



ENFORCEMENT PROGRAM ANNUAL REPORT

Calendar Year 2023

ML24068A094

U.S. Nuclear Regulatory Commission
Office of Enforcement
Washington, DC 20555

Executive Summary

The U.S. Nuclear Regulatory Commission (NRC) continued to effectively carry out the agency's Enforcement Policy and Program in calendar year (CY) 2023. NRC regional and headquarters offices maintained their focus on appropriate and consistent enforcement of the agency's regulations.

In CY 2023, the NRC issued 63 escalated enforcement actions under traditional enforcement, the Reactor Oversight Process, and the Construction Reactor Oversight Process. These actions included 11 notices of violation (NOVs) with proposed civil penalties (CPs) totaling \$297,750, as well as 2 confirmatory orders (COs), 1 prohibition order, 1 license revocation order, and 48 escalated NOVs without a proposed CP.

The total number of escalated enforcement actions in CY 2023 across all regulatory oversight programs decreased from the total number (73) reported in CY 2022, and the total number matches the 5-year average (CY 2019–CY 2023). Operating reactors and nuclear materials users continue to account for most escalated enforcement actions.

Operating reactors (including those under construction), fuel cycle facilities, and nuclear materials users accounted for most nonescalated enforcement actions—that is, NOVs and noncited violations associated with green significance determination process findings under the Reactor Oversight Process, and Severity Level (SL) IV NOVs and noncited violations under traditional enforcement. The total number of nonescalated enforcement actions in CY 2023 for all categories of licensees listed above remained consistent with the previous year.

Noteworthy Program Accomplishments

The NRC Office of Enforcement issued four changes—one substantial change (Change Notice 15) and three minor changes (Change Notices 12, 13, 14) to Revision 11 of the Enforcement Manual (the manual). Revisions to the manual include the creation of Section 6.0, “Engagement with External Stakeholders,” which consolidated related guidance and incorporated guidance associated with the Commission’s Tribal Policy Statement and updated and enhanced guidance in the sections on confirmatory orders, public meetings, the enforcement notification process, title changes in the Office of Investigation (OI), the disputed violation process, compliance with 45 CFR Part 60, National Practitioner Data Bank, and Appendix F, “Notice of Enforcement Discretion.” Additionally, appendix A to the manual now includes Enforcement Guide Memorandum (EGM)-22-001, Revision 1, “Enforcement Discretion for Noncompliance of Tornado Hazards Protection Requirements at Independent Spent Fuel Storage Installations,” dated March 3, 2023; EGM-20-001, Revision 3, “Enforcement Discretion Not to Cite Certain Violations of 10 CFR 73.56 Requirements,” dated June 30, 2023; and EGM-23-001, “Interim Guidance for Dispositioning Violations Associated with the Enhance Weapons, Firearms Background Checks, and Security Event Notification Rule,” dated December 5, 2023. The revised EGMs were necessary to clarify guidance based on stakeholder feedback or to extend the expiration date. The NRC staff typically revises the manual annually.

In coordination with the Office of the Chief Information Officer and OI, a contractor was selected to modernize and integrate case work databases (i.e., Enforcement Action Tracking System, OI Case Management System, and Allegations Management System) into a single consolidated and integrated web-based application solution. In CY 2023 significant progress was achieved by

diagramming and comprehending system processing flows, developing systematic numbering schemes, mapping data migration and flow paths to the new system, and creating and approving user-based stories (an agile development tool) to assist in system development. Completion and/or progress in these activities are necessary to help achieve a system “go live” goal of summer CY 2024.

Significant Cases

In CY 2023, the NRC processed six significant cases, summarized here, and described further in the appendices:

- (1) On November 28, 2023, the NRC issued a confirmatory order (CO) to ProTechnics Division of Core Laboratories, LP (licensee), memorializing commitments reached as part of an alternative dispute resolution (ADR) mediation session held on October 11, 2023, between the licensee and the NRC. The ADR mediation and subsequent CO were based on the results of an inspection during which six apparent violations were identified and were being considered for escalated enforcement action in accordance with the NRC Enforcement Policy. In consideration of the corrective actions taken by the licensee and the commitments outlined in the CO, the NRC is satisfied that its concerns will be adequately addressed based on the legally binding commitments that the licensee will implement, consistent with CO requirements.
- (2) On November 9, 2023, the NRC issued a Notice of Violation (NOV) and proposed imposition of a civil penalty (CP) in the amount of \$43,750 to Holtec Decommissioning International, LLC (licensee), for an SL III violation. The SL III violation involved the failure by the licensee’s staff at Oyster Creek Nuclear Generating Station to design and prepare radioactive materials for shipment so that, under conditions normally incident to transportation, the radiation level did not exceed 200 millirem per hour at any point on the external surface of the package, as required by Title 10 of the *Code of Federal Regulations* (10 CFR) 71.5, “Transportation of licensed material.”
- (3) On August 22, 2023, the NRC issued an NOV and proposed imposition of a CP in the amount of \$87,500 to BWXT Nuclear Operations Group, Inc. (licensee), for an SL III problem. The SL III problem involved the licensee’s failure to adequately establish and maintain items relied on for safety (IROFS) to reduce the likelihood of occurrence of a high-consequence event accident sequence. In this event, the licensee failed to ensure an air gap control was available and reliable to prevent a high-consequence accident, and it also failed to ensure that an overflow line control was available and reliable to prevent a high-consequence accident, as required by 10 CFR 70.61, “Performance requirements.”
- (4) On September 21, 2023, the NRC issued a CO to American Centrifuge Operating, LLC (licensee), confirming commitments reached as part of an alternative dispute resolution mediation settlement agreement between the licensee and the NRC. The mediation and subsequent CO were based on the results of an inspection at the licensee’s facility during which the NRC identified apparent violations. In consideration of the licensee commitments outlined in the CO, the NRC agreed to not pursue any further enforcement action based on the apparent violations, and the CO will not count as escalated enforcement in the civil penalty assessment process for future enforcement cases involving the licensee. Details regarding the apparent violations and corrective actions contain security-related information and are therefore documented in a nonpublic version of the CO.

Enforcement Program Annual Report

- (5) On May 11, 2023, the NRC issued an order to APINDE, Inc. (licensee), revoking its NRC license. The order is based upon evidence the NRC gathered during an OI investigation, through which the NRC concluded that APINDE provided inaccurate information to the NRC in the initial APINDE license application about the recent radiography experience for the individual proposed to be the radiation safety officer (RSO), as well as an inaccurate training certificate for required RSO training. Additionally, in a subsequent license amendment request, the licensee asked for NRC approval to name a new RSO on the license but submitted an inaccurate training certificate for this individual as well.
- (6) On March 30, 2023, the NRC issued an NOV and proposed imposition of a CP in the amount of \$70,000 to Louisiana Energy Services (licensee), for an SL II problem. The SL II problem involved the licensee's failure to (1) implement the appropriate IROFS controls, as required by 10 CFR 70.61(b) for a credible high-consequence accident sequence included in the integrated safety analysis, and (2) maintain independence between two IROFS during a barrier breach resulting in a degraded IROFS, as required by 10 CFR 70.61(b).

Contents

Executive Summary ii

I. Program Overview 1

 A. Mission and Authority 1

 B. Assessment of Escalated Enforcement Actions 3

 1. Escalated Enforcement Trends 5

 2. Civil Penalty Actions 8

 3. Notices of Violation without Civil Penalties 10

 4. Enforcement Program Timeliness 11

 5. Alternative Dispute Resolution 14

 C. Nonescalated Enforcement 16

II. Enforcement Case Work 21

 A. Significant Enforcement Actions 21

 B. Hearing Activities 22

 C. Enforcement Orders 22

 D. Enforcement Actions Supported by the Office of Investigations 22

 E. Actions Involving Individuals and Nonlicensee Organizations 23

 F. Enforcement Actions Involving Discrimination 23

 G. Use of Judgment and Discretion in Determining Appropriate Enforcement Sanctions 23

 1. Discretion Involving Enforcement Guidance Memoranda 23

 2. Discretion Involving Violations Identified Because of Previous Enforcement
 Actions 24

 3. Discretion Involving Special Circumstances 25

 4. Discretion in Determining the Amount of a Civil Penalty 25

 5. Discretion Involving Violations Involving Certain Construction Issues 26

 6. Discretion Involving No Performance Deficiency under the Significance
 Determination Process 26

 7. Notices of Enforcement Discretion 26

 H. Withdrawn Actions 27

III. Ongoing Activities 28

 A. Enforcement Policy and Guidance 28

 1. Enforcement Policy Revisions 28

 2. Enforcement Manual Guidance 28

 B. Enforcement Program Initiatives 29

 1. Program Enhancements 29

 2. Knowledge Management 30

 C. Regional Accomplishments 31

 D. Calendar Year 2024 Focus Areas 31

Tables

Table 1 Escalated Enforcement Actions by Region and Program Office (CY 2023).....	5
Table 2 Escalated Enforcement Action Trends (CY 2019–CY 2023).....	6
Table 3 Escalated Enforcement Actions by Type of Licensee, Nonlicensee, or Individual (CY 2019–CY 2023)	8
Table 4 CP Information: Number of Escalated Enforcement Actions and Total CP Amounts (CY 2019–CY 2023)	9

Figures

Figure 1 How the NRC regulates	1
Figure 2 Escalated enforcement by type of action (CY 2023)	3
Figure 3 Escalated enforcement by business line (CY 2023).....	4
Figure 4 Escalated enforcement actions issued (CY 2019–CY 2023)	6
Figure 5 Escalated enforcement by business line (CY 2019–CY 2023)	7
Figure 6 Proposed CPs by business line (CY 2019–CY 2023).....	10
Figure 7 ROP SDP findings associated with escalated enforcement at operating reactors (CY 2014–CY 2023)	11
Figure 8 Non-OI-related case timeliness (CY 2019–CY 2023).....	13
Figure 9 OI-related case timeliness (CY 2019–CY 2023)	14
Figure 10 ADR cases (CY 2019–CY 2023).....	15
Figure 11 Calendar days from ADR offer to issuance of CO (CY 2019–CY 2023)	16
Figure 12 Nonescalated enforcement actions for operating reactors (CY 2019–CY 2023)	17
Figure 13 Nonescalated enforcement actions per operating reactor, by region (CY 2019–CY 2023)	18
Figure 14 Nonescalated enforcement actions for nuclear materials users (CY 2019–CY 2023). 18	

Appendices

Appendix A—Summary of Cases Involving Civil Penalties	A1
Appendix B—Summary of Escalated Notices of Violation without Civil Penalties	B1
Appendix C—Summary of Orders.....	C1
Appendix D—Summary of Escalated Enforcement Actions against Individuals	D1
Appendix E—Summary of Escalated Enforcement Actions against Nonlicensees	E1

I. Program Overview

A. Mission and Authority

The U.S. Nuclear Regulatory Commission (NRC) regulates the civilian uses of nuclear materials in the United States to protect public health and safety, the environment, and the common defense and security. The NRC accomplishes its mission through licensing of nuclear facilities and the possession, use, and disposal of nuclear materials; the development and implementation of requirements governing licensed activities; and inspection and enforcement activities to ensure compliance with these requirements (figure 1).

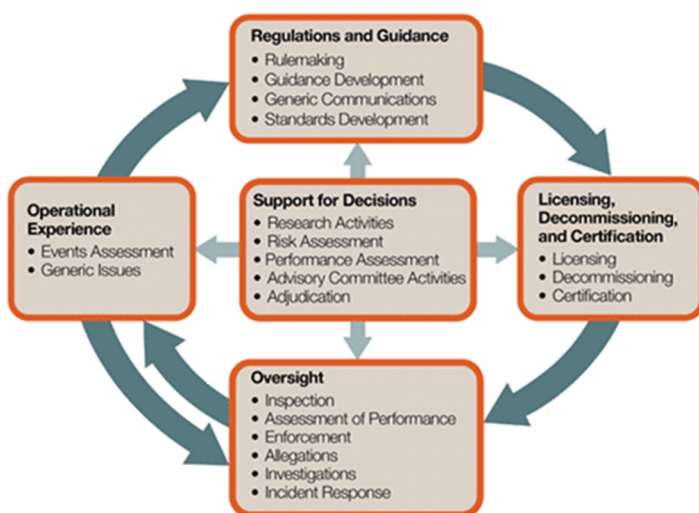


Figure 1 How the NRC regulates

The NRC conducts various types of inspections and investigations designed to ensure that the activities it licenses are conducted in strict compliance with the Commission’s regulations, the terms of the licenses, and other requirements.

The sources of the NRC’s enforcement authority are the Atomic Energy Act of 1954, as amended; the Energy Reorganization Act of 1974, as amended; and the Energy Policy Act of 2005. These statutes give the NRC broad authority with respect to its Enforcement Program. The Energy Policy Act of 2005 also expanded the definition of byproduct material, placing additional byproduct material under the NRC’s jurisdiction, including both naturally occurring and accelerator-produced radioactive materials. The NRC carries out its broad enforcement authority through Title 10 of the *Code of Federal Regulations* (10 CFR) Part 2, “Agency Rules of Practice and Procedure,” Subpart B, “Procedure for Imposing Requirements by Order, or for Modification, Suspension, or Revocation of a License, or for Imposing Civil Penalties.” Congress also provides the statutory framework for the Federal Government to use alternative dispute resolution (ADR) in conjunction with enforcement authority through the Administrative Dispute Resolution Act of 1996.

The NRC Office of Enforcement (OE) develops policies and programs for the enforcement of NRC requirements. In addition, OE oversees the agency’s enforcement activities, giving programmatic and implementation guidance to NRC regional and headquarters offices that

conduct or participate in enforcement activities, to ensure that regional and program offices implement the NRC's Enforcement Program consistently.

The Enforcement Policy establishes the general principles governing the NRC's Enforcement Program and specifies a process for implementing its enforcement authority in response to violations of agency requirements. This statement of policy is based on the NRC's view that compliance with its requirements plays a critical role in ensuring safety, maintaining security, and protecting the environment. The policy applies to all NRC licensees, to various categories of nonlicensees (vendors, and contractors), and to individual employees of licensed and nonlicensed firms involved in NRC-regulated activities.

The NRC enforces compliance as necessary. Enforcement actions serve as a deterrent, emphasize the importance of compliance with regulatory requirements, and encourage the prompt identification and comprehensive correction of violations. In addition, because violations occur in a variety of activities and vary in significance, the policy contains graduated sanctions informed by risk and regulatory significance.

Enforcement authority includes using notices of violation (NOVs); civil penalties (CPs); demands for information; and orders to modify, suspend, or revoke a license. The NRC staff may exercise discretion in determining appropriate enforcement sanctions. Most violations are identified through inspections and investigations. In traditional enforcement, violations are normally assigned severity levels (SLs), which range from SL IV for violations of more than minor concern to SL I for the most significant violations.

The Reactor Oversight Process (ROP) supplements the enforcement process for operating nuclear reactors. The NRC has implemented a similar process to assess findings at new reactor construction sites. Under the ROP, the NRC staff does not normally assign SLs to violations but instead assigns them a "significance" by assessing their associated inspection findings. The NRC determines the risk significance of inspection findings using the significance determination process (SDP), which designates findings as green, white, yellow, or red (in order of increasing risk significance). Findings under the ROP may also include licensee failures to meet self-imposed standards; such findings may or may not involve violations of regulatory requirements. Violations and findings assessed as white, yellow, or red are considered escalated enforcement actions.

Although the ROP applies to most violations, some aspects of violations (e.g., willfulness and individual actions) cannot be addressed solely through the SDP; such violations require the NRC to follow the traditional enforcement process. The NRC uses traditional enforcement for violations that have actual safety or security consequences, affect the agency's ability to perform its regulatory oversight function, or involve willfulness.

In addition, although ROP findings are not normally subject to CPs, the NRC does consider CPs for any violations that have actual consequences. SL IV violations and violations associated with green ROP findings are normally dispositioned as noncited violations (NCVs) if certain criteria are met. Inspection reports or records document NCVs and briefly describe the corrective actions that the licensee has taken or plans to take, if these actions are known at the time the NCV is documented. Additional information about the ROP is available at <https://www.nrc.gov/reactors/operating/oversight.html>.

The NRC's enforcement website, available at <http://www.nrc.gov/about-nrc/regulatory/enforcement.html>, presents a variety of information, including the policy and the Enforcement Manual. It also contains information on escalated enforcement actions that the NRC has issued to reactor and materials licensees, nonlicensees, and individuals. In keeping with agency practices and policies, the NRC's public website does not provide details on most security-related actions and activities.

B. Assessment of Escalated Enforcement Actions

Escalated enforcement actions include the following:

- NOVs, including SL I, II, or III violations
- NOVs associated with a problem (closely related violations may be grouped together as a problem to appropriately characterize the significance of the event or incident)
- SL IV violations to individuals
- NOVs associated with red, yellow, or white SDP findings
- CP actions
- enforcement orders (including confirmatory orders (COs) that result from the ADR process) and orders to suspend, revoke, or modify an NRC license

During calendar year (CY) 2023, the NRC issued 63 escalated enforcement actions to licensees, nonlicensees, and individuals. Figure 2 shows the distribution of these actions by category.

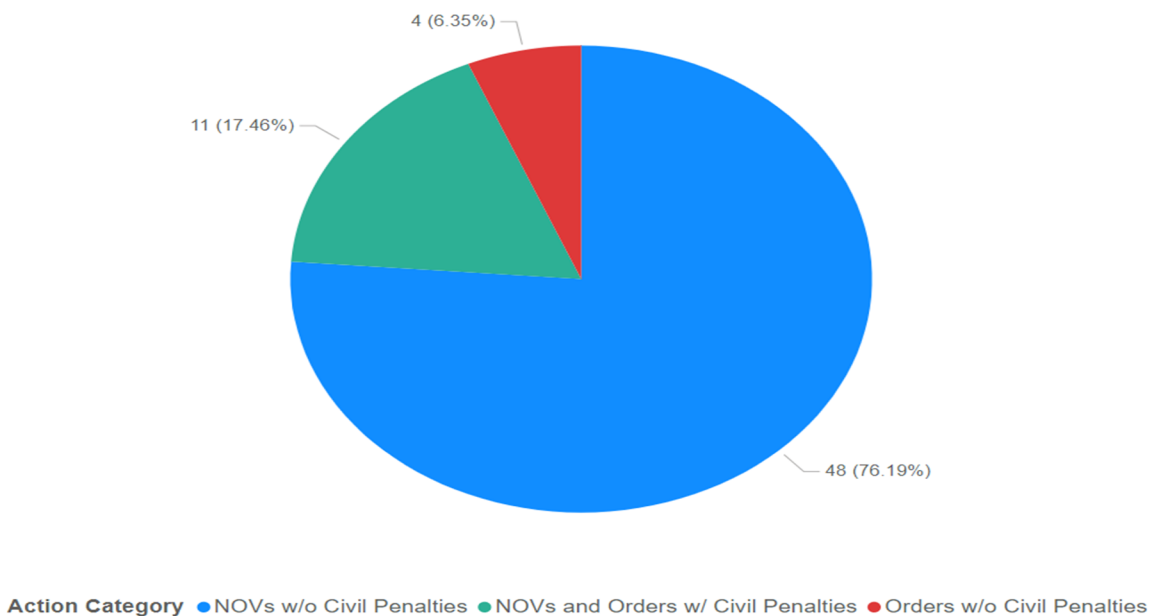


Figure 2 Escalated enforcement by type of action (CY 2023)

As shown in figure 2 of the 63 escalated enforcement actions issued in CY 2023, 48 (or approximately 76 percent) were NOVs without CPs. This is higher than the average proportion of NOVs without CPs issued from CY 2019 through CY 2023 (approximately 66 percent). In general, the NRC considers a large percentage of NOVs without CPs to be a positive outcome because it demonstrates that most licensees identify and correct violations themselves—a goal of the Enforcement Program.

NOVs and orders with CPs comprised approximately 17 percent of the escalated enforcement actions. These included 11 NOVs with associated CPs.

Figure 3 shows the distribution of escalated enforcement actions issued in CY 2023 by business line. The number of escalated enforcement actions for each business line may also include actions issued to individuals.

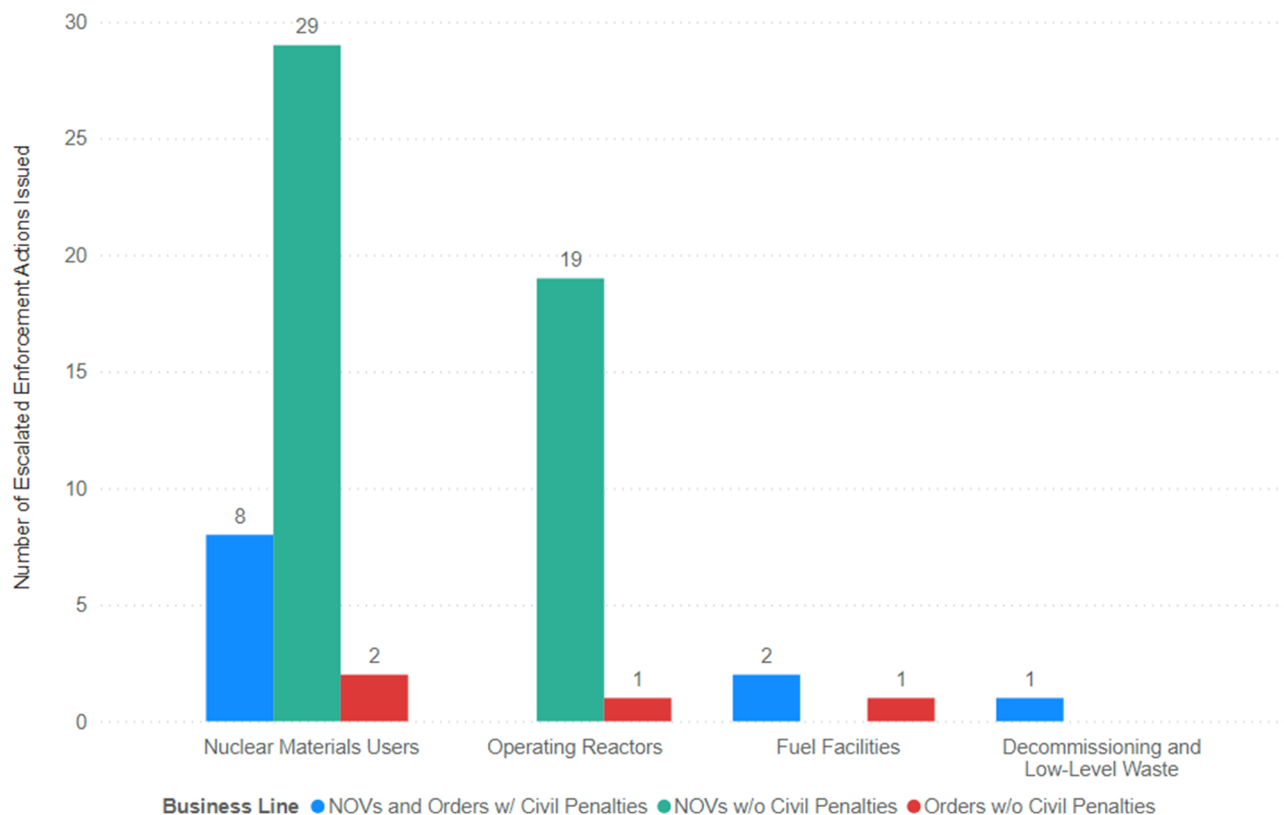


Figure 3 Escalated enforcement by business line (CY 2023)

As shown in figure 3, nuclear materials users received the highest number of escalated enforcement actions in CY 2023 (a total of 39), accounting for 62 percent of all actions issued. This was followed by operating reactors, which received 20 actions (or 32 percent of all actions). Fuel facilities and decommissioning and low-level waste accounted for four escalated enforcement actions in CY 2023 (or 6 percent of all actions).

Table 1 breaks down the escalated enforcement actions issued in CY 2023 by region and program office. Historically, Region II has had the fewest escalated enforcement actions because it does not process nuclear materials user cases, which usually make up the highest percentage of escalated enforcement actions (62 percent in CY 2023). However, in CY 2023

Region II issued a total of 14 enforcement actions, 11 to operating reactors and 3 to fuel facilities, for a total of five escalated actions above their CY 2019 – CY 2023 average of 9 enforcement actions. Additionally, for CY 2023, Region I and Region III had fewer enforcement actions than Region IV. Overall, the number of escalated enforcement actions by the program offices was lower in CY 2023 than the past 5-year average. This may be attributed to the fact that in CY 2023, unlike in previous years, only two program offices issued escalated enforcement actions. The data in table 1 have not been normalized for either type or number of licensees in each region.

Table 1 Escalated Enforcement Actions by Region and Program Office (CY 2023)

Office/Region	NOVs and Orders w/ Civil Penalties	NOVs w/o Civil Penalties	Orders w/o Civil Penalties	Total
REGION IV	5	14	2	21
REGION III	2	10	0	12
REGION II	2	11	1	14
REGION I	2	9	1	12
NMSS	0	3	0	3
NRR	0	1	0	1
Total	11	48	4	63

Key to Program Offices

- NMSS—Office of Nuclear Material Safety and Safeguards
- NRR—Office of Nuclear Reactor Regulation

1. Escalated Enforcement Trends

As previously noted, the NRC issued 63 escalated enforcement actions in CY 2023. This was lower than the number issued in CY 2022 (73) but in par with the annual average over the past 5 years (63). Table 2 breaks down the total number of escalated enforcement actions the NRC has issued over the past 5 years by type.

Enforcement Program Annual Report

Table 2 Escalated Enforcement Action Trends (CY 2019–CY 2023)

Action	2019	2020	2021	2022	2023	5-year average
NOV	32	28	35	35	41	34
Problem	3	10	5	11	7	7
NOV w/CP	6	5	13	7	7	8
Problem w/CP	3	9	6	9	4	6
CO	5	5	0	7	2	4
CO w/CP	1	0	0	2	0	0
Order Imposing CP	3	2	1	1	0	1
Prohibition Order	3	2	0	1	1	1
Suspension Order	1	2	0	0	0	1
Order Modifying License	0	0	0	0	0	0
License Revocation Order	0	0	0	0	1	0
Total	57	63	60	73	63	63

Note: The staff may have adjusted information reported for previous CYs in this year's annual report to reflect more accurate data than those available when previous annual reports were published.

Table 2 and figure 4 show that the number of NOVs issued without CPs was slightly higher in CY 2023 (48) than in CY 2022 (46). Additionally, the number of NOVs and orders with CPs issued in CY 2023 (11) is lower than the 5-year average (15).

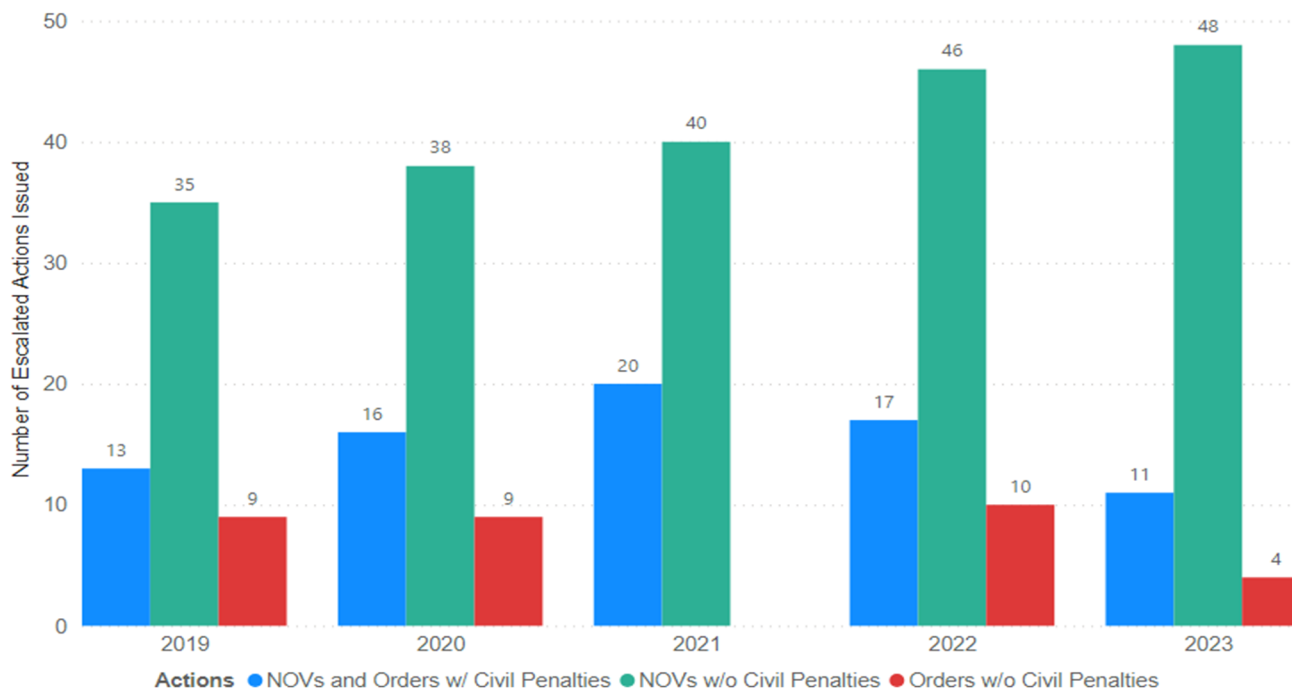


Figure 4 Escalated enforcement actions issued (CY 2019–CY 2023)

Figure 5 shows escalated enforcement trends from CY 2019 through CY 2023 by business line. As shown in the figure, the number of enforcement actions for nuclear materials users remained generally consistent from CY 2019 until CY 2022, when it rose significantly. In CY 2023, the number of enforcement actions for nuclear materials users (39) dropped back in line with the 5-year average (38). However, in CY 2023, the number of enforcement actions for operating reactors rose above the number in CY 2022, although it remained in line with the 5-year average (22) of enforcement actions.

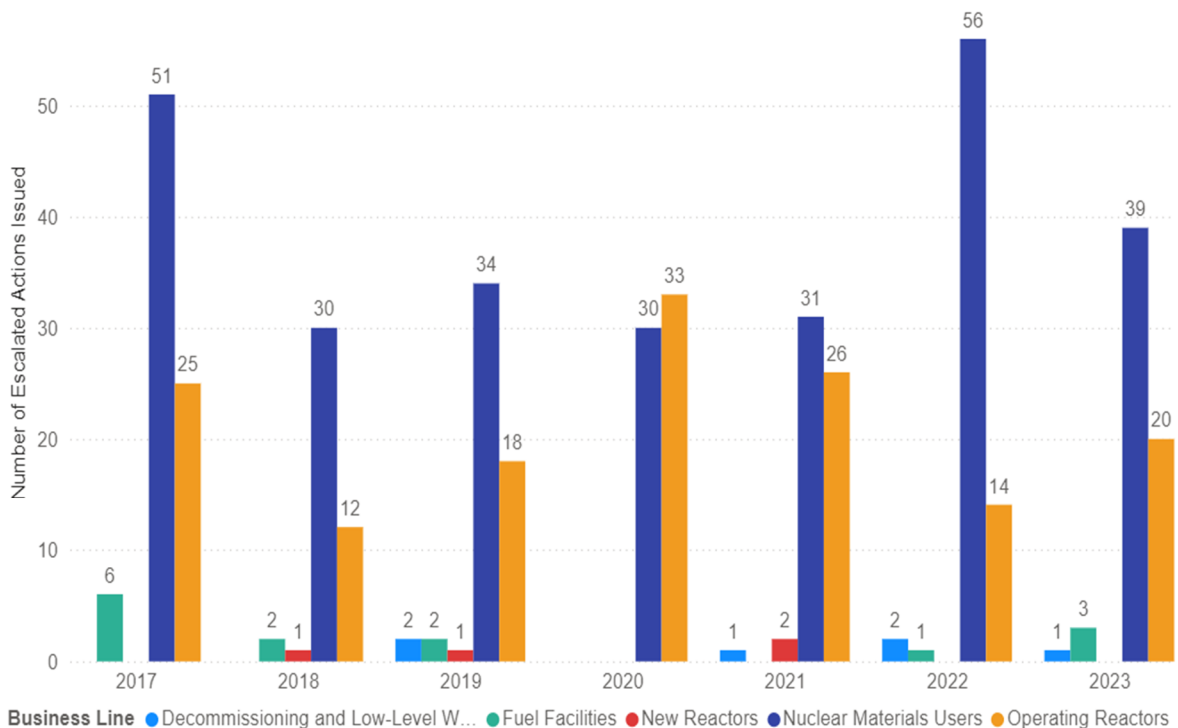


Figure 5 Escalated enforcement by business line (CY 2019–CY 2023)

Table 3 shows that the number of escalated enforcement actions issued to licensees, nonlicensees, and individuals decreased from CY 2022 to CY 2023. The table also shows that operating reactors, hospitals, individuals (i.e., licensed and nonlicensed individuals at reactor sites and individuals at materials licensees), and gauge users account for over half of the escalated enforcement actions in CY 2023. Figure 5 also shows that the nuclear materials users and operating reactors business lines account for 94 percent of all escalated enforcement actions. CY 2023 included one escalated enforcement action under the decommissioning and low-level waste business line and three under the fuel facility business line.

**Table 3 Escalated Enforcement Actions by Type of Licensee, Nonlicensee, or Individual
(CY 2019–CY 2023)**

Type of Licensee	2019	2020	2021	2022	2023	Total
Academic	1	0	5	1	2	9
Decommissioned Reactor/Site	0	0	1	1	1	3
Fuel Facility	1	0	0	1	3	5
Gauge	6	9	10	12	8	45
Hospital	1	7	4	11	9	32
Import/Export	3	5	0	1	3	12
Individual Actor—Fuel Facility	1	0	0	0	0	1
Individual Actor—Materials	5	2	0	8	0	15
Individual Actor—Reactor	7	9	10	2	1	29
Licensed Operator	2	6	0	3	3	14
Materials Distributor	5	2	7	3	0	17
Mill	1	0	0	0	0	1
New Construction—Reactor	1	0	2	0	0	3
Nonoperating Reactor	2	0	0	1	0	3
Operating Reactor	8	16	15	8	15	62
Other	1	1	2	11	6	21
Pharmacy	0	2	0	0	1	3
Radiographer	11	2	3	8	6	30
Research and Test Reactor	0	2	1	1	1	5
Vendor—Operating Reactor	1	0	0	0	0	1
Waste Disposal	0	0	0	1	0	1
Well Logger	0	0	0	0	4	4
Total	57	63	60	73	63	316

2. Civil Penalty Actions

The levying of a CP is a significant action and is most often reflects issues of a repetitive nature, the inability of a licensee to identify and correct issues, or instances involving elements of willfulness. In CY 2023, the NRC processed 11 enforcement actions that included CPs (11 proposed, 0 imposed), totaling \$297,750 in proposed CPs. Two of these enforcement actions included multiple proposed CPs. Of these 11 enforcement actions, 8 were associated with nuclear materials users, 2 with fuel facilities, and 1 with a decommissioning and low-level waste licensee.

Of the 11 CP cases, 2 involved “willfulness,” which is defined as either deliberate misconduct or careless disregard. The Commission is particularly concerned with the identification of willful violations. The NRC’s regulatory program relies on licensees and their contractors, employees, and agents to act with integrity and communicate with candor; therefore, the NRC may consider a violation involving willfulness to be more egregious than the underlying violation taken alone, and the NRC may increase the SL accordingly.

Enforcement Program Annual Report

Table 4 compares CP amounts proposed, imposed, and paid for the most recent 5 CYs and shows the 5-year average. When reviewing this table, note that an enforcement action may include more than one CP or more than one violation. In addition, a CP may be proposed one year and paid or imposed in a following year. In some cases, the NRC has approved a payment plan that lets a licensee pay the CP in regular installments, sometimes over several years. Finally, the amount of a proposed CP may be reduced, or even eliminated, if the NRC exercises enforcement discretion through the normal enforcement process or as part of a settlement agreement reached through an ADR mediation session.

Table 4 CP Information: Number of Escalated Enforcement Actions and Total CP Amounts (CY 2019–CY 2023)

	2019	2020	2021	2022	2023	Average
Proposed CPs	10 \$634,250	14 \$1,586,413	20 \$664,750	16 \$228,100	11 \$297,750	14 \$682,253
Imposed CPs	2 \$58,000	2 \$1,213,884	0 \$0	1 \$25,600	0 \$0	1 \$259,497
CPs Paid	8 \$779,250	10 \$90,250	6 \$690,346	18 \$417,625	8 \$242,750	10 \$444,044

Note: Imposed CP amounts reflect CPs issued through orders that may include (1) CPs imposed after a licensee does not pay a proposed CP or (2) CPs included in a CO as part of ADR mediation

The total proposed CP amount issued in CY 2023 was slightly higher than the amount issued in CY 2022 and substantially lower than the 5-year average. This was partly because, in CY 2019 through CY 2021, a significant number of proposed CPs were issued to operating reactors whose base CP amounts are substantially higher than other licensee types. In CY 2023, there were no CPs issued at operating reactors. The total dollar amount of CPs paid was significantly lower in CY 2023 than in CY 2022. This could be due, in part, to the use of payment plans or because licensees had not yet paid their CPs by the end of CY 2023. The NRC did not impose any CPs in CY 2023.

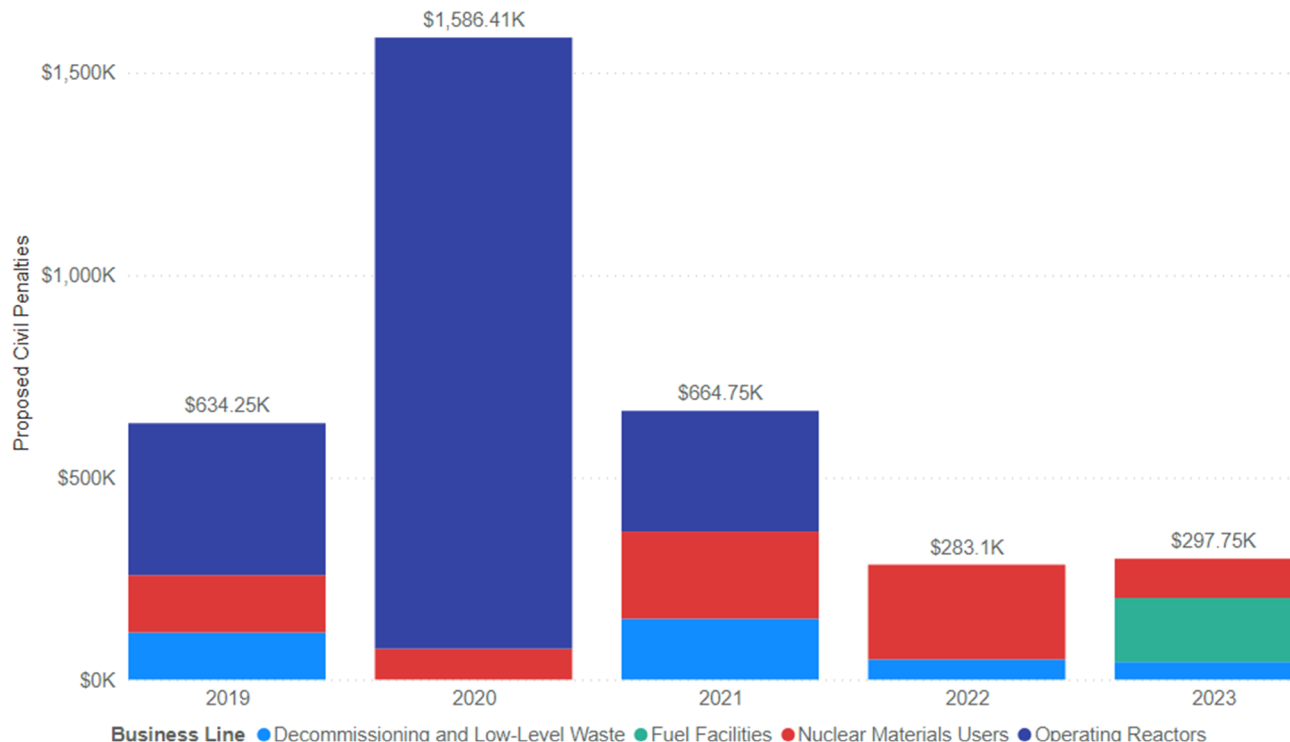


Figure 6 Proposed CPs by business line (CY 2019–CY 2023)

Figure 6 shows the total dollar amount of proposed CPs from CY 2019 through CY 2023 by business line. Appendix A to this report briefly describes each of the enforcement actions for which the NRC assessed a CP in CY 2023. Although appendix A does not describe NOVs with CPs that involved security-related issues, the data in this report do include such NOVs.

3. Notices of Violation without Civil Penalties

In accordance with section 2.3.4, “Civil Penalty,” of the Enforcement Policy, a CP may not be warranted for escalated enforcement actions evaluated under traditional enforcement if the following criteria are met:

- The identified violation was the first nonwillful SL III violation identified during the past 2 years or during the last two inspections (whichever period is longer) at the licensee’s facility, and the licensee took adequate corrective action to prevent its recurrence; or
- The identified violation was not the first nonwillful SL III violation identified during the past 2 years or during the last two inspections, but the licensee identified the violation and took adequate corrective action to prevent its recurrence.

Violations assessed under the ROP SDP are normally not considered for CPs unless they have had actual consequences. In addition, the NRC may use enforcement discretion to refrain from proposing a CP, when appropriate, regardless of the normal CP assessment process described above.

In CY 2023, the NRC issued a total of 48 escalated NOV without CPs: 15 to operating reactor licensees, 29 to nuclear materials user licensees, 1 to research and test reactor licensees, and 3 to individuals (licensed or nonlicensed). Of the 15 NOVs issued to operating reactor licensees, 13 were associated with white SDP findings under the ROP, 1 was an SL III violation, and 1 was a violation with a yellow SDP finding. For the 11th consecutive year, the NRC issued no red SDP findings with or without associated violations. Of the 29 NOVs issued to nuclear materials user licensees, 14 were associated with either radiographers or gauge users, and the remaining NOVs were issued to hospitals, pharmacies, Master Materials Licensees, or import/export licensees.

Figure 7 shows the number of escalated NOVs associated with SDP findings at operating reactors over the past 10 years. This number has declined steadily since CY 2014; however, CY 2023 had an increase from the previous 4 years. Appendix B to this report summarizes each of the NOVs issued without a CP, as well as the NOVs associated with SDP findings. Appendix B does not describe NOVs without CPs that involved security-related issues; however, the data in this report do include such NOVs.

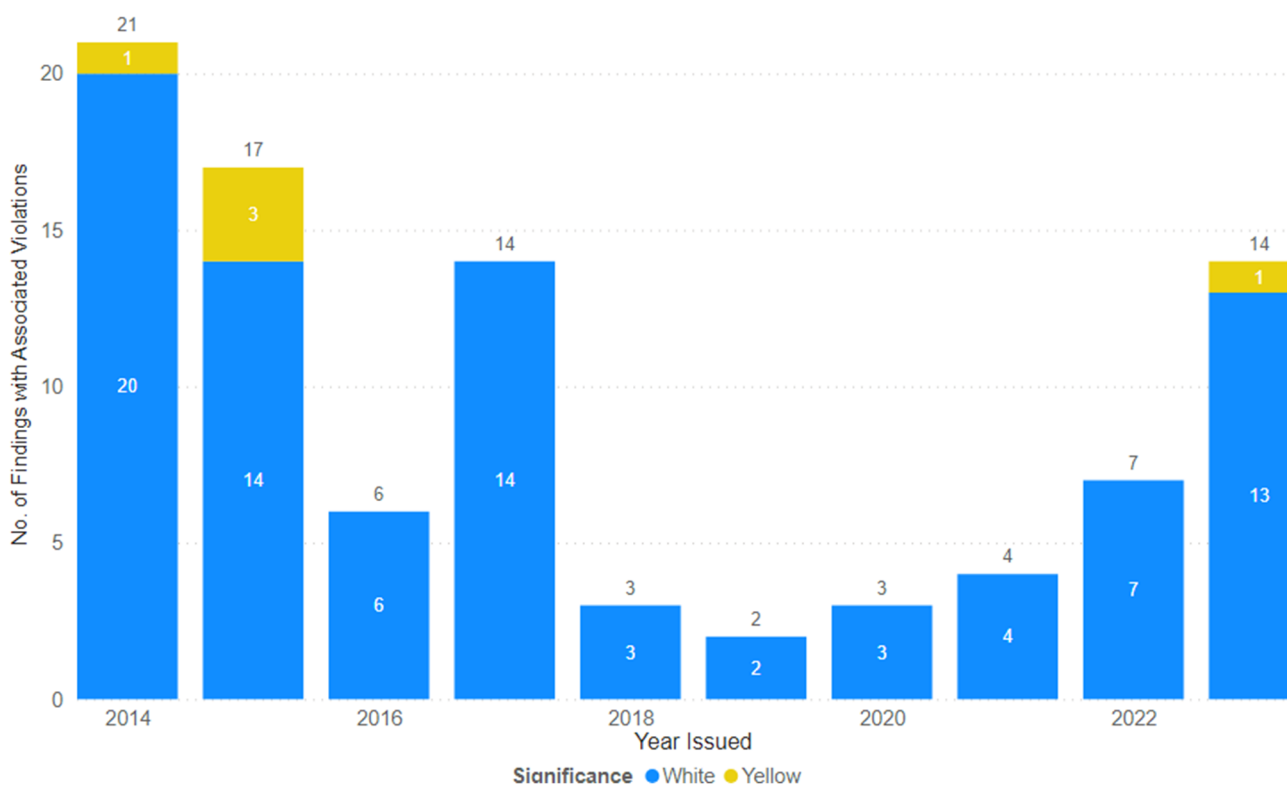


Figure 7 ROP SDP findings associated with escalated enforcement at operating reactors (CY 2014–CY 2023)

4. Enforcement Program Timeliness

The NRC issues escalated enforcement actions in cases involving violations assessed at SL I, II, or III (and SL IV for individuals) dispositioned under the traditional enforcement process; violations associated with white, yellow, or red findings issued to reactor licensees participating in the ROP; and orders that impose sanctions.

The timeliness of escalated enforcement actions associated with investigations (cases involving potential willfulness and discrimination) to operating reactor and materials user licensees is an output measure (external goal) reported annually to Congress as part of the NRC's Congressional Budget Justification (NUREG-1100). To stress the importance of issuing timely escalated enforcement actions, the agency has set two performance goals: (1) 100 percent of cases not based on investigations by the Office of Investigations (OI) are to be completed within an NRC processing time not to exceed 160 days (internal performance indicator), and (2) 100 percent of OI-related cases are to be completed within an NRC processing time not to exceed 330 days (Congressional Budget Justification performance indicator).

The NRC processing time starts on the latest of (1) the inspection exit date for non-OI-related cases, (2) the date of the memorandum forwarding the OI report to the staff for OI-related cases, (3) for cases referred to the U.S. Department of Justice (DOJ) for potential criminal prosecution, the date the NRC is informed that the DOJ has declined to prosecute, and (4) the date of the U.S. Department of Labor decision that is the basis for the action. For purposes of timeliness reporting, the NRC may group multiple related escalated enforcement actions and treat them as a single case. For example, the NRC may disposition a violation and take escalated enforcement action against a licensee and one or more individuals. Although multiple enforcement actions may be involved, the NRC will treat these separate actions as one case in its timeliness reporting, to avoid biasing timeliness data either positively or negatively.

In CY 2023, the NRC staff processed all 51 non-OI-related enforcement cases within 160 processing days and all 6 OI-related enforcement cases within 330 processing days (these numbers are associated with enforcement cases not enforcement actions). It is likely that a streamlined process implemented in CY 2016 contributed significantly to the staff's ability to meet its timeliness goals. This process (the modified enforcement panel process) is used for traditional enforcement cases and enhances efficiency in processing enforcement cases that do not require additional interactions, clarifications, or extended communications. OE will continue to work closely with the regional and program office staffs towards early identification of enforcement cases that are likely to involve complex technical or legal questions or other case-specific challenges, to address issues that may lead to additional processing time.

Figure 8 shows that, on average, the NRC took 101 processing days for non-OI related enforcement case work which is well below the agency goal of 160 processing days. In CY 2020, OE developed and implemented a new communication strategy that involves senior management early engagement when it appears that an enforcement case may exceed a congressional metric. This new process continued to help the staff meet its timeliness goals for CY 2023.

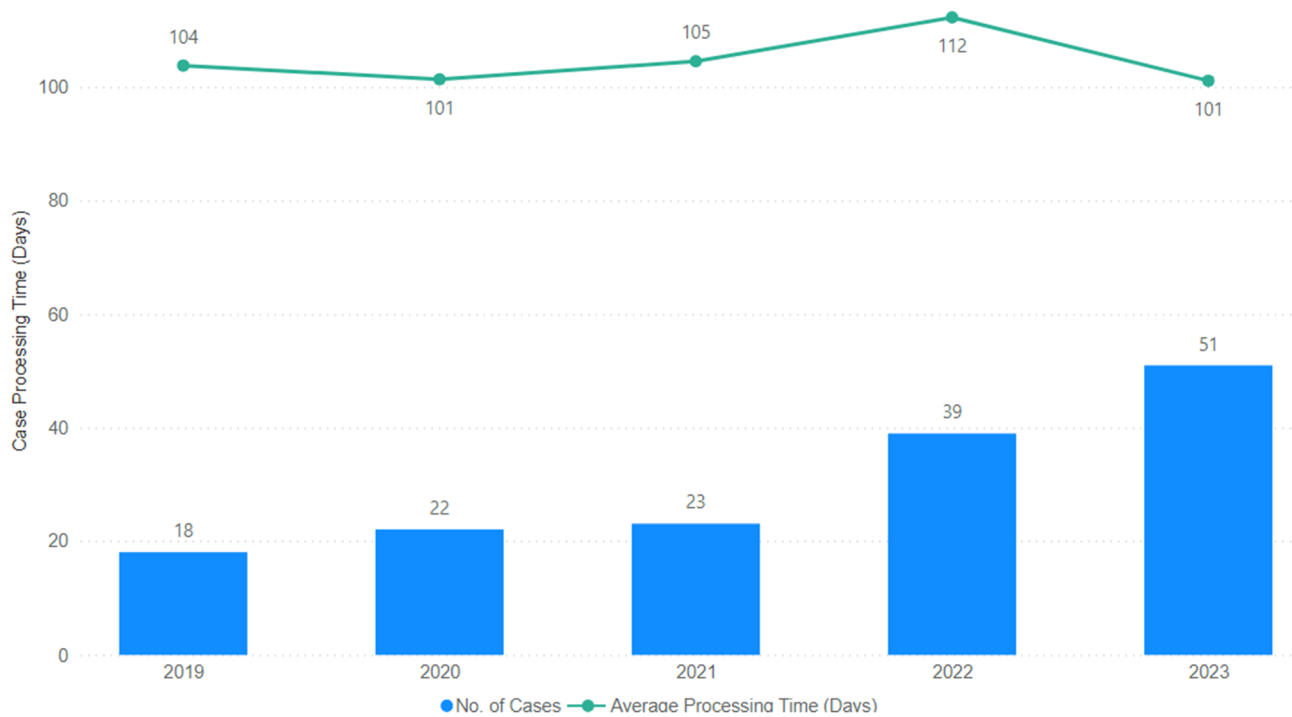


Figure 8 Non-OI-related case timeliness (CY 2019–CY 2023)

Figure 9 shows the trend in case processing times for OI-related escalated enforcement actions over the past 5 CYs. In CY 2023, on average, it took the NRC 246 days to issue an OI-related enforcement action. This is less than the Congressional goal of 330 processing days and is higher than the 5-year average. The shortest and longest processing times for OI-related cases in CY 2023 were 170 days and 308 days, respectively.

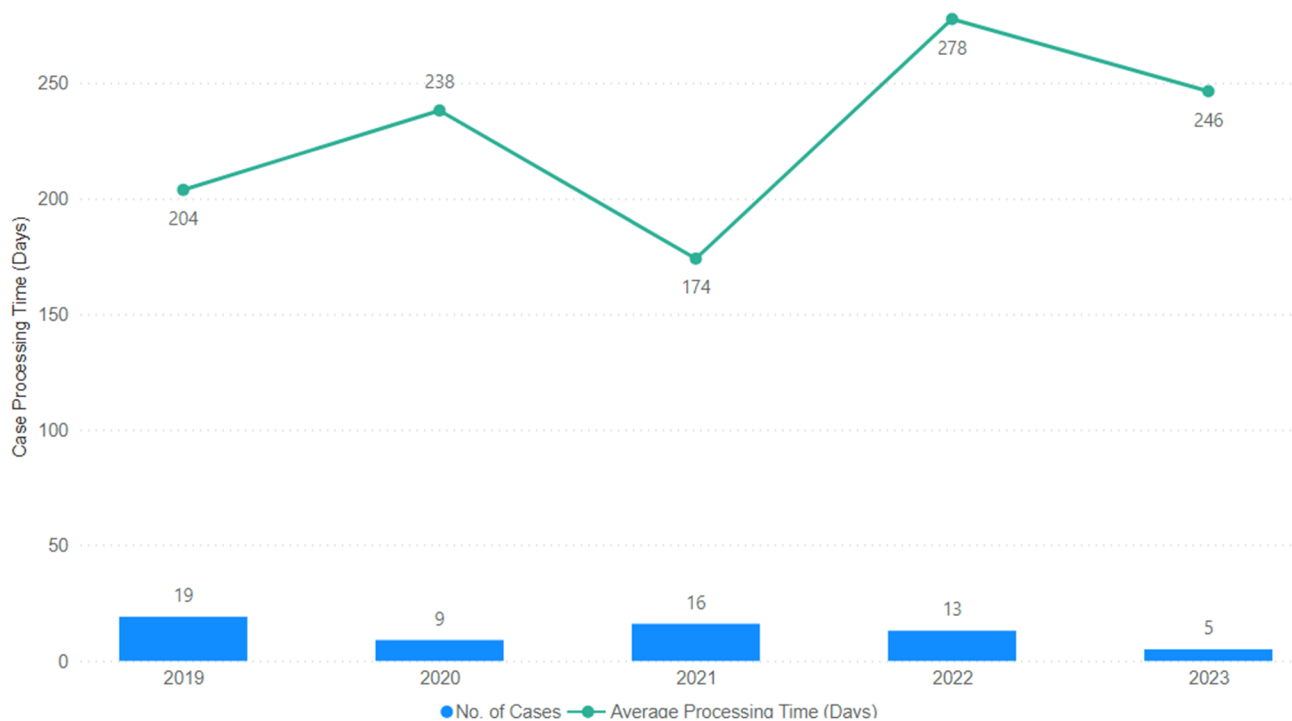


Figure 9 OI-related case timeliness (CY 2019–CY 2023)

Note: The numbers of non-OI-related (51) and OI-related (5) escalated enforcement cases do not add up to the total number of escalated enforcement actions (63) because some cases involved the issuance of multiple enforcement actions to licensees and individuals.

5. Alternative Dispute Resolution

ADR refers to a variety of voluntary processes, such as mediation and facilitated dialogue, to assist parties in resolving disputes and potential conflicts outside of the courts. The NRC’s enforcement ADR program employs mediation by a neutral third party with no decision-making authority. Participation in the process is voluntary, and the content of the final, mutual agreement is normally formalized in a confirmatory order.

The term “enforcement ADR” refers to the use of mediation (1) after OI has completed its investigation and an enforcement panel has concluded that pursuit of an enforcement action appears to be warranted, and (2) in escalated nonwillful, traditional enforcement cases with the potential for CPs.

Under OE’s enforcement ADR process, the NRC may offer mediation at any of three points in the enforcement process: (1) before a predecisional enforcement conference, (2) after the initial enforcement action (typically the issuance of an NOV and proposed imposition of a CP), or (3) upon the imposition of a CP and before a hearing request. ADR typically allows the NRC to institute broader or more comprehensive corrective actions than those typically achieved through the normal enforcement process (i.e., restoring compliance).

As figure 10 shows, from CY 2019 through CY 2022, the NRC participated on an average of six cases per year under the enforcement ADR program. In CY 2023, the NRC participated in two ADR mediation sessions that resulted in orders confirming the terms of the parties' agreement, one of which dealt with security-related information. Notably, the security-related ADR mediation session involved ensuring that the location, document controls, and individuals involved were suitable for handling the heightened complexities associated with such a sensitive case. In line with the NRC's commitment of program transparency, the final agreement was formally documented in both a public and nonpublic CO.



Figure 10 ADR cases (CY 2019–CY 2023)

In CY 2023, the staff continued to focus on increasing the ADR program's timeliness, transparency, and overall effectiveness. Efforts to enhance the ADR program included the use of lessons learned from previous years' mediation sessions, as well as enhancements to program guidance and feedback mechanisms.

As figure 11 indicates, the number of ADR cases decreased significantly compared to CY 2022; however, the average time to process an ADR case (from the date of the mediation offer to the issuance of a CO) increased slightly. In CY 2023, only two cases were mediated, with the program timeliness affected by the complexities of a specific case.

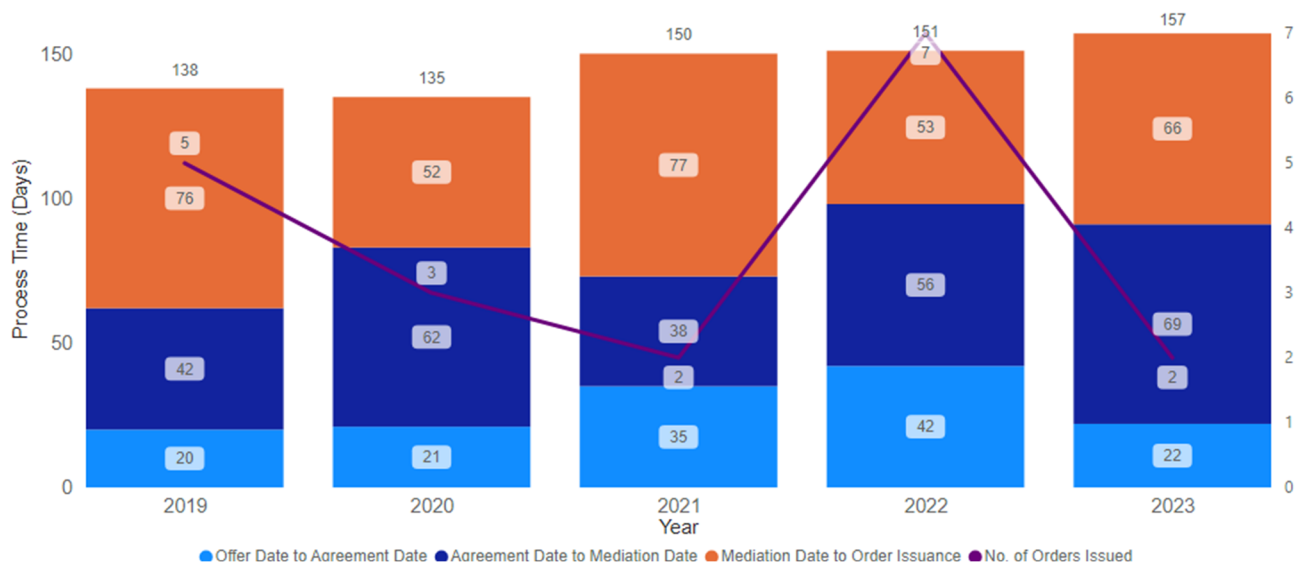


Figure 11 Calendar days from ADR offer to issuance of CO (CY 2019–CY 2023)

C. Nonescalated Enforcement

Nonescalated enforcement actions include SL IV NOVs and NCVs under traditional enforcement and NOVs and NCVs associated with green SDP findings under the ROP. The Reactor Program System captures enforcement-related information for operating reactors, and the Web-Based Licensing System records nonescalated actions for nuclear materials users.

Figure 12 shows the number of nonescalated enforcement actions at operating reactor sites by region. As noted in previous annual reports, there is an overall downward trend in the number of operating reactor SL IV NOVs and NCVs issued under traditional enforcement and the number of NOVs and NCVs associated with green SDP findings; however, in CY 2023, the data indicates an upward trend. The NRC’s response to the Coronavirus Disease 2019 (COVID-19) pandemic included reducing the in-person presence at licensee facilities and allowing inspection requirements to be implemented with minimum samples; resumption of the pre-pandemic levels of in-person presence and inspection sample sizes may have contributed to the increase in inspection findings in CY 2023. This increasing trend in nonescalated actions is consistent with the trend in the number of escalated enforcement actions observed across all regulatory oversight programs (i.e., licensee business lines), as well as the trends reflected in figure 12.

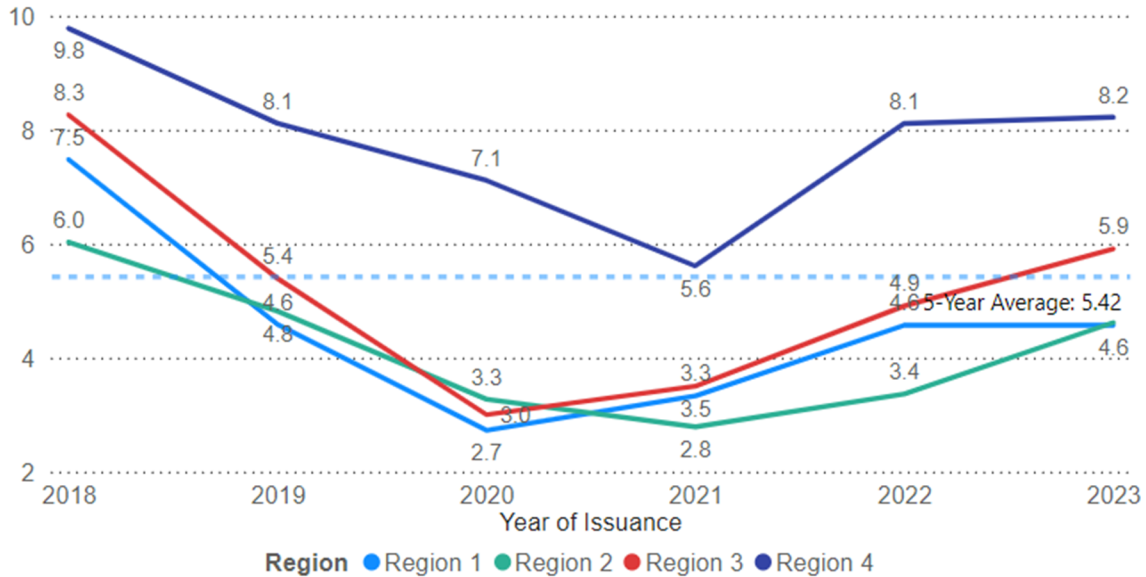


Figure 13 Nonescalated enforcement actions per operating reactor, by region (CY 2019–CY 2023)

Note: This figure reflects information available from the Reactor Program System as of February 28, 2024.

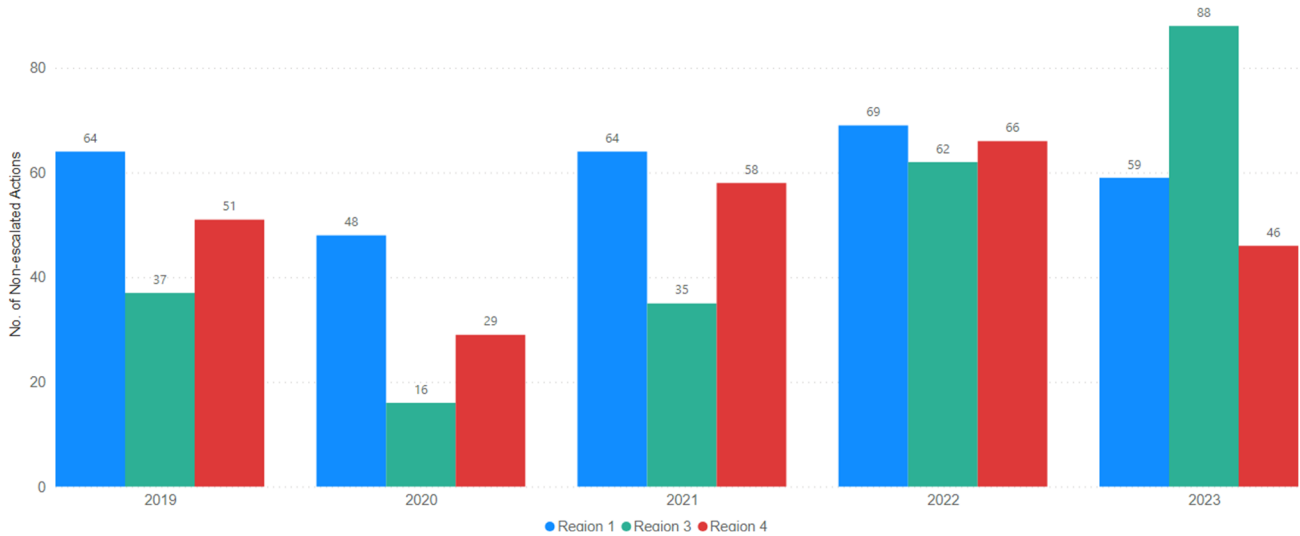


Figure 14 Nonescalated enforcement actions for nuclear materials users (CY 2019–CY 2023)

Note: This figure reflects information available from the Web-Based Licensing System as of February 28, 2024.

Figure 14 shows the 5-year trend in the number of nonescalated enforcement actions for nuclear materials users for each region. As noted in previous annual reports, the number of SL IV NOVs and NCVs issued to nuclear materials users has tended to remain steady, except for a noticeable decline in CY 2020. This decline in CY 2020 may be attributed to the NRC's response to the COVID-19 pandemic which included reducing the in-person presence at licensee facilities and allowing inspection requirements to be implemented with minimum samples. Resumption of pre-pandemic levels of in-person presence and inspection sample sizes may be the contributing factors for the average of inspection findings seen in CY 2022 and CY 2023.

THIS PAGE INTENTIONALLY LEFT BLANK

II. Enforcement Case Work

A. Significant Enforcement Actions

In calendar year (CY) 2023, the U.S. Nuclear Regulatory Commission (NRC) processed several noteworthy enforcement actions, as summarized below. A complete description can be found on the Issued Significant Enforcement Actions website at <https://www.nrc.gov/about-nrc/regulatory/enforcement/current.html>.

ProTechnics Division of Core Laboratories LP

On November 28, 2023, the NRC issued a confirmatory order (CO) to ProTechnics Division of Core Laboratories, LP (licensee), memorializing commitments reached as part of an alternative dispute resolution (ADR) mediation session held on October 11, 2023, between the licensee and the NRC. The ADR mediation and subsequent CO were based on the results of an inspection during which six apparent violations were identified and were being considered for escalated enforcement action in accordance with the NRC Enforcement Policy. In consideration of the corrective actions taken by the licensee and the commitments outlined in the CO, the NRC is satisfied that its concerns will be adequately addressed based on the legally binding commitments that the licensee will implement, consistent with CO requirements.

Holtec Decommissioning International, LLC

On November 9, 2023, the NRC issued a notice of violation (NOV) and proposed imposition of a civil penalty (CP) in the amount of \$43,750 to Holtec Decommissioning International, LLC (licensee), for a Severity Level (SL) III violation. The SL III violation involved the failure by the licensee's staff at Oyster Creek Nuclear Generating Station to design and prepare radioactive materials for shipment so that, under conditions normally incident to transportation, the radiation level did not exceed 200 millirem per hour at any point on the external surface of the package, as required by Title 10 of the *Code of Federal Regulations* (10 CFR) 71.5, "Transportation of licensed material."

BWXT Nuclear Operations Group, Inc.

On August 22, 2023, the NRC issued an NOV and proposed imposition of a CP in the amount of \$87,500 to BWXT Nuclear Operations Group, Inc. (licensee), for an SL III problem. The SL III problem involved the licensee's failure to adequately establish and maintain items relied on for safety (IROFS) to reduce the likelihood of occurrence of a high-consequence event accident sequence. In this event, the licensee failed to ensure an air gap control was available and reliable to prevent a high-consequence accident, and it also failed to ensure an overflow line control was available and reliable to prevent a high-consequence accident, as required by 10 CFR 70.61, "Performance requirements."

Louisiana Energy Services

On March 30, 2023, the NRC issued an NOV and proposed imposition of a CP in the amount of \$70,000 to Louisiana Energy Services (licensee), for an SL II problem. The SL II problem involved the licensee's failure to (1) implement the appropriate IROFS controls, as required by 10 CFR 70.61(b) for a credible high-consequence accident sequence included in the integrated

safety analysis, and (2) maintain independence between two IROFS during a barrier breach resulting in a degraded IROFS, as required by 10 CFR 70.61(b).

APINDE Inc.

On May 11, 2023, the NRC issued a revocation order to APINDE, Inc. (licensee), revoking its NRC license. The order was based upon evidence the NRC gathered through an Office of Investigations (OI) investigation, through which the NRC concluded that APINDE provided inaccurate information to the NRC in the initial APINDE license application about the recent radiography experience for the individual proposed to be the radiation safety officer (RSO), as well as an inaccurate training certificate for required RSO training. Additionally, in a subsequent license amendment request, the licensee asked the NRC for approval to name a new RSO on the license but submitted an inaccurate training certificate for this individual as well.

American Centrifuge Operating, LLC.

On September 21, 2023, the NRC issued a CO to American Centrifuge Operating, LLC (licensee), confirming commitments reached as part of an alternative dispute resolution (ADR) mediation settlement agreement between the licensee and the NRC. The ADR mediation and subsequent CO were based on the results of an inspection at the licensee's facility in which the NRC identified apparent violations. In consideration of the licensee commitments outlined in the CO, the NRC agreed to not pursue any further enforcement action based on the apparent violations, and the CO will not count as escalated enforcement in the civil penalty assessment process for future enforcement cases involving the licensee. Details regarding the apparent violations and corrective actions contain security-related information and are therefore documented in a nonpublic version of the CO.

B. Hearing Activities

No hearing activities resulted from enforcement actions in CY 2023.

C. Enforcement Orders

In CY 2023, the NRC issued four orders to licensees, nonlicensees, and individuals. The four orders included two COs that were issued to confirm commitments associated with ADR settlement agreements, one revocation order to a licensee, and one prohibition order. Appendix C to this document briefly describes the enforcement orders that the NRC issued in CY 2023.

D. Enforcement Actions Supported by the Office of Investigations

In CY 2023, OI investigations supported 10 percent (6 out of 63) of the escalated enforcement actions issued by the NRC. This figure is lower than last year's percentage (34 percent). The OI-supported actions included the following:

- 2 of the 11 escalated NOV with CPs (18 percent)
- 2 of the 48 escalated NOV without CPs (4 percent)
- 2 of 4 enforcement orders issued (50 percent)

In CY 2023, OI investigated 11 cases that were substantiated for willfulness (enforcement actions may not have been taken on some of these cases) and 34 cases that were unsubstantiated. Additionally, OI conducted 34 assists to staff activities in CY 2023. This assistance provides the NRC staff with clarifying information about concerns to better inform decision-making, allowing the agency to take the most appropriate action.

E. Actions Involving Individuals and Nonlicensee Organizations

In CY 2023, the NRC issued four escalated enforcement actions to individuals (three SL III NOVs and one prohibition order) and no actions to nonlicensees. The number of escalated enforcement actions issued to individuals in CY 2023 is lower than the 5-year average of eight individual actions. Appendix D to this document summarizes the enforcement actions that the NRC issued to individuals in CY 2023.

F. Enforcement Actions Involving Discrimination

In CY 2023, no escalated enforcement actions resulted from a substantiated allegation of discrimination. Between CY 2019 and CY 2023, the NRC handled, on average, just one substantiated discrimination case per year; however, it is not unprecedented to have no escalated enforcement actions related to discrimination in any given year.

G. Use of Judgment and Discretion in Determining Appropriate Enforcement Sanctions

Within its statutory authority, the NRC may choose to exercise discretion and either escalate or mitigate enforcement sanctions or otherwise refrain from taking enforcement action. This exercise of discretion allows the NRC to determine actions that are appropriate for a particular case, consistent with the policy. After considering the general tenets of the policy and the safety and security significance of a violation and its circumstances, the NRC may exercise judgment and discretion in determining the SL of the violation and the appropriate enforcement sanction.

As described in detail below, in CY 2023, the NRC exercised discretion in 27 enforcement cases, compared to 34 enforcement cases in CY 2022, to address violations of agency requirements.

1. Discretion Involving Enforcement Guidance Memoranda

The NRC exercised enforcement discretion through an EGM 16 times in CY 2023, as compared to 23 times in CY 2022:

- On April 18, 2013, the staff issued EGM-13-003, "Interim Guidance for Dispositioning Violations Involving 10 CFR 35.60 and 10 CFR 35.63 for the Calibration of Instrumentation to Measure the Activity of Rubidium-82 and the Determination of Rubidium-82 Patient Dosages" (Agencywide Documents Access and Management System Accession No. ML13101A318). This EGM addressed two specific instances in which it is not possible to meet the current NRC regulatory requirements. The NRC dispositioned one case in CY 2023 that met the criteria in this guidance.

- On March 13, 2014, the staff issued EGM-14-001, “Interim Guidance for Dispositioning 10 CFR Part 37 Violations with Respect to Large Components or Robust Structures Containing Category 1 or Category 2 Quantities of Material at Power Reactor Facilities Licensed under 10 CFR Parts 50 and 52” (ML14056A151). This EGM provides staff guidance on the disposition of violations associated with large components or Category 1 or Category 2 quantities of radioactive material stored in robust structures at power reactor facilities. The NRC dispositioned seven cases in CY 2023 that met the criteria in this guidance.
- On July 15, 2020, the staff issued EGM-20-003, “Interim Guidance for Dispositioning Violations of Licensed Material Possession and Use Limits” (ML20156A340). This EGM provides staff guidance on the disposition of violations of 10 CFR 30.34, “Terms and conditions of licenses,” that are associated with licensed possession and use of byproduct material. The NRC dispositioned four cases in CY 2023 that met the criteria in this guidance.
- On April 15, 2022, the staff issued EGM-22-001, “Enforcement Discretion for Noncompliance of Tornado Hazards Protection Requirements at Independent Spent Fuel Storage Installations” (ML22087A496). This EGM provides guidance to the NRC staff on the exercise of enforcement discretion when a licensee holding a specific or general license for an independent spent fuel storage installation does not comply with its design or licensing basis for protection against environmental conditions and natural phenomena, as required by 10 CFR Part 72, “Licensing Requirements for the Independent Storage of Spent Nuclear Fuel, High-Level Radioactive Waste, and Reactor-Related Greater Than Class C Waste.” The agency dispositioned four cases that met the criteria in this guidance.

2. Discretion Involving Violations Identified Because of Previous Enforcement Actions

In accordance with section 3.3, “Violations Identified Because of Previous Enforcement Action,” of the Enforcement Policy, the NRC staff may exercise enforcement discretion if the licensee identified the violation as part of the corrective action for a previous enforcement action, and the root cause of the violation is the same as or similar to that of the violation causing the previous enforcement action.

The NRC cited section 3.3 of the policy five times in CY 2023 to disposition the following violations of its requirements:

Entergy Operations, Inc. (licensee)—On June 2, 2023, the NRC exercised enforcement discretion to not issue five violations associated with 10 CFR 50.47, “Emergency plans,” and 10 CFR 50.54, “Conditions of licenses” to Entergy Operations, Inc., at the Waterford Steam Electric Station. The violations involved five nonfunctional radiation monitors. Upon evaluating the noncompliance with regulations, the NRC determined discretion was warranted, in part from the extent of condition for a previous escalated enforcement action; the violations have the same or similar root causes as the violation for which enforcement action was previously taken, the violations did not substantially change the safety significance or character of the initial violation, and the violations were corrected.

3. Discretion Involving Special Circumstances

Section 3.5, “Special Circumstances,” of the Enforcement Policy states that the NRC may reduce or refrain from issuing a CP or an NOV for an SL II, III, or IV violation based on the merits of the case after considering the guidance in the policy and such factors as the age of the violation, the significance of the violation, the clarity of the requirement and associated guidance, the appropriateness of the requirement, the overall sustained performance of the licensee, and other relevant circumstances, including any that may have changed since the violation occurred.

The NRC cited section 3.5 of the policy three times in CY 2023 to disposition the following violations of its requirements:

- (1) American Centrifuge Operating, LLC (licensee)—On January 5, 2023, the NRC exercised enforcement discretion to not issue a violation of 32 CFR Part 117 to American Centrifuge Operating, LLC. The licensee had not met all requirements of the National Industrial Security Program Operating Manual rule, under 32 CFR Part 117, which became effective in August 2021. Upon evaluating the noncompliance, the NRC determined that the licensee has demonstrated due diligence to come into compliance with the rule.
- (2) United States Ecology at Grand View (licensee)—On September 5, 2023, the NRC exercised enforcement discretion to not issue a violation to U.S. Ecology at Grand View, Idaho. Upon evaluating the noncompliance with regulations, the NRC determined that the licensee received and possessed byproduct material without authorization under a specific or general license issued in accordance with the regulations in 10 CFR 30.3, “Activities requiring license.” Although the violation resulted from matters not entirely within the licensee’s control, the NRC found that the licensee had adequate controls and procedures in place.
- (3) Varco L.P. (FKA) Tuboscope International, Inc. (licensee)—On November 6, 2023, the NRC exercised enforcement discretion to not issue a violation of license conditions to Varco L.P. (FKA) Tuboscope Vetco International, Inc. Upon evaluating the noncompliance with regulations, the NRC determined that the licensee failed to confine possession and use of byproduct material in accordance with its license. However, the NRC reviewed the circumstances surrounding the possession and use of byproduct material by the licensee and determined that the violation resulted from matters not entirely within its control. Further, the NRC acknowledges that this violation was first identified by the licensee and corrected with the issuance of a new NRC license.

4. Discretion in Determining the Amount of a Civil Penalty

Section 3.6, “Use of Discretion in Determining the Amount of a Civil Penalty,” of the Enforcement Policy states that, notwithstanding the outcome of the normal CP assessment process described in section 2.3.4 of the policy, the NRC may exercise discretion by (1) proposing a CP when application of the CP assessment factors would otherwise result in zero penalty, (2) increasing the amount of the CP to appropriately reflect the significance of the issue, or (3) decreasing the amount based on the merits of the case and the ability of various classes of licensees to pay.

The NRC did not exercise enforcement discretion under this section of the policy in CY 2023.

5. Discretion Involving Violations Involving Certain Construction Issues (3.9)

The NRC cited section 3.9 of the Enforcement Policy once in CY 2023 to disposition the following violation of its requirements:

Felman Production, LLC (licensee)—On March 14, 2023, the NRC exercised enforcement discretion to not issue a violation to Felman Production, LLC., after evaluating the noncompliance with regulations 10 CFR 30.3(a) and 30.3(c)(3). Consistent with the guidance in the NRC Enforcement Manual, Topical Chapters, Section 3.9, “Dispositioning Violations of Naturally Occurring and Accelerator-Produced Radioactive Materials (NARM) Requirements,” the NRC determined it was appropriate to use enforcement discretion to not cite a violation of the above-quoted regulatory requirements.

6. Discretion Involving No Performance Deficiency under the Significance Determination Process

Section 3.10, “Reactor Violations with No Performance Deficiencies,” of the Enforcement Policy states that violations of NRC requirements normally falling within the Reactor Oversight Process significance determination process (SDP) for operating power reactors for which there are no associated SDP performance deficiencies (e.g., a violation of technical specifications, which is not a performance deficiency) may be dispositioned using enforcement discretion. This is similar to the approach described in policy section 3.2, “Violations Involving Old Design Issues.”

The NRC did not exercise enforcement discretion under this section of the policy in CY 2023.

7. Notices of Enforcement Discretion

Occasionally, a power reactor licensee’s compliance with a technical specification or other license condition requires a plant transient or performance testing, inspection, or other system realignment that is of greater risk than the current plant conditions. In these circumstances, the NRC staff may choose not to enforce the applicable requirements. This enforcement discretion is called a notice of enforcement discretion (NOED). In accordance with Enforcement Policy Section 3.8, “Notices of Enforcement Discretion for Operating Power Reactors and Gaseous Diffusion Plants,” the staff issues an NOED only if it is satisfied that the action is clearly consistent with protecting public health and safety. The staff may also issue NOEDs in cases involving severe weather or other natural phenomena when it determines that exercising this discretion will not compromise public safety or security.

When requesting an NOED, a licensee must include justification that documents the safety basis for the request and must provide other information that the staff deems necessary for issuing an NOED.

The NRC issued two NOEDs in CY 2023:

- (1) DTE Electric Company (licensee)—On June 8, 2023, the NRC granted an NOED to DTE Electric Company for Technical Specification Limiting Condition for Operation 3.7.2 at Fermi Power Plant, Unit 2. The licensee’s NOED request involved an extension of 36 hours for cleaning the “A” and “C” heat exchangers of the emergency equipment cooling water/emergency equipment service water system and ultimate heat sink. The NRC concluded that granting this NOED was consistent with the NRC’s Enforcement Policy and Manual and had no adverse impact on public health and safety or the environment.
- (2) DTE Electric Company (licensee)—On July 26, 2023, the NRC granted an NOED to DTE Electric Company for Technical Specification Limiting Condition for Operation 3.7.2 at Fermi Power Plant, Unit 2. The licensee’s NOED request involved an extension of 115 hours for maintenance activities necessary to restore Division II residual heat removal service water mechanical draft cooling tower fan “D” and the reservoir, as well as the corresponding emergency equipment cooling water/emergency equipment service water system and ultimate heat sink. The NRC concluded that granting this NOED was consistent with the NRC’s Enforcement Policy and Manual and had no adverse impact on public health and safety or the environment.

H. Withdrawn Actions

Licensees can challenge enforcement actions for several reasons; for example, a licensee might dispute the requirements, the facts of the case, the NRC’s application of the policy, or the significance of the violation. Licensees may also provide clarifying information that was not available at the time of the inspection. For any of these reasons, the NRC may have to revisit enforcement actions and, in some instances, recategorize or withdraw them.

The Office of Enforcement has established a metric for the quality of enforcement actions based on the total number of disputed violations received for consideration and the percentage of enforcement actions withdrawn in a fiscal year; however, this report covers CY 2023 rather than a fiscal year. The target is for no more than 50 percent of disputed enforcement actions to be withdrawn in any fiscal year. This metric does not include violations withdrawn because of supplemental information that was not available to NRC inspectors or staff before the assessment of an enforcement action.

The NRC withdrew one violation in CY 2023:

Entergy Operations, Inc. (licensee)—On September 21, 2023, the NRC withdrew a previously issued noncited violation to Entergy Operations, Inc, at the River Bend Station, for the failure to obtain a license amendment before implementing a change to the method for establishing the design basis of the standby diesel generator air start system. The NRC staff performed an independent review of the licensee’s position and determined that the agency approved a license amendment change to the standby 2 diesel air start system. Therefore, the NRC concluded that the noncited violation, documented in a previous inspection report, would be withdrawn.

III. Ongoing Activities

A. Enforcement Policy and Guidance

1. Enforcement Policy Revisions

On January 13, 2023, the Office of Enforcement (OE) revised the U.S. Nuclear Regulatory Commission (NRC) Enforcement Policy to incorporate the adjusted civil monetary penalties for 2023, in accordance with the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015.

2. Enforcement Manual Guidance

The staff periodically revises the Enforcement Manual to reflect changes to the policy, operating experience, and stakeholder input. The primary purpose of the change noted below was to update several sections in parts I and II of the manual to reflect current enforcement practices and to provide clarifying guidance where needed. In addition, the staff added one enforcement guidance memorandum (EGM) to appendix A of the manual.

On December 26, 2023, the staff incorporated the following changes into Revision 11 of the manual:

- Part I—Section 6.0, “Engagement with External Stakeholders,” was created to consolidate related guidance and to incorporate the Commission’s Tribal Policy (includes corresponding changes to sections 1.2.13.4.B, 1.2.15.2.D, 2.5.A.2, and 2.6.3.c, and 4.3.7.A.2 (Part II)).
- Part I—section 1.2.6.D, confirmatory order guidance was enhanced with a note pertaining to the documentation of related inspections.
- Part I—sections 1.2.15.D, 1.2.15.2.C, and 1.2.15.3.H.5, public enforcement meeting guidance was revised to better align with related agency guidance.
- Part I—section 1.2.17.2.b, enforcement notification guidance was clarified.
- Part I—sections 2.1.1 G and 2.2.7 B, the references to the disputed violation section were corrected.
- Part II—section 3.3.3, guidance for the NRC’s reporting to the National Practitioner Data Bank was revised.
- Throughout the manual, the outdated title of OI “Special Agent in Charge” was replaced with “Field Office Director.”
- Appendix F, “Notice of Enforcement Discretion,” was revised to address typographical, editorial, and organizational changes.

On March 3, June 30, and December 5, 2023, the staff added the enforcement guidance memoranda described below to appendix A:

Enforcement Guidance Memoranda

OE issues EGMs to provide temporary guidance on the interpretation of specific provisions of the policy. The full text of all publicly available EGM (appendix A to the manual) is available on the NRC's public website at <https://www.nrc.gov/reading-rm/basic-ref/enf-man/app-a.html>. OE issued two revisions and one new EGM in CY 2023:

- On March 3, 2023, the staff issued EGM-22-001, Revision 1, "Enforcement Discretion for Noncompliance of Tornado Hazards Protection Requirements at Independent Spent Fuel Storage Installations."
- On June 30, 2023, the staff issued EGM-20-001, Revision 3, "Enforcement Discretion Not to Cite Certain Violations of 10 CFR 73.56 Requirements."
- On December 5, 2023, the staff issued EGM-23-001, "Interim Guidance for Dispositioning Violations Associated with the Enhanced Weapons, Firearms Background Checks, and Security Event Notification Rule."

B. Enforcement Program Initiatives

In calendar year (CY) 2023, OE engaged in several activities designed to enhance and continuously improve the NRC's Enforcement Program. Typical activities include development and improvement of internal office procedures, enhanced staff knowledge and training, mentoring of new staff members by more experienced staff, and leading annual counterpart meetings.

1. Program Enhancements

Throughout the year, the staff worked on several initiatives to keep the Enforcement Program effective and efficient, including the following:

- The enforcement dashboards have been developed and the staff routinely use them to gather real-time enforcement data. These dashboards help streamline the staff's ability to search, analyze, and compare enforcement data efficiently and effectively. OE continues to perform routine maintenance on the system and updates the dashboards accordingly.
- The staff developed a proposed Enforcement Policy revision recommending to the Commission numerous clarifications and enhancements to incorporate lessons learned. At the end of CY 2023, the proposed revision was developed and submitted to the Executive Director for Operations.
- In coordination with the Office of the Chief Information Officer and OI, a contractor was selected to modernize and integrate case work databases (i.e., Enforcement Action Tracking System, OI Case Management System, and Allegations Management System) into a single consolidated and integrated web-based application solution. In CY 2023 significant progress was achieved by diagramming and comprehending system processing flows, developing systematic numbering schemes, mapping data migration and flow paths to the new system, and creating and approving user-based stories (an

agile development tool) to assist in system development. Completion and/or progress in these activities are necessary to help achieve a system “go live” goal of summer CY 2024.

- The staff conducted internal audits of OE databases (i.e., Enforcement Action Tracking, Individual Action Tracking) to ensure the integrity of the data, to extract the appropriate figures, statistics, and information for the OE annual report and other OE reporting requirements (e.g., the semiannual report to Congress).
- The OE Office Director, OE Deputy Office Director, and OE Headquarters staff conducted meet-and-greet sessions in Regions IV and II, primarily to introduce themselves to regional management and staff and to discuss the regional enforcement programs’ successes and challenges. These meetings are important for the participants to discuss the regional enforcement programs in an open and collaborative environment.
- OE, OI, OGC, and the regional offices, worked together to strengthen the partnerships needed to support the investigative process. Enhanced communications, focused outreach, and increased process transparency, are already paying dividends, as evidenced by feedback from senior leaders and investigation/inspection practitioners in the field.

2. Knowledge Management

Activities associated with training and knowledge transfer in CY 2023 include the following:

- OE continued developing and posting a series of short, focused videos in Microsoft Teams to provide detailed training and refresher training for enforcement specialists and other staff and managers who become involved with the enforcement process. These videos are intended for internal staff use to raise the overall knowledge level and proficiency of program personnel. The series are structured to serve as either overall training, if the videos are used in sequence, or just-in-time training, if individual videos are selected.
- OE further developed and enhanced internal office procedures, internal Enforcement Program SharePoint sites, and Microsoft Teams pages to ensure the consistency of Enforcement Program implementation and the functionality of OE web-based programs.
- OE continued developing an electronic file storage and retrieval system within the office’s SharePoint site to capture documents related to precedent-setting enforcement cases and policy changes. The system leverages the capabilities of ADAMS and SharePoint to make it easier for staff members to search for and retrieve documents that have shaped the NRC’s Enforcement Program throughout its history.
- OE supported several rotational assignment opportunities for OE enforcement specialists to other offices for personal growth and development.
- OE conducted an Enforcement Program counterpart meeting October 17–19, 2023, to discuss ways to improve the Enforcement Program and to enhance communications among the enforcement staff. Representatives from the Office of the General Counsel, Office of Investigations, Regions, and program offices also participated. Topics included

Enforcement Policy revisions, Lost Source Policy, alternative dispute resolution (ADR), TVA discrimination case overview, and knowledge management topics, to name a few. The meeting resulted in several action items to explore ways to improve the program.

- In response to the recognition of a reduction in ADR program knowledge, OE created a short, just-in-time video to refresh negotiating team members' overall knowledge of the program's philosophy and practices. The video provided the basis for certain program elements and the reasons underlying selected steps. In addition, in conjunction with Region II, a tool was developed to enhance the prioritization and communication of various potential corrective actions the staff may find appropriate during specific negotiations.

C. Regional Accomplishments

In CY 2023, the regional offices conducted periodic reviews of enforcement actions issued by each region to ensure effective performance and to identify opportunities for continuous improvement. The reviews encompassed reactor and materials cases involving both nonescalated and escalated enforcement actions; they included activities that required a high degree of coordination with other NRC stakeholders. Overall, the reviews showed that the regions were effectively implementing the Enforcement Program. The regions developed and implemented improvement plans to address any weaknesses identified during the reviews.

D. Calendar Year 2024 Focus Areas

During CY 2024, OE plans to address the following focus areas:

- Pending Commission approval through staff requirements memoranda, OE will update the Enforcement Policy with the proposed policy revisions, described in SECY-24-0009 and the Interim Enforcement Policy revision, described in SECY-23-0033, which have been submitted to the Commission.
- OE will coordinate with the cognizant Offices (NMSS, Regions, Office of the General Counsel) to develop an update to Section 6.12, "Materials Security," of the Enforcement Policy to incorporate severity level examples specific to 10 CFR Part 37 violations for Commission approval, as recommended by the Office of the Inspector General's audit report of "NRC Security Oversight of Category 1 and Category 2 Quantities of Radioactive Material" (OIG-24-A-06).
- Conduct an Enforcement Program counterpart meeting focused on team building, program enhancement, collaboration, and knowledge management.
- Continue knowledge management activities, such as video development and revision of internal office procedures to improve the consistency of Enforcement Program implementation and decision-making.
- Complete the review of current enforcement boilerplates to ensure that they comply with revised guidance found in NUREG-1379, "NRC Editorial Style Guide," Revision 3, issued April 2022 (ML22115A119), and consolidate boilerplates where applicable.
- Continue working with the contractor to modernize and integrate case work databases (i.e., Enforcement Action Tracking System, Case Management System, and Allegations

Management System) into a single consolidated and integrated web-based application solution. Development work, with significant staff input, is in progress at the start of CY 2024.

- The OE Office Director, OE Deputy Office Director, and OE Headquarters staff will continue to hold meet-and-greet sessions in regions with the same goals of the CY 2023 visits, by directly interacting with regional management and staff and by discussing the regional enforcement programs' successes and challenges in an open and collaborative environment.

Appendix A—Summary of Cases Involving Civil Penalties¹

Civil Penalties Issued to Operating Reactor Licensees

None

Civil Penalties Issued to Decommissioning Reactor Licensees

Holtec Decommissioning International, LLC (EA-23-076)
Oyster Creek Nuclear Generating Station

On November 9, 2023, the U.S. Nuclear Regulatory Commission (NRC) issued a notice of violation (NOV) and proposed imposition of a civil penalty (CP) in the amount of \$43,750 to Holtec Decommissioning International, LLC (licensee), for a Severity Level (SL) III violation. The SL III violation involved the failure by the licensee’s staff at Oyster Creek Nuclear Generating Station to design and prepare radioactive materials for shipment so that, under conditions normally incident to transportation, the radiation level did not exceed 200 millirem per hour at any point on the external surface of the package, as required by Title 10 of the *Code of Federal Regulations* (10 CFR) 71.5, “Transportation of licensed material.”

Civil Penalties Issued to Materials Licensees

Almonte Geo Service Group (EA-23-016)
Toa Alta, Puerto Rico

On November 9, 2023, the NRC issued an NOV and proposed imposition of a CP of \$17,500 to Almonte Geo Service Group (licensee), for an SL III violation. The SL III violation involved the licensee’s failure to complete decommissioning by disposing of its remaining portable gauge as soon as practicable but not later than 24 months following the initiation of decommissioning, as required by 10 CFR 30.36(h).

VHS Harper-Hutzel Hospital, Inc. (EA-22-135)
Detroit, MI

On August 17, 2023, the NRC issued an NOV and proposed imposition of a CP in the amount of \$8,750 to VHS Harper-Hutzel Hospital, Inc. (licensee), for an SL III violation. The SL III violation involved the licensee’s failure to develop, implement, and maintain written procedures to provide high confidence that each administration of yttrium-90 microspheres was in accordance with the written directive, as required by 10 CFR 35.41(a)(2). The NOV also included one SL IV violation.

G2 Consulting Group, LLC (EA-23-011)
Troy, MI

On May 25, 2023, the NRC issued an NOV and proposed imposition of a CP in the amount of \$8,750 to G2 Consulting Group, LLC (licensee), for an SL III violation. The SL III violation involved the failure to maintain control and constant surveillance of licensed material that was not in storage, as required by 10 CFR 20.1802, “Control of material not in storage.” The NOV also included one SL IV violation.

¹ The public appendices do not include cases involving security-related issues.

Hawaii Agriculture Research Center
Kunia, HI

(EA-22-053)

On January 11, 2023, the NRC issued an NOV and proposed imposition of a CP in the amount of \$16,000 to Hawaii Agriculture Research Center (licensee), for an SL III problem and an SL III violation. The SL III problem consisted of three violations involving the licensee's (1) failure to perform an inventory of the radioactive material possessed under its license, as required by License Condition 15, (2) possession of material not authorized under its license, contrary to 10 CFR 30.3(a) and License Condition 6.D, and (3) improper storage of unsealed radioactive material and radioactively contaminated waste items, contrary to License Condition 15. The SL III violation involved the licensee's failure to develop and implement a radiation protection program commensurate with the scope and extent of NRC licensed activities, as required by 10 CFR 20.1101(a) and License Condition 9. The NOV also included three SL IV violations that were not assessed a CP.

Century Geophysical, LLC
Tulsa, OK

(EA-23-064)

On December 21, 2023, the NRC issued an NOV and proposed imposition of a CP in the amount of \$17,500 to Century Geophysical, LLC (licensee), for an SL III problem and an SL III violation. The SL III problem involved the licensee's failure to (1) properly train two individuals before allowing them to act as well logging supervisors, contrary to the requirements in 10 CFR 39.61(a) and License Condition 21.A of its NRC materials license, and (2) conduct job performance audits for two well logging supervisors at intervals not to exceed 1 year, as required by License Condition 21.A of its NRC materials license. The SL III violation involved the licensee's failure to conduct proper radiation surveys before transporting radioactive materials, as required by 10 CFR 39.67(b). The NOV included an additional SL III violation with no associated CP for the licensee's failure to secure materials from unauthorized removal or access, as required by 10 CFR 20.1801, "Security of stored material." In addition, the NOV included three SL IV violations.

Civil Penalties Issued to Fuel Cycle Facilities

BWXT Nuclear Operations Group, Inc.
Lynchburg, VA

(EA-23-040)

On August 22, 2023, the NRC issued an NOV and proposed imposition of a CP in the amount of \$87,500 to BWXT Nuclear Operations Group, Inc. (licensee), for an SL III problem. The SL III problem involved the licensee's failure to adequately establish and maintain items relied on for safety (IROFS) to reduce the likelihood of occurrence of a high-consequence event accident sequence. In this event, the licensee failed to ensure an air gap control was available and reliable to prevent a high-consequence accident, and it also failed to ensure an overflow line control was available and reliable to prevent a high-consequence accident, as required by 10 CFR 70.61, "Performance requirements."

Louisiana Energy Services
Eunice, NM

(EA-22-086)

On March 30, 2023, the NRC issued an NOV and proposed imposition of a CP in the amount of \$70,000 to Louisiana Energy Services (licensee), for an SL II problem. The SL II problem involved the licensee's failure to (1) implement the appropriate IROFS controls as required by 10 CFR 70.61(b) for a credible high-consequence accident sequence included in the integrated safety analysis, and (2) maintain independence between two IROFS during a barrier breach resulting in a degraded IROFS, as required by 10 CFR 70.61(b).

Appendix B—Summary of Escalated Notices of Violation without Civil Penalties

Notices of Violation Issued to Operating Reactor Licensees

Dominion Energy (EA-23-093)
Virgil C. Summer Nuclear Station

On December 21, 2023, the U.S. Nuclear Regulatory Commission (NRC) issued a notice of violation (NOV) associated with a white significance determination process finding to Dominion Energy (licensee), at Virgil C. Summer Nuclear Station. The white finding, an issue of low-to-moderate safety significance, involved the licensee's failure to identify and correct the failure mechanism, resulting in cracked piping/fittings in the emergency diesel generator fuel oil lines, a condition adverse to quality and a violation of Title 10 of the *Code of Federal Regulations* (10 CFR) Part 50, "Domestic Licensing of Production and Utilization Facilities," Appendix B, "Quality Assurance Criteria for Nuclear Power Plants and Fuel Reprocessing Plants," Criterion XVI, "Corrective Action."

Energy Northwest (EA-23-054)
Columbia Generating Station

On November 1, 2023, the NRC issued an NOV associated with a white significance determination process finding to Energy Northwest (licensee), at Columbia Generating Station. The white finding, an issue of low-to-moderate safety significance, involved the licensee's failure to take suitable and timely measurements to adequately assess the internal dose of two pipefitters after a reactor water cleanup contamination event. This failure resulted in a violation of 10 CFR 20.1204, "Determination of internal exposure."

Constellation Energy Generation, LLC (EA-23-097)
Calvert Cliffs Nuclear Power Plant

On October 26, 2023, the NRC issued an NOV associated with a white significance determination process finding to Constellation Energy Generation, LLC (licensee), at Calvert Cliffs Nuclear Power Plant. The white finding, an issue of low-to-moderate safety significance, involved the licensee's failure to establish and implement appropriate procedures and instructions for performing maintenance on the safety-related 1A emergency diesel generator, as required by Technical Specification 5.4.1.a and Regulatory Guide 1.33, "Quality Assurance Program Requirements."

Southern Nuclear Operating Company, Inc. (EA-23-080)
Joseph M. Farley Nuclear Plant

On October 19, 2023, the NRC issued an NOV associated with a white significance determination process finding to Southern Nuclear Operating Company, Inc. (licensee), at Joseph M. Farley Nuclear Plant, Unit 1. The white finding, an issue of low-to-moderate safety significance, involved the licensee's failure to identify and correct a condition adverse to quality associated with the inadequate installation of a lube oil coupling assembly that resulted in the inoperability of the Unit 1 "B" train (1B) emergency diesel generator. This failure resulted in a violation of 10 CFR Part 50, Appendix B, Criterion XVI.

Entergy Operations, Inc.
River Bend Station

(EA-23-071)

On August 15, 2023, the NRC issued an NOV associated with a white significance determination process finding to Entergy Operations, Inc. (licensee), at River Bend Station. The white finding, an issue of low-to-moderate safety significance, involved the failure to properly calibrate radiation monitors and the associated impacts on emergency action level classification and dose assessment to meet the requirements in 10 CFR Part 50, Appendix E, "Emergency Planning and Preparedness for Production and Utilization Facilities," and the planning standards of 10 CFR 50.47(b), as required by 10 CFR 50.54(q)(2).

Entergy Operations, Inc.
River Bend Station

(EA-23-055)

On July 20, 2023, the NRC issued an NOV associated with a white significance determination process finding to Entergy Operations, Inc. (licensee), at River Bend Station. The white finding, an issue of low-to-moderate safety significance, involved the licensee's failure to adequately inspect the high-pressure core spray transformer wiring in accordance with site maintenance procedures, as required by Technical Specification 5.4.1.a and Regulatory Guide 1.33.

Energy Northwest
Columbia Generating Station

(EA-21-170)

On June 1, 2023, the NRC issued an NOV to Energy Northwest, Inc. (licensee), for three violations grouped as a problem associated with a white significance determination process finding at Columbia Generating Station (Columbia). The white finding, an issue of low-to-moderate safety significance, involved the licensee's failure to (1) control work activities in a high-radiation area with dose rates greater than 1.0 rem/hour at 30 centimeters, (2) develop surveys of areas that were reasonable under the circumstances to evaluate the magnitude and extent of radiation levels, and (3) use processes or other engineering controls to limit the concentration of radiation material in the air surrounding a work area. These failures are in violation of 10 CFR 20.1701, "Use of process or other engineering controls"; Columbia technical specifications; and 10 CFR 20.1501(a)(2), respectively, which resulted in an airborne radioactivity event and multiple confirmed uptakes of radioactive materials to workers.

Tennessee Valley Authority
Browns Ferry Nuclear Plant, Unit 1

(EA-22-122)

On May 8, 2023, the NRC issued an NOV associated with a white significance determination process finding to the Tennessee Valley Authority (licensee), at Browns Ferry Nuclear Plant, Unit 1. The white finding, an issue of low-to-moderate safety significance, involved the licensee's failure to promptly identify and correct a condition adverse to quality, as required by 10 CFR Part 50, Appendix B, Criterion XVI.

Entergy Operations, Inc.
Waterford Steam Electric Station, Unit 3

(EA-22-119)

On February 1, 2023, the NRC issued an NOV associated with a white significance determination process finding to Entergy Operations, Inc. (licensee), at Waterford Steam Electric Station, Unit 3. The white finding, an issue of low-to-moderate safety significance, involved licensee errors associated with the engineering conversion factors used with the plant stack wide range gas monitor (WRGM), which made the results of radiological dose projection modeling inaccurate in cases using the plant stack WRGM. Accordingly, the licensee failed to maintain the effectiveness of an emergency plan that met the requirements in 10 CFR Part 50, Appendix E, and the planning standards of 10 CFR 50.47(b), as required by 10 CFR 50.54(q)(2).

Southern Nuclear Operating Company, Inc.
Vogtle Electric Generating Plant

(EA-22-108)

On September 5, 2023, the NRC issued an NOV to Southern Nuclear Operating Company, Inc. (licensee), for a Severity Level (SL) III violation at Vogtle Electric Generating Plant, Units 1 and 2. The SL III violation involved the licensee's failure to follow a radiological work permit as required by the licensee's technical specifications.

Notices of Violation Issued to Research and Test Reactors

University of Texas at Austin
Austin, TX

(EA-22-134)

On May 10, 2023, the NRC issued an NOV to the University of Texas at Austin (licensee), for an SL III violation. The SL III violation involved the licensee's operation of the research reactor with fuel elements that did not comply with technical specifications. Specifically, the reactor was operated with two nonconforming aluminum clad fuel elements installed in the reactor core.

Notices of Violation Issued to Fuel Cycle Facilities Licensees

None

Notices of Violation Issued to Materials Licensees

United Hospital Center
Bridgeport, WV

(EA-23-062)

On November 21, 2023, the NRC issued an NOV to United Hospital Center (licensee), for an SL III violation. The SL III violation involved the licensee's failure to implement written procedures for responding to an abnormal situation, as required by 10 CFR 35.610(a) when an operator was not able to place a high dose rate remote afterloader in its shielded position at the end of the treatment. The NOV also included two SL IV violations.

Enforcement Program Annual Report

Saint Alphonsus Health System
Boise, ID

(EA-23-012)

On July 19, 2023, the NRC issued an NOV to Saint Alphonsus Health System (licensee), for an SL III violation. The SL III violation involved the licensee's failure to ensure that written directives for permanent implant brachytherapy contained the information required by 10 CFR 35.40(b)(6).

Sofie Co.
Dulles, VA

(EA-23-063)

On November 9, 2023, the NRC issued an NOV to Sofie Co. (licensee), for an SL III violation. The SL III violation involved the licensee's failure to ensure that the occupational extremity exposure for an employee remained within the NRC's annual limits, as required by 10 CFR 20.1201(a)(2)(ii). In addition, the NOV included two SL IV violations involving the licensee's failure to ensure that extremity monitoring badges were worn, as required by License Condition 19. A, and failure to conduct operations so that the dose in any unrestricted area from external sources did not exceed NRC limits, as required by 10 CFR 20.1301(a)(2).

JENDCO Corporation
Pittsburgh, PA

(EA-23-041)

On July 13, 2023, the NRC issued an NOV to JENDCO Corporation (licensee), for an SL III violation. The SL III violation involved the licensee's failure to file NRC Form 241, "Report of Proposed Activities in Non-Agreement States," at least 3 days before engaging in licensed activities under the NRC's jurisdiction or to receive a specific license from the NRC before performing work under the NRC's jurisdiction, as required by 10 CFR 30.3, "Activities requiring license," and 10 CFR 150.20, "Recognition of Agreement State licenses."

St. James Healthcare
Butte, MT

(EA-22-138)

On June 9, 2023, the NRC issued an NOV to St. James Healthcare (licensee), for an SL III violation. The SL III violation involved the licensee's failure to prepare written directives that were dated and signed by an authorized user, as required by 10 CFR 35.40(a).

Thermo Fisher Scientific
Oakwood Village, OH

(EA-22-031)

On May 19, 2023, the NRC issued an NOV to Thermo Fisher Scientific (licensee), for three SL III violations. The SL III violations involved (1) two exports of special nuclear material that were not authorized under a specific license, as required by 10 CFR 110.9, "List on Nuclear Material under NRC export licensing authority," and 10 CFR 110.21(a), (2) failing to report a nuclear material transaction report to the Nuclear Materials Management and Safeguards System (NMMSS) for shipment of special nuclear material, as required by 10 CFR 150.16(a)(1), and (3) failing to annually submit material status reports and reconciling data with the NMMSS, as required by 10 CFR 150.17(a).

Alecto Healthcare Services Wheeling LLC
Glendale, CA

(EA-22-057)

On May 11, 2023, the NRC issued an NOV to Alecto Healthcare Services Wheeling LLC (licensee), for an SL III problem associated with three related violations. The violations involved the licensee's (1) failure to complete decommissioning, as required by 10 CFR 30.36(h)(1), (2) failure to control licensed material that was in an unrestricted area and not in storage, as required by 10 CFR 20.1802, "Control of material not in storage," and (3) possession of material not authorized on its NRC license, as required by 10 CFR 30.3.

Soil and Materials Engineers, Inc.
Plymouth, MI

(EA-22-118)

On April 6, 2023, the NRC issued an NOV to Soil and Materials Engineers, Inc. (licensee), for an SL III violation for which there were two examples. The SL III examples involved the licensee's failure to maintain control or constant surveillance of licensed material that is not in storage, as required by 10 CFR 20.1802, and failure to use a minimum of two independent physical controls that form tangible barriers to secure portable gauges from unauthorized removal, whenever portable gauges are not under the control and constant surveillance of the licensee, as required by 10 CFR 30.34(i).

Community Health Network, Inc.
Indianapolis, IN

(EA-22-091)

On April 3, 2023, the NRC issued an NOV to Community Health Network, Inc. (licensee), for an SL III violation. The SL III violation involved the licensee's failure to implement written procedures to provide high confidence that each administration of yttrium-90 is in accordance with the written directive, as required by 10 CFR 35.41(a)(2).

Mercy Hospital Joplin
Joplin, MO

(EA-22-126)

On April 5, 2023, the NRC issued an NOV to Mercy Hospital Joplin (licensee), for an SL III violation. The SL III violation involved the licensee's failure to have an authorized user date and sign a written directive before an administration of iodine-131, sodium iodide, as required by 10 CFR 35.40(a).

Radiation Safety Services
Maryville, TN

(EA-22-005)

On March 31, 2023, the NRC issued an NOV to Radiation Safety Services (licensee), for an SL III violation. The SL III violation is related to an NRC investigation conducted to determine whether employees of Radiation Safety Services, LLC, while working under reciprocity under the NRC's jurisdiction, willfully transferred byproduct material to an NRC licensee without verifying that it was authorized to receive and possess the material. The violation involved the licensee's transfer of byproduct material to a company that was not specifically licensed by the NRC to receive the material, as required by 10 CFR 150.20(b)(3).

Southern Earth Sciences, Inc.
Mobile, AL

(EA-22-128)

On March 22, 2023, the NRC issued an NOV to Southern Earth Sciences, Inc. (licensee), for an SL III problem for two related violations. The SL III violations involved the licensee's failure to file NRC Form 241 at least 3 days before engaging in licensed activities under the NRC's jurisdiction, as required by 10 CFR 150.20(b) and 150.20(b)(2).

Clare County Road Commission
Harrison, MI

(EA-22-110)

On March 14, 2023, the NRC issued an NOV to Clare County Road Commission (licensee), for an SL III violation. The SL III violation involved the licensee's failure to use a minimum of two independent physical controls that form tangible barriers to secure from unauthorized removal or limit access to a portable moisture density gauge that was stored in an unrestricted area and not under the control and constant surveillance of the licensee, as required by 10 CFR 20.1801 "Security of stored material," and 10 CFR 30.34(i). In addition, the NOV included one SL IV violation involving the licensee's failure to ensure that a hazmat employee received the training, required by 49 CFR 172.704, "Training requirements," at least once every 3 years.

University of Hawaii
Honolulu, HI

(EA-22-066)

On March 9, 2023, the NRC issued an NOV to the University of Hawaii (licensee), for an SL III problem. The SL III problem consisted of two violations. The first violation involved the licensee's failure to establish appropriate administrative procedures to assure (1) control of procurement and use of byproduct material, as required by 10 CFR 33.13(c)(3)(i), (2) completion of safety evaluations of proposed uses of byproduct material, which take into consideration such matters as the adequacy of facilities and equipment, training and experience of the user, and the operating or handling procedures, as required by 10 CFR 33.13(c)(3)(ii), and (3) review, approval, and recording by the Radiation Safety Committee of safety evaluations of proposed uses prepared before the use of the byproduct material, as required by 10 CFR 33.13(c)(3)(iii). The second violation involved the licensee's failure to confine its use of byproduct material to the purposes authorized in the license, as required by 10 CFR 30.34(c). In addition, the NOV included five SL IV violations.

Barnes-Jewish St. Peters Hospital
St. Peters, MO

(EA-22-111)

On February 22, 2023, the NRC issued an NOV to Barnes-Jewish St. Peters Hospital (licensee), for an SL III violation. The SL III violation involved the licensee's failure to document the route of administration on written directives for approximately 14 administrations of radium-223 dichloride, as required by 10 CFR 35.40(b)(2).

Enforcement Program Annual Report

Almonte Geo Service Group
Toa Alta, PR

(EA-21-006)

On February 1, 2023, the NRC issued an NOV to Almonte Geo Service Group (licensee), for an SL III violation. The SL III violation involved the licensee's failure to meet its obligation to pay all debts due to the NRC and dispose of or transfer its licensed material according to the terms of the order that revoked the licensee's NRC License No. 52-31453-01, issued by the NRC on September 1, 2015.

A & M Engineering and Environmental Services, Inc.
Tulsa, OK

(EA-22-092)

On January 31, 2023, the NRC issued an NOV to A & M Engineering and Environmental Services, Inc. (licensee), for an SL III violation. The SL III violation involved the licensee's failure to file NRC Form 241 at least 3 days before engaging in licensed activities under the NRC's jurisdiction, as required by 10 CFR 150.20.

Hampton, Lenzini and Renwick, Inc.
Mt. Carmel, IL

(EA-22-090)

On January 12, 2023, the NRC issued an NOV to Hampton, Lenzini and Renwick, Inc. (licensee), for an SL III violation. The SL III violation involved the licensee's failure to file NRC Form 241 at least 3 days before engaging in licensed activities under the NRC's jurisdiction, as required by 10 CFR 150.20.

Department of the Air Force
Las Vegas, NV

(EA-23-051)

On July 17, 2023, the NRC issued an NOV to the Department of the Air Force Test Center at Las Vegas, Nevada (licensee), for an SL III violation. The SL III violation occurred when the licensee transferred and disposed of generally licensed devices containing byproduct material and products containing radium-226 to persons not authorized, in accordance with 10 CFR 31.5(c)(8)(i) and 10 CFR 31.12(c)(4), to receive the radioactive materials.

U.S. Environmental Protection Agency
Las Vegas, NV

(EA-22-114)

On April 14, 2023, the NRC issued an NOV to the U.S. Environmental Protection Agency (licensee), for two violations. The first violation, a SL III violation, involved the licensee's failure to control and maintain constant surveillance of licensed materials that were not in storage, as required by 10 CFR 20.1802. The second violation, an SL IV violation, involved the licensee's failure to correctly perform physical inventories of licensed materials, as required by License Condition 18 of NRC Materials License No. 27-05861-02.

Prime NDT Services, Inc.
Strasburg, OH

(EA-23-089)

On November 15, 2023, the NRC issued an NOV to Prime NDT Services, Inc. (licensee), for an SL III violation. The SL III violation occurred when the licensee did not complete and submit a National Source Tracking Transaction Report for three sources received under its NRC Radioactive Materials License from its State of Ohio Radioactive Materials License, as required by 10 CFR 20.2207(c). In addition, the NOV included one SL IV violation.

Air Products and Controls, Inc. d/b/a Apollo America
Auburn Hills, MI

(EA-23-112)

On November 28, 2023, the NRC issued an NOV to Air Products and Controls, Inc. d/b/a Apollo America (licensee), for an SL III violation. The SL III violation involved the licensee's failure to transfer smoke detectors containing licensed material to an authorized recipient for disposal, as required by 10 CFR 20.2001(a)(1).

IRISNDT, Inc.
Hammond, IN

(EA-23-101)

On November 28, 2023, the NRC issued an NOV to IRISNDT, Inc. (licensee), for an SL III violation. The SL III violation involved the licensee's failure to control access into a high-radiation area by any of the methods described in 10 CFR 20.1601(a) or (b).

Appendix C—Summary of Orders

Orders Issued to Operating Reactor Licensees

None

Orders Issued to Decommissioning Reactor Licensees

None

Orders Issued to Individuals

Mr. Magnus Quitmeyer (IA-23-013)

On November 30, 2023, the U. S. Nuclear Regulatory Commission (NRC) issued a prohibition order prohibiting involvement in NRC-licensed activities for 5 years to Mr. Magnus Quitmeyer, a former licensed operator employed by Arizona Public Services Company at Palo Verde Nuclear Generating Station (Palo Verde). Mr. Quitmeyer, on two separate occasions, first on August 7, 2020, and second on September 14, 2022, tested positive for an illegal substance (marijuana metabolite) while performing duties as a reactor operator at Palo Verde, causing himself to be in violation of Title 10 of the *Code of Federal Regulations* (10 CFR) 55.53(j). For his first positive test, the NRC issued Mr. Quitmeyer a notice of violation (NOV) for his deliberate action to violate 10 CFR 55.53(j). Because of his second deliberate action, the NRC issued Mr. Quitmeyer an order prohibiting his involvement in NRC-licensed activities for a period of 5 years.

Orders Issued to Material Licensees

License Revocation Orders

APINDE Inc. (EA-20-123)
Huntington, WV

On May 11, 2023, the NRC issued an order to APINDE, Inc. (licensee), revoking its NRC license. The order is based upon evidence the NRC gathered from the Office of Investigations, through which the NRC concluded that APINDE provided inaccurate information to the NRC in the initial APINDE license application about the recent radiography experience for the individual proposed to be the radiation safety officer (RSO), as well as an inaccurate training certificate for required RSO training. Additionally, in a subsequent license amendment request, the licensee asked the NRC for approval to name a new RSO on the license but submitted an inaccurate training certificate for this individual as well.

Confirmatory Orders

ProTechnics Division of Core Laboratories LP (EA-23-039)
Houston, TX

On November 28, 2023, the NRC issued a confirmatory order (CO) to ProTechnics Division of Core Laboratories, LP (licensee), memorializing commitments reached as part of an alternative dispute resolution (ADR) mediation session held on October 11, 2023, between the licensee and the NRC. The ADR mediation and subsequent CO were based on the results of an inspection during which

six apparent violations were identified and were being considered for escalated enforcement action in accordance with the NRC Enforcement Policy. In consideration of the corrective actions taken by the licensee and the commitments outlined in the CO, the NRC is satisfied that its concerns will be adequately addressed based on the legally binding commitments that the licensee will implement, consistent with CO requirements.

Orders Issued to Fuel Cycle Facilities

Confirmatory Orders

American Centrifuge Operating, LLC.
Oak Ridge, TN

(EA-23-018)

On September 21, 2023, the NRC issued a CO to American Centrifuge Operating, LLC (licensee), confirming commitments reached as part of an ADR mediation settlement agreement between the licensee and the NRC. The ADR mediation and subsequent CO were based on the results of an inspection at the licensee's facility in which the NRC identified apparent violations. In consideration of the licensee commitments outlined in the CO, the NRC agreed to not pursue any further enforcement action based on the apparent violations, and the CO will not count as escalated enforcement in the civil penalty assessment process for future enforcement cases involving the licensee. Details regarding the apparent violations and corrective actions contain security-related information and are therefore documented in a nonpublic version of the CO.

Appendix D—Summary of Escalated Enforcement Actions against Individuals

Orders

Mr. Magnus Quitmeyer

(IA-23-013)

On November 30, 2023, the U. S. Nuclear Regulatory Commission (NRC) issued a prohibition order prohibiting involvement in NRC-licensed activities for 5 years to Mr. Magnus Quitmeyer, a former licensed operator employed by Arizona Public Services Company at Palo Verde Nuclear Generating Station (Palo Verde). Mr. Quitmeyer, on two separate occasions, first on August 7, 2020, and second on September 14, 2022, tested positive for an illegal substance (marijuana metabolite) while performing duties as a reactor operator at Palo Verde, causing himself to be in violation of Title 10 of the *Code of Federal Regulations* (10 CFR) 55.53(j). For his first positive test, the NRC issued Mr. Quitmeyer a notice of violation (NOV) for his deliberate action to violate 10 CFR 55.53(j). Because of his second deliberate action, the NRC issued Mr. Quitmeyer an order prohibiting his involvement in NRC-licensed activities for a period of 5 years.

Notices of Violation

Mr. Eric B. Tulson

(IA-22-031)

On April 11, 2023, the NRC issued an NOV to Mr. Eric B. Tulson for a Severity Level (SL) III violation. Mr. Tulson, a licensed reactor operator assigned to Donald C. Cook Nuclear Power Station, violated the terms and conditions of his license when he performed activities authorized by his license while under the influence of alcohol that could adversely affect his ability to perform licensed duties safely and competently, as required by 10 CFR 55.53(j).

Mr. Berley L. Rister III

(IA-22-034)

On March 13, 2023, the NRC issued an NOV to Mr. Berley Rister III for an SL III violation. Mr. Rister, a licensed reactor operator assigned to Surry Power Station, violated the terms and conditions of his license when he performed activities authorized by his license while under the influence of alcohol that could adversely affect his ability to perform licensed duties safely and competently, as required by 10 CFR 55.53(j).

Mr. Trewick Hughes

(IA-22-038)

On September 5, 2023, the NRC issued an NOV to Mr. Trewick Hughes for an SL III violation. Mr. Hughes, a contractor for Day and Zimmerman (D&Z), working at Southern Nuclear Operating Company's Vogtle Electric Generating Plant, Unit 1, engaged in deliberate misconduct, a violation of 10 CFR 50.5, "Deliberate misconduct." Mr. Hughes deliberately entered the containment building under an improper radiation work permit (RWP), knowing that the RWP did not allow entry into containment. Additionally, he successfully encouraged two D&Z workers to also enter the containment building under the same improper RWP.

**Appendix E—Summary of Escalated Enforcement Actions against
Nonlicensees (Vendors and Contractors)**

Notices of Violation Issued to Nonlicensees

None.