



U.S.NRC

UNITED STATES NUCLEAR REGULATORY COMMISSION

Protecting People and the Environment

NRC Enforcement Policy as It Applies to Vendors

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Topics

- NRC Enforcement Policy
- NRC Enforcement Manual
- Notice of Violation
- Non-cited Violation
- Nonconformance

What is the Enforcement Policy?

- The **general principles** governing the NRC's enforcement program and the **Commission's expectations** regarding the process to be used by the NRC to assess and disposition violations of NRC requirements.

Enforcement Policy

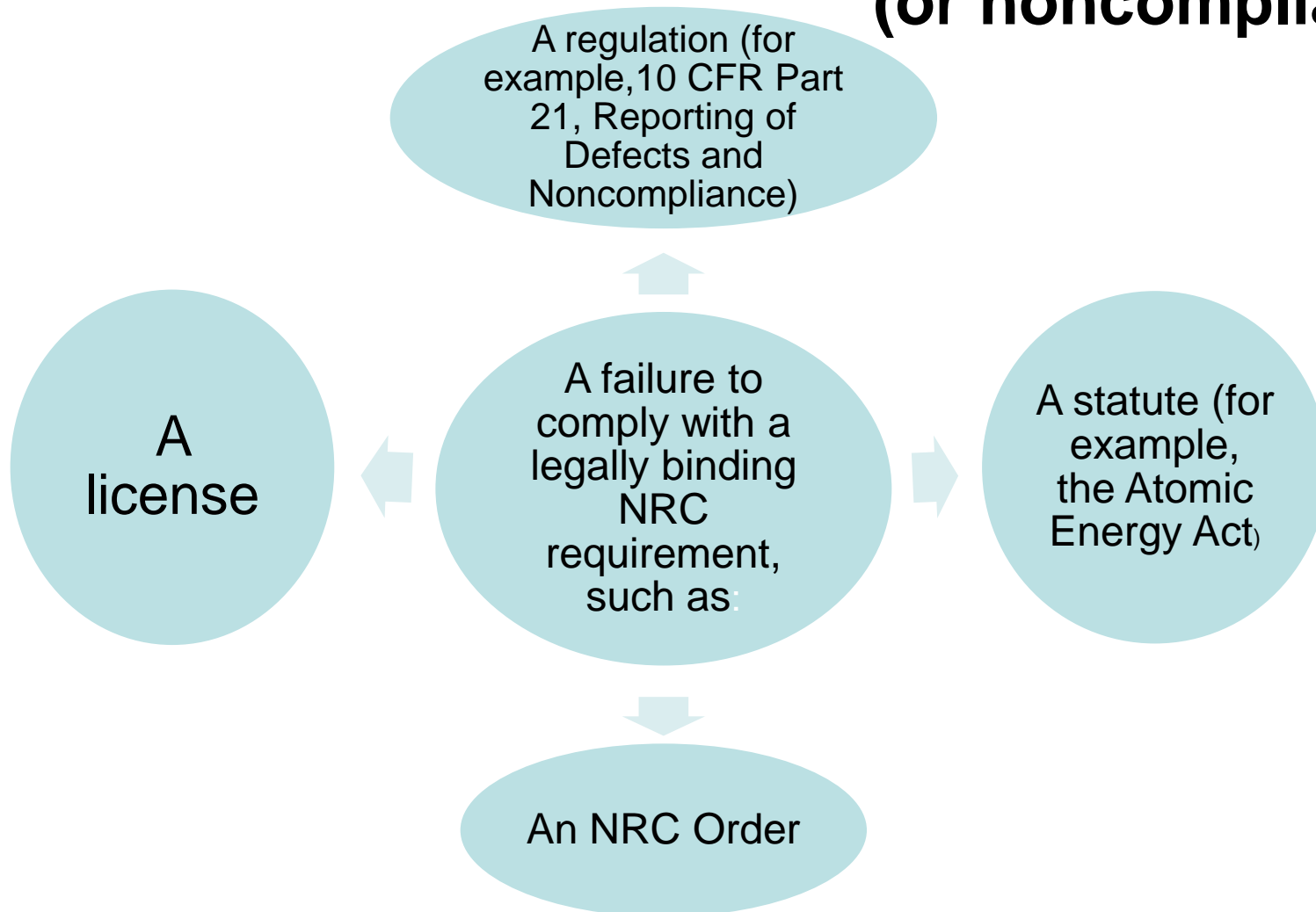
Applicability

- Applies to all NRC licensees and applicants, to various categories of nonlicensees, and to individual employees of licensed and nonlicensed entities involved in NRC-regulated activities, including:
 - **Vendors** supplying safety-related components to NRC licensees, and
 - **Contractors** and **subcontractors** to NRC licensees

What is the NRC Enforcement Manual?

- Specific processes and guidance for **implementing** the Enforcement Policy.

What is a Violation? (or noncompliance)



Applicable Requirements for Vendors

- 10 CFR Part 21
- 10 CFR Part 26 (if appropriate)
- 10 CFR Part 73 (if appropriate)
- 10 CFR 50.5
- 10 CFR 50.7
- 10 CFR Part 50 Appendix B (by contract w/applicant)

How are Noncompliances Dispositioned?

Minor violation,

Non-Cited Violation (NCV)

Non-escalated enforcement action i.e., a Severity Level (SL) IV violation or a nonconformance), or

Escalated enforcement action (i.e., a SL I, II, or III violation).

Minor Violation

- A violation that is less significant than a Severity Level IV violation.
- Do not warrant enforcement action and are not normally documented in inspection reports
- Must be corrected.

Minor Violation-continued

- Include vendor-identified issues such as:
 1. **Isolated failures** to implement a requirement that do not result in significant safety or regulatory consequences;
 2. **Record keeping issues** that do not preclude the applicant or vendor from taking appropriate action on safety-related issues;
 3. **Insignificant** dimensional, time, calculation, or drawing discrepancies or procedural errors; and
 4. Typographical or clerical errors in quality documents that **do not affect** QA program functionality or the validity of QA records.

Notice of Violation (NOV)

- The official notification of a **failure** to meet regulatory requirements.
- Typically issued to vendors, applicants, or licensees with an associated **inspection report**.
- Can be issued to vendors for failures to comply with the requirements of **Part 21**.

NON-CITED VIOLATION (NCV)

- A Severity Level IV violation that is not subject to formal enforcement action if the licensee or **vendor** corrects or commits to correct the violation within a reasonable period of time.



Criteria of a violation to be dispositioned as an NCV:

1. Licensee must place in corrective action program **AND**
2. Licensee must restore compliance or commit to restore compliance within a reasonable period of time after the violation was identified **AND**
3. Violations must **NOT** be repetitive as a result of inadequate corrective action and was not identified by the NRC. This criteria does not apply to violations associated with Green SDP findings **AND**
4. The violation was not willful. Notwithstanding willfulness, an NCV, under certain circumstances may still be appropriate.

What is a Nonconformance?

- Failure of a **licensee's contractor** to meet commitments that have not been made legally binding requirements by the NRC (e.g., a commitment made in a procurement contract with a licensee or applicant as required by 10 CFR Part 50, Appendix B).
- **Nonconformances** can be issued to vendors for noncompliances with the requirements of 10 CFR 50, Appendix B, because the requirements of Appendix B are imposed on vendors contractually through procurement documents.



Notice of Nonconformance (NON)

- A **written notice** to a vendor or certificate holder describing its failure to meet commitments related to NRC activities. These commitments are normally contractually imposed through the procurement documentation and are not directly imposed on the vendor or certificate holder by the NRC.
- An **administrative mechanism** processed as a non-escalated enforcement action.
- Normally sent to the **vendor** or certificate holder as an attachment to an inspection report.



Responses to Enforcement Action

- Corrective actions to bring into compliance and prevent recurrence
- Written response
- Civil Penalty
- Order
- Department of Justice



STEPS IN ENFORCEMENT PROCESS

Determine whether a violation or nonconformance occurred

If a violation, determine the severity level (SL I, II, III, or IV)

Determine what action, if any, is warranted

Significance Determination

- Actual Consequence
- Potential Consequence
- Impact the Regulatory Process
- Willfulness

SUMMARY

- The **Enforcement Policy** establishes Commission **expectations** on implementation of enforcement regarding NRC licensed activities.
- The **Enforcement Manual** provides **specific staff guidance** on implementing the Enforcement Policy.

REFERENCES

- The Enforcement Policy and Enforcement Manual are available on the NRC public webpage.
 - Go to www.nrc.gov, select “Public Meetings and Involvement”, then, “Enforcement”