

**National Association of Employee Concerns Professionals**  
**Austin, Texas**  
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It is a pleasure to be speaking before you today. The work you do is important. Your efforts ensure that regulators and their licensees – in any number of industries -- have effective avenues to raise concerns and voice opinions without fear of retaliation.

The NRC really has two responsibilities when it comes to safety culture and safety conscious work environments – the environment within our own buildings and the environments of those we regulate.

We know the consequences of not having effective avenues to bring issues to light. History has shown us time and again the importance of those who raise their hand and speak up. After analyzing significant nuclear events related to our licensees over the past 25 years, the NRC has seen proof that a less-than-robust safety culture is often a contributing or root cause factor. There is a clearly established link between the safety culture of licensees and their safety performance. When a healthy, robust safety culture is present, event occurrence decreases.

This is not news. The NRC first issued a Policy Statement on the Conduct of Nuclear Power Plant Operations in 1989, which spoke to safety culture, after an incident at the Peach Bottom plant in Pennsylvania. You may recall that the term “safety culture” really emerged in the global safety lexicon after the Chernobyl accident. And numerous concepts that have been around for decades and that we have come to accept as common place such as our requirements on quality assurance are in many ways grounded in the notion of “safety culture.” Other concepts such as Safety Conscious Work Environment or Whistleblower protections embodied in the Energy Reorganization Act of 1974 are also fundamentally associated with promoting and maintaining a positive safety culture.

In 2008, at Commission direction, the NRC staff began an effort to develop a safety culture policy that would also address security, and would ensure applicability to all licensees and certificate holders.

The NRC worked with stakeholders, including Agreement States, to develop a definition of nuclear safety culture and a list of traits that describe a positive safety culture. As many of you are aware, the Final Safety Culture Policy Statement was approved by the Commission on March 7, 2011, and became effective upon publication in the *Federal Register*. It applies to all subject to NRC authority.

The policy statement emphasizes:

- Leadership
- Problem identification and resolution
- Personal accountability
- Work processes
- Continuous learning
- An environment safe for raising concerns
- Effective communications
- A respectful work environment and
- A questioning attitude

When these positive traits are not in evidence and employees don't feel free to raise their concerns, well, that raises the NRC's concern.

A licensee's "chilled" work environment – meaning the perception that raising safety concerns is being suppressed or discouraged – is a serious matter for the NRC.

Recognizing that licensees have the primary responsibility for safety and are in the best position to respond promptly to a safety matter, the NRC encourages workers to first raise safety concerns with their management – to avail themselves of their own employee concerns resources. For this to happen, workers must feel free to raise potential safety issues.

But the NRC recognizes that if workers are subject to harassment, intimidation, retaliation, discrimination or other discouraging behaviors for reporting safety concerns, a "chilled" work environment may inhibit workers from reporting additional safety concerns. If this happens, a valuable source of information for maintaining and improving safety is lost.

In its simplest sense, if a worker at a facility that the NRC regulates (or who works in connection with one or more licensees) chooses to submit an allegation to the NRC rather than with their employer it may be an indication that the work environment is "chilled." For this reason, we pay attention to the trends in allegations for insights into the work environment of our licensees.

For example, in 2010, the NRC became concerned that continuing performance problems were not being effectively addressed at the San Onofre Nuclear Generating Station. Over a period of time, the NRC continued to find problems with human performance and issues regarding the ability of workers to identify and resolve plant problems.

Early corrective actions taken to address the issues were ineffective and allegations at San Onofre were at 10 times the national median. In addition, trends in allegations claiming discrimination and retaliation had increased significantly over previous years. As a result, the NRC issued a "chilling effect" letter requesting specific actions be taken to ensure San Onofre was a workplace that fosters an environment where employees felt free, and were encouraged, to raise safety concerns.

Over the next year and a half, the NRC conducted additional inspections to verify that weaknesses in human performance, problem identification & resolution, and safety conscious work environment were being addressed.

Based on the results of these inspections, combined with a significant reduction in the number of allegations received in 2011 compared to 2010, and results of interviews and safety culture surveys and assessments, the NRC concluded that a chilled work environment no longer existed at SONGS and closed out the "chilling effect" letter in late 2011.

That's one example of how the NRC engages when safety culture issues arise. But safety culture is not just for the regulated. We as regulators are responsible for ensuring that our own organization reflects a health culture as we carry out our mission.

The NRC's own safety culture is also a vital element in how we do business. At the NRC safety culture is not viewed as something separate from who we are. It is who we are. And because of that, we must create an environment where everyone – technical and non-technical staff alike – feel their work is important to our safety mission.

To serve as a model to the industry we regulate and to ensure we are doing the best possible job on behalf of the American people, we have a commitment from leadership to encourage all employees to stand up, raise their hand and speak their mind without fear of negative consequences. This is at the core of our values as an organization.

The NRC fosters a questioning attitude and then, beyond that, uses a three-tiered system for managing scientific or professional disputes – our Open Door Policy, the Non-Concurrence Process and the Differing Professional Opinion Program.

These policies provide increasing levels of formality for employees to air differences. These multiple channels for expressing disagreement helps create a positive environment for raising concerns by reducing barriers to expressing differing opinions, and allowing the employee to determine the level of formality they're comfortable with.

We survey employees regularly to get feedback on how our system is working. The feedback is not always good, regrettably, but it does serve to shape our recommitment and spur changes. The staff must believe in the program for it to work. And the program must work for the NRC to meet its important mission.

Challenges to safety culture at the NRC and anywhere – and you will no doubt agree with this list – include Complacency, Communication, and Effective and Engaged Leadership. It means we must not stop caring, must not stop talking and must not stop modeling positive safety culture behavior.

One factor in our favor, though, is simply the quality of NRC employees. They are highly skilled, competent, highly educated experts accustomed to questioning data, past practice, existing policy and challenging everyone from their professors to their supervisors. This attitude serves them well as regulators and creates an atmosphere for the airing of different opinions in a positive and professional arena.

I can think of a number of occasions since I returned to the agency where staff papers discussing policy or technical issues have come to the Commission with one or more non-concurrences. In the majority of cases, I solicited and received briefings from the non-concurring individuals or groups to present their viewpoints. I carefully consider the differing views in formulating my vote on these matters.

I can recall one case in which there were multiple non-concurrences on one staff paper that involved both policy and technical disagreements. In the end, the Commission disapproved the staff's plans for moving forward and directed them to regroup because they appeared to be a long way from consensus on a number of important issues. This was due in part to the thoughtful arguments put forth by the non-concurring individuals and their willingness to engage in the non-concurrence process.

I'm told the theme for your conference today is FOCUS:

- Follow through
- Optimistic attitude
- Customer Service Excellence
- Urgency to execute
- Success as a unified team

In reflecting on the FOCUS theme, I believe it is largely reflected in the NRC's organizational values: integrity, service, openness, commitment cooperation, excellence, and respect.

Our processes and procedures ensure we follow through with all concerns and differing views in a timely and professional manner that supports our commitment to our staff and our mission.

We ensure those who raise their hand have their concerns thoroughly addressed and resolution is coordinated with all relevant program offices to ensure team success. So in that way, I'm confident that we and you are aligned.

I do think it important to note that in the end, after listening to all sides, evaluating the data and weighing the input of staff who may have a differing opinion, a regulator must ultimately make a decision. And it may be a decision that does not make everyone happy. That is the burden of every regulatory body. We are responsible, when all is said and done, for making a clear decision that we determine is the best – not necessarily the one that is the most popular.

Before I close today, I'd like to salute those staff at the NRC who work tirelessly on behalf of the agency's safety culture. They are dedicated and professional, and we are lucky to have them working on our behalf.

We live in a time of conflict – inside our organizations and outside, in our everyday lives. I applaud those of you who come to work every day determined to work through the conflict, address concerns, really listen and in the process preserve faith in the system and faith in the safety of the facilities and operations we oversee.

To quote Robert Kennedy: "Each time a man stands up for an ideal, or acts to improve the lot of others, or strikes out against injustice, he sends forth a tiny ripple of hope, and crossing each other from a million different centers of energy and daring those ripples build a current which can sweep down the mightiest walls of oppression and resistance."

Or, as in our case, sweep down any hint of retribution to ensure a vibrant, functioning safety culture that is important to us all.

Thank you again for asking me to speak to you today. I understand I'll now take some questions.