell	USNRC/Office of Executive Director for Operations
Ellen Ginsberg	NEI
Nancy Chapman	SERCH/Bechtel
Steve Katraois	NUS CORP/LIS
Roger Walker (Phone)	TU/RUGIV

September 20, 1996

Distribution:

NUDOCS  
PDR

Distribution w/o Enclosure 2:  
JLieberman  
MSatorius  
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MSatorius  
9/19/96

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OE: *[initials]*  
JLieberman  
9/19/96

# **NON-ESCALATED NRC ENFORCEMENT POLICY ASSESSMENT PROCESS**

The draft report contains three sections:

- Section 1.0 discusses the existing non-escalated enforcement policy assessment process.
- Section 2.0 utilizes existing NRC guidance and clarification, from NUREG-1022, "Licensee Event Report System," to clarify enforcement policy assessment process definitions.
- Section 3.0 provide illustrative examples drawn from actual experience of enforcement actions, similar to that provided in NUREG-1022, Appendix C.

## KEY CONCLUSIONS AND RECOMMENDATIONS

- Criteria in the Enforcement Manual (NUREG/BR-0195, Revision 1) for a violation to be classified as a Minor violation, lacks clarity and specificity, which has led to inconsistent application of the enforcement policy. A simplified definition is proposed.

**Minor Violation:** A Minor Violation is any violation of regulatory requirements which is not a Severity Level I, II, III, or IV.

## CONCLUSIONS AND RECOMMENDATIONS (cont'd)

- Definitions in the Enforcement Manual for "safety significance" and "potential safety significance" lack specificity and are not consistent with similar definitions provided in NUREG-1022. This has led to inconsistent application of the enforcement policy. Adoption of applicable definitions and terminology from NUREG-1022 is proposed.

**Actual Safety Significance:** The event must cause an actual overexposure in excess of NRC regulatory limits (10CFR20), offsite release of radioactivity in excess of NRC regulatory limits (10CFR20), or result in the actual loss of the safety function of a safety system (inability of the safety system to perform its safety function as described in the UFSAR, as credited in the Chapter 15 Accident Analysis).

**Potential Safety Significance:** Whether or not 1) more severe under reasonable and credible alternate conditions, 2) an operation prohibited by Technical Specifications, 3) a principal safety barrier was seriously degraded, 4) an unanalyzed condition which significantly compromised plant safety, 5) outside design basis of the plant, 6) in a condition not covered by the plant's operating and emergency procedures, and/or 7) conditions which alone could have prevented the fulfillment of the safety function.

## CONCLUSIONS AND RECOMMENDATIONS (cont'd)

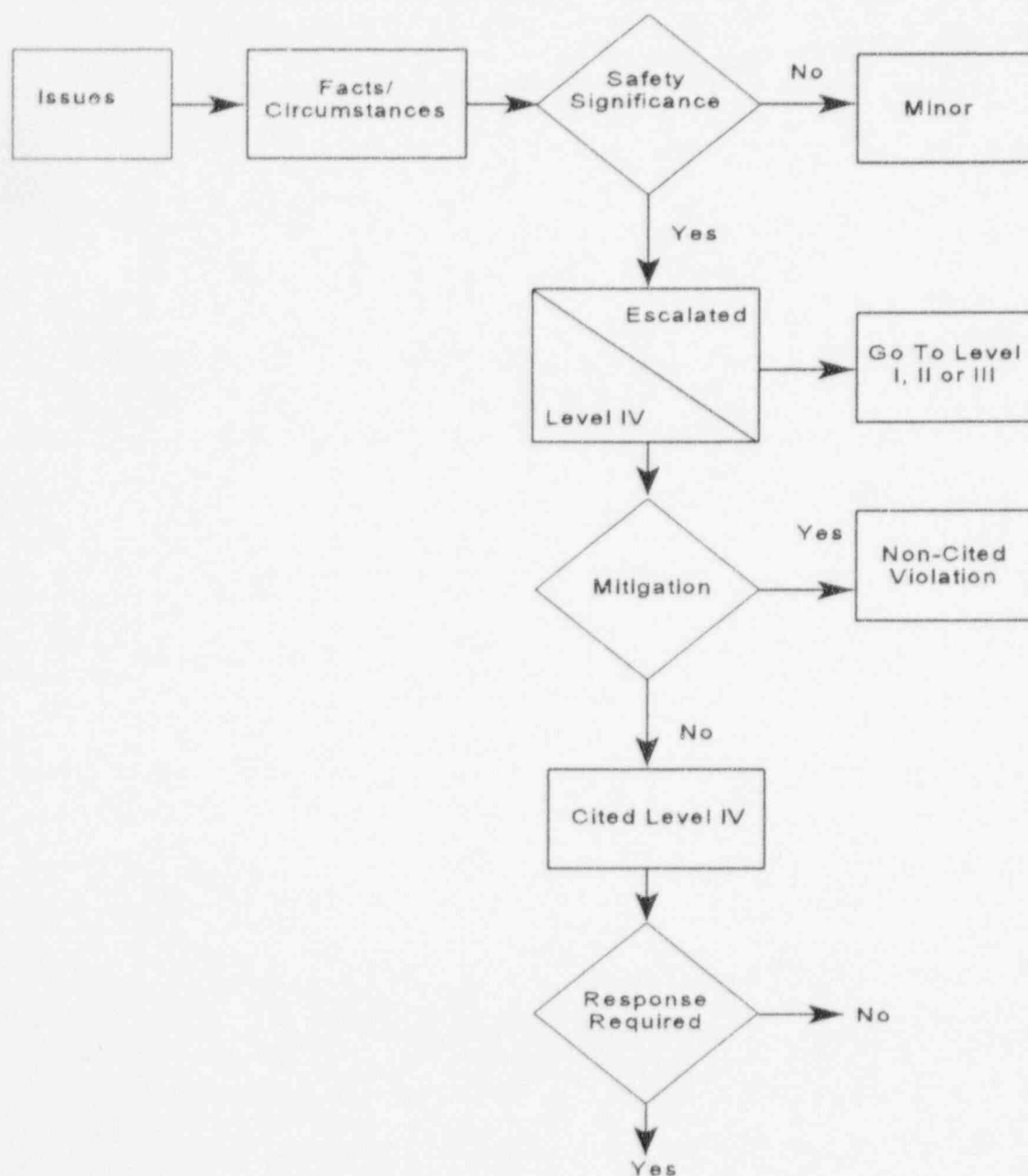
- The current definition in the Enforcement Policy for “regulatory concern” is inconsistent with the definition in the Enforcement Manual.

**Regulatory Concern:** The event involves special circumstances of any of the following: aggregation, repetition, willfulness, and reporting.

- The enforcement examples in 10 CFR 2, Appendix C, Supplements I through VIII, were incorporated into NUREG-1600, Section 8.0. However, these examples are not sufficiently developed to ensure consistent, uniform application of the enforcement policy. Alternate examples, in the NUREG-1022, Appendix C format, are provided.

# NON-ESCALATED ENFORCEMENT POLICY ASSESSMENT PROCESS

The NRC Enforcement Policy, Section VI.B.2, "Civil Penalty Assessment," contains a flow chart which is a graphical representation of the civil penalty assessment process. Similarly, the following flow chart is a graphical representation of the entire enforcement policy assessment process:



# SAFETY SIGNIFICANCE

