
Pre-decisional Enforcement Conference with NAC International

Public Meeting October 20, 2020 Webinar

Webinar Access:

<https://usnrc.webex.com>

Event number: 199 777 9783

Event password: PEC1020

Telephone Access:

Phone number: 800-857-4625

Passcode: 9838597

**AUDIO FOR THE MEETING IS ONLY AVAILABLE THROUGH THE
MODERATED TELEPHONE LINE.**

THIS MEETING IS BEING TRANSCRIBED

Pre-decisional Enforcement Conference between NRC and NAC, International

- **Introductory Remarks**
- **Introductions of Presenters**

Christopher Regan, Deputy Director,
Division of Fuel Management,
Office of Nuclear Material Safety and Safeguards

Leira Cuadrado, Chief
Inspection and Oversight Branch

NRC Enforcement Program

Robert Sun
Pre-decisional Enforcement Conference

October 20, 2020

Today's Conference

- NRC has NOT reached a final enforcement decision yet
- PEC is an opportunity to provide your perspective
 - Whether violations occurred
 - Identification and corrective actions (immediate and long-term actions)
 - Whether you agree with our characterization of the violations in the PEC letter to you.
 - Any other information you want us to consider

Possible Outcomes

- No Enforcement Action
- Notice of Violation (NOV)
- NOV with Civil Penalty
- Order

Determine Significance = Severity Level

SEVERITY LEVEL – I
(most significant regulatory concern)

SEVERITY LEVEL – II
(very significant regulatory concern)

SEVERITY LEVEL – III
(significant regulatory concern)

(Escalated Enforcement)

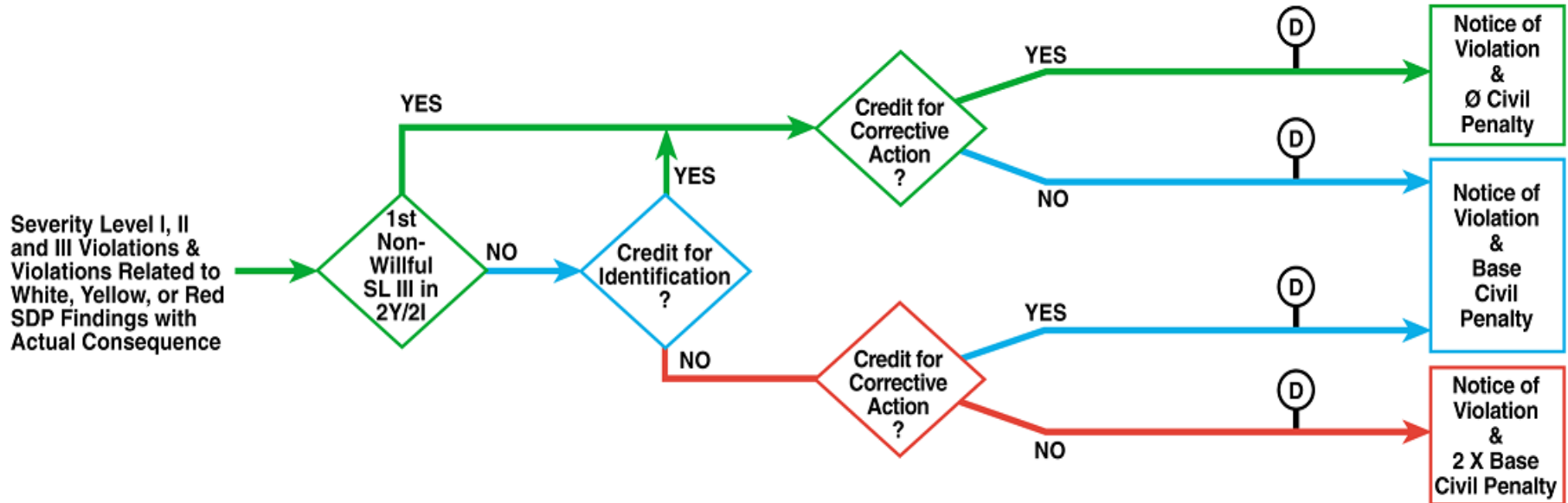
(Non-Escalated Enforcement)

SEVERITY LEVEL – IV
(less significant concern, but more than minor)

Four factors in assigning Severity Level

- Actual Safety Consequences
- Potential Safety Consequences
- Impact on Regulatory Process - Whether the NRC was prevented from carrying out its regulatory responsibilities
- Associated willfulness

Civil Penalty



Primary considerations:

1. How the violation was identified
2. The promptness and completeness of any corrective actions taken

If a licensee has not had escalated enforcement in the past 2 years or 2 inspections, the only factor in determining if a civil penalty is assessed is the licensee's corrective actions.

Appeal Rights

- Any NRC action may be challenged
- Instructions for challenging an enforcement action will be described in the action or the accompanying letter

Sharing Enforcement Results

- If NRC takes enforcement action, it will be **publicly available** on NRC's web site.
- In the event that a civil penalty or an order is issued, normally, a **press release** will be issued as well.

PRESENTATION OF APPARENT VIOLATIONS

Leira Cuadrado, Chief
Inspection and Oversight Branch
Division of Fuel Management
Office of Nuclear Material Safety and Safeguards

NRC Inspection at NAC International

- On-site inspection February 24-27, 2020, of NAC International at their corporate office in Norcross, Georgia.
- Two apparent violations were identified
- Results of the inspection available at Choice Letter and Inspection Report (Accession No. ML20225A032)

Apparent Violation 1

- 10 CFR 72.146(c), “Design control,” requires, in part, that a certificate holder shall subject design changes, including field changes, to design control measures commensurate with those applied to the original design. Changes in the conditions specified in the license or CoC require prior NRC approval.

Apparent Violation 2

- 10 CFR 72.48(c)(2)(viii), “Changes, tests, and experiments,” requires, in part, that a certificate holder shall obtain a CoC amendment pursuant to 72.244, prior to implementing a proposed change that would result in a departure from a method of evaluation described in the FSAR (as updated) used in establishing the design bases or in the safety analyses.

Presentation by NAC International

NRC Caucus

The NRC is currently participating on a 20 minutes caucus as detailed in the meeting agenda.

The meeting will resume shortly

NRC and NAC International Discussions and Q&A Session



Pre-decisional Enforcement Conference

Closing Remarks

Kent Cole, NAC International

Christopher Regan, NRC

Opportunity for Public Comments

- NRC has allotted 20 minutes for public comments
- To ask a question or provide a comment **to the NRC about the information discussed today**, please press ***1** on your phone when prompted by the operator. The operator will unmute and open your line at that time
- Please clearly state your name and affiliation before you speak

REFERENCES

- NRC Publicly Available Information
 - Choice Letter (Accession No. ML20225A032)
 - NRC Presentation Slides (Accession No. ML20293A403)
 - NAC Presentation Slides (Accession No. ML20293A289)
 - Meeting Feedback form (Accession No. ML011160173)
 - Public Meeting Notice (Accession No. ML20283A383)

Media Representatives

Please contact:

Mr. David McIntyre, NRC's Public Affairs
Officer at David.McIntyre@nrc.gov