

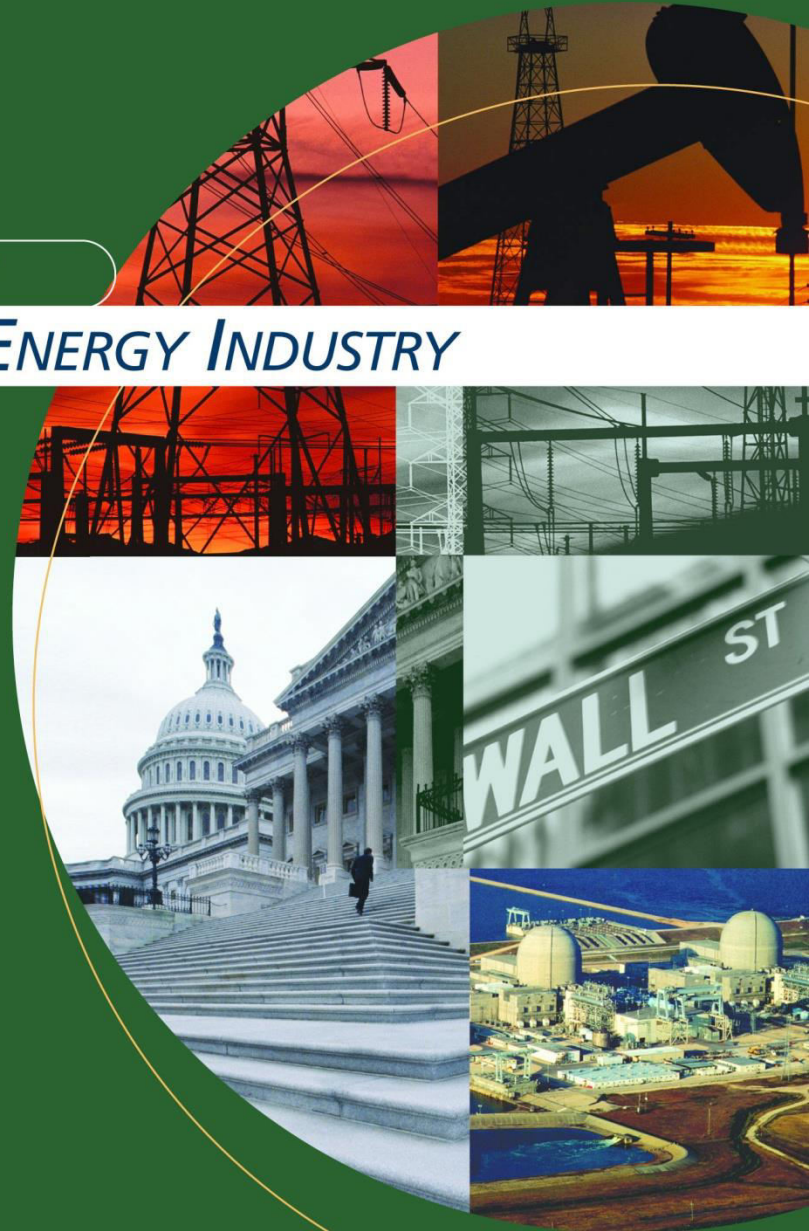
SERVING THE

ENERGY INDUSTRY

NRC REQUIREMENTS FOR COMPLETENESS AND ACCURACY OF INFORMATION

PRESENTATION TO THE 2013
TRTR ANNUAL CONFERENCE

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Recent NRC Emphasis on Completeness and Accuracy

August 23, 2013: NRC Information Notice 2013-15: Falsification and Willful Misconduct

- ◆ Shaw – Areva (Mixed Oxide Services):
 - A MOS senior structural engineer improperly directed a junior engineer to sign 37 records certifying that field drawings matched design drawings without knowing that to be the case.
- ◆ TVA (Watts Barr 2):
 - A Watts Barr craft worker and a Watts Barr foreman falsely attested that micrometer readings had been performed for cables in primary containment penetrations and falsified micrometer readings that were taken.
- ◆ Dominion Energy (Kewaunee):
 - Kewaunee fire brigade trainer willfully failed to conduct formal fire drills and falsified the resulting Fire Drill Evaluation / Critique Forms to cover up failure.

Recent NRC Emphasis on Completeness and Accuracy

August 23, 2013: NRC Information Notice 2013-15: Falsification and Willful Misconduct (con't)

- ◆ Southern Company (Vogtle Units 3 and 4):
 - Vogtle contract worker falsified concrete lab form by claiming a temperature recorder instrument as operable knowing it was not.
- ◆ Southern Company (Farley):
 - Farley contract employees willfully failed to complete fire watch rounds and falsified round logs claiming rounds had been completed when they had not.
- ◆ Southern Company (Farley):
 - Farley security officer willfully assisted other officers taking radiation training exams by providing information or taking exams for them.

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◆ Pentas Controls

- The owner directed an employee to switch a broken display on a Peach Bottom steam leak detector monitor with a working display unit, instructed another employee to file down the serial number on the substitute display to conceal its identity, and to ship the working display to Peach Bottom without informing that site of the switch.
- The owner later lied under oath to NRC investigators by denying that the unrepairable Peach Bottom display had been substituted with a working display from Brunswick site.
- The owner pled guilty in Federal Court. Five-year probation, one-year ban from safety-related decisions, permanent ban from QA activities.

General Regulatory Trends

- ◆ Increase in amounts and types of information requested by NRC
 - e.g., more Requests for Information (RFIs) and requests for supporting documentation
- ◆ Increase in rigor of NRC review of information submitted
 - e.g., RFI follow-up questions
- ◆ Increase in adverse findings by NRC
 - e.g., upward trend in completeness and accuracy inspection findings over the last three years
- ◆ Increase in investigations
 - Identification of incomplete / inaccurate information frequently trigger NRC investigations into potential willfulness

Completeness and Accuracy Legal Requirements

- 10 CFR § 50.9 “Completeness and Accuracy”

- Information provided to the NRC or records required to be maintained at the facility must be complete and accurate in all material respects

- 10 CFR § 50.5 “Deliberate Misconduct”

- Non-licensed entities (individuals and companies) are subject to NRC enforcement for deliberately (intentionally):
 - Providing incomplete or inaccurate information; or
 - Violating NRC regulatory requirements (or procedures implementing such requirements)

Practices to Improve Compliance

- Instruct personnel on:
 - Applicable legal requirements, their applicability, scope, and nuances; and
 - Individual obligations, expectations, and best practices.
- Develop and implement policy / procedural controls to:
 - Ensure complete and accurate information exchanges and compliance with safety, quality, and other important procedures; and
 - Control and validate factual assertions in all written (and some oral) communications with government agencies.

10 CFR § 50.9 - Scope

- ◆ Written communications to NRC
 - Correspondence and formal written submissions
 - Informal writings to NRC (e.g., email)
- ◆ Oral communications to NRC
 - Formal presentations
 - Informal discussions NRC personnel
- ◆ Materials NRC requires a licensee to maintain (e.g., certain records and procedures)

10 CFR § 50.9 - Materiality

- ◆ Had the information been complete or accurate:
 - the NRC might have taken a different action
 - the NRC might have taken enforcement action
 - the NRC might have investigated the situation
- ◆ Actual NRC reliance is NOT a prerequisite to materiality
- ◆ Safety significance is NOT a prerequisite to materiality

10 CFR § 50.9 – Caution!

- ◆ Omissions of a material nature will violate 50.9 if material.
 - Information must be “complete” as well as “accurate.”
- ◆ A violation does not require knowledge of the inaccuracy.
 - Inadvertence or mistake is not a defense.
 - Moreover, deliberately submitting incomplete or inaccurate information can result in individual enforcement under 10 CFR § 50.5.

10 CFR § 50.5

- ◆ Deliberate Misconduct
- ◆ Two independent prohibitions:
 - Deliberate violation of NRC requirements (including procedures implementing such requirements).
 - Deliberate submittal of inaccurate or incomplete information.
- ◆ Applies to non-licensed individuals and entities as well as licensees:
 - Licensee employees,
 - Licensee contractors / subcontractors,
 - Employees of licensee contractors / subcontractors
 - Individuals applying for access to a site's protected area or to safeguards information

10 CFR § 50.5 – Caution!

- ◆ Requires intent:
 - Violator must know the information is incomplete / inaccurate / material at the time of submission; or
 - Violator must know the regulatory / procedural requirement.
 - Mistake or careless disregard is a defense.
- ◆ Violations can lead to individual enforcement, industry ban, and criminal prosecution.

Key Messages for Personnel

- ◆ Adopt a questioning attitude.
 - Any reasonable doubt should be raised to a superior:
 - ◆ Correctness or completeness of information
 - ◆ Compliance with requirements or procedures
- ◆ Do not sign or approve documents / records about which you have questions.
 - Don't pass off your responsibility to others or assume they will verify.
 - Personal responsibility - review the document as though you were the last line of defense.
- ◆ Don't let your guard down - subject revisions and changes to draft materials to the same rigor.
- ◆ Safety, quality, and regulatory compliance related procedures must be adhered to strictly.
 - Vague, incomplete, out-of-date, informally revised (i.e., hand mark ups) are high risk.
- ◆ Special considerations pertaining to oral communications.
 - Distinguish fact from opinion and clearly identify opinions as such.
 - Preliminary information provided to the NRC must be identified as such.
 - Assume NRC will rely on all "final" information provided in some manner.
 - Use these even for internal communications related to safety, quality, etc.

Suggested Controls

- ◆ Policy - Completeness and Accuracy of Information and Procedural Compliance
 - Describe responsibilities and expectations
 - Communications to Federal and State agencies to be complete and accurate in all material respects
 - Information and records prepared to satisfy NRC requirements to be complete and accurate in all material respects
 - Safety, quality, regulatory procedures to be strictly adhered to
 - Sanctions for violations
- ◆ Procedure - Review and Approval of NRC Communications
 - Rigorous review and comment cycle
 - Documented validation of factual information
 - Checklist to ensure compliance with requirements
 - Documentation of telephone calls with NRC (except for casual contact)

QUESTIONS