



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
1600 EAST LAMAR BOULEVARD
ARLINGTON, TEXAS 76011-4511

October 27, 2021

IA-21-049

Ms. Peggy Lucky
[NOTE: HOME ADDRESS DELETED
UNDER 10 CFR 2.390]

SUBJECT: NRC INVESTIGATION REPORT 4-2020-016

Dear Ms. Lucky:

This letter refers to the investigation completed on March 24, 2021, by the U.S. Nuclear Regulatory Commission (NRC) Office of Investigations at the Grand Gulf Nuclear Station. The investigation was conducted to determine if you, a former Corporate Functional Area Manager at Entergy Operations, Inc. (Entergy or licensee) in Jackson, Mississippi, willfully submitted inaccurate information to the licensee when you closed a corrective action in a condition report without proper review and approval. A factual summary of the investigation, as it pertains to your actions, is provided as Enclosure 1.

Based on the information acquired during the investigation, an apparent violation was identified and is being considered for escalated enforcement action in accordance with the NRC Enforcement Policy. The current Enforcement Policy is included on the NRC's website at <http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html>. The apparent violation, as documented in Enclosure 2, pertains to your failure to comply with Title 10 of the *Code of Federal Regulations* (10 CFR) 50.5(a)(2), which prohibits licensee employees from deliberately submitting information to a licensee that the person submitting the information knows to be inaccurate in some respect material to the NRC.

Before the NRC makes its enforcement decision, we are providing you an opportunity to: (1) respond in writing to the apparent violation in Enclosure 2 of this letter within 30 days of the date of this letter; or (2) request a predecisional enforcement conference (PEC); or (3) request alternative dispute resolution (ADR). If a PEC is held, the PEC will be closed to public observation since information related to an Office of Investigations report will be discussed and the report has not been made public. If you decide to participate in a PEC or pursue ADR, please contact Mr. John Kramer at 817-200-1121 within 10 days of the date of this letter. A PEC should be held within 30 days and an ADR session within 45 days of the date of this letter.

If you choose to provide a written response, it should be clearly marked as a "Response to An Apparent Violation, NRC Investigation Report 4-2020-016; IA-21-049" and should include for the apparent violation: (1) the reason for the apparent violation or, if contested, the basis for disputing the apparent violation; (2) the corrective steps that have been taken and the results achieved; and (3) the corrective steps that will be taken. You may also provide any information that you feel might clarify the characterization of the apparent violation. Your response should

be sent to the Director, Division of Reactor Projects, U.S. Nuclear Regulatory Commission, Region IV, 1600 E. Lamar Blvd., Arlington, TX 76011-4511 and emailed to R4Enforcement@nrc.gov. If an adequate response is not received within 30 days of the date of this letter or an extension of time has not been granted by the NRC, the NRC will proceed with its enforcement decision.

If you choose to request a PEC, the conference will afford you the opportunity to provide your perspective on these matters and any other information that you believe the NRC should take into consideration before making an enforcement decision. The decision to hold a PEC does not mean that the NRC has determined that a violation has occurred or that enforcement action will be taken. This conference would be conducted to obtain information to assist the NRC in making an enforcement decision. The topics discussed during the conference may include information to determine whether a violation occurred, information to determine the significance of a violation, information related to the identification of a violation, and information related to any corrective actions taken or planned.

In lieu of a PEC, you may request ADR with the NRC in an attempt to resolve this issue. Alternative dispute resolution is a general term encompassing various techniques for resolving conflicts using a neutral third party. The technique that the NRC has decided to employ is mediation. Mediation is a voluntary, informal process in which a trained neutral mediator works with parties to help them reach resolution. If the parties agree to use ADR, they select a mutually agreeable neutral mediator who has no stake in the outcome and no power to make decisions. Mediation gives parties an opportunity to discuss issues, clear up misunderstandings, be creative, find areas of agreement, and reach a final resolution of the issues.

Additional information concerning the NRC's ADR program can be obtained at <http://www.nrc.gov/about-nrc/regulatory/enforcement/adr.html>, as well as NRC brochure NUREG/BR-0317, "Enforcement Alternative Dispute Resolution Program" Revision 2 (Agencywide Documents Access and Management System (ADAMS) Accession ML18122A101). The Institute on Conflict Resolution at Cornell University has agreed to facilitate the NRC's program as a neutral third party. Please contact the Institute on Conflict Resolution at 877-733-9415 within 10 days of the date of this letter if you are interested in pursuing resolution of this issue through ADR.

Because this letter references and encloses information addressing NRC's review of an apparent enforcement action against an individual, this letter and its enclosures will be maintained by the Office of Enforcement in an NRC Privacy Act System of Records, NRC-3, "Enforcement Actions Against Individuals." This system, which is not publicly accessible, includes all records pertaining to individuals who are being or have been considered for enforcement action, whether such action was taken or not. Detailed information about this system of records, including the NRC-3 system notice, can be accessed from the website at <http://www.nrc.gov/reading-rm/foia/privacy-systems.html>.

In addition, please be advised that the number and characterization of apparent violation described in Enclosure 2 may change as a result of further NRC review. You will be advised by separate correspondence of the results of our deliberations on this matter.

If the NRC concludes that enforcement action should be issued to you, this letter, and your response, if you choose to submit one, will be made available electronically for public inspection in the NRC Public Document Room and from the NRC's ADAMS, accessible from the website at <http://www.nrc.gov/reading-rm/adams.html>. However, you should be aware that all final NRC documents, including the final Office of Investigations report, are official agency records and may be made available to the public under the Freedom of Information Act and subject to redaction of certain information in accordance with the Freedom of Information Act. To the extent possible, any response which you provide should not include any personal privacy or proprietary information so that it can be made available to the public without redaction.

If you have any questions regarding this matter, you may contact Mr. John Kramer, Senior Enforcement Specialist, at 817-200-1121.

Sincerely,

Anton Vogel, Director
Division of Reactor Projects

Enclosures:

1. Factual Summary
2. Apparent Violation

NRC INVESTIGATION REPORT 4-2020-016 – DATED OCTOBER 27, 2021

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ADAMS ACCESSION NUMBER: ML21299A296

SUNSI Review: ADAMS: Non-Publicly Available Non-Sensitive
 By: JGK Yes No Publicly Available Sensitive Keyword: A.7, NRC-002

OFFICE	SES:ACES	TL:ACES	C:DRP/PBC	RC	OE	NRR
NAME	JKramer	JGroom	JKozal	DCylkowski	DJones	RFelts
SIGNATURE	/RA/ E	/RA/ E	/RA/ E	/RA/ E	/RA/ E	/RA/ E
DATE	10/18/21	10/20/21	10/19/21	10/20/21	10/26/21	10/25/21
OFFICE	OGC	D:DRP				
NAME	MSimon	AVegel				
SIGNATURE	/NLO/ E	/AXV/E				
DATE	10/26/21	10/26/21				

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FACTUAL SUMMARY
OFFICE OF INVESTIGATIONS REPORT 4-2020-016

On April 16, 2020, the U.S. Nuclear Regulatory Commission (NRC), Office of Investigations (OI), Region IV, initiated an investigation to determine, in part, whether you, a former Corporate Functional Area Manager at Entergy Operations, Inc. (Entergy or licensee), in Jackson, Mississippi, willfully submitted inaccurate information when you closed a corrective action in a condition report without proper review and approval. The investigation was completed on March 24, 2021.

On January 25, 2019, Condition Report CR-HQN-2019-00182 (CR-00182) was initiated and assigned to you. The purpose of CR-00182 was to evaluate the extent of condition/cause and organizational and programmatic factors associated with errors in the probabilistic risk analysis model at the Grand Gulf Nuclear Station. This review was being performed in Entergy's confidential corrective action program (CCAP) because there were questions about whether inaccurate information was provided.

There were several corrective actions (CAs) associated with CR-00182, including CA6, which required an adverse condition analysis (ACA), and CA7, which involved presenting the results of the ACA to the Performance Improvement Review Group (PRG) and verifying that all PRG comments were incorporated. The due date for CA7 was June 28, 2019. On June 25, 2019, you closed CA7 and added the following statement: "approved – not willful violation – PRG review complete for CCAP with no comments identified." However, the PRG did not meet and did not approve the ACA report.

On June 28, 2019, you provide a Fleet Assessor with the names of specific individuals who you claimed were members of the PRG, but those individuals stated they were not part of any CCAP PRG on or about June 25, 2019. In fact, three persons whom you specifically identified to the Fleet Assessor had never attended a CCAP PRG meeting. Furthermore, Entergy could not find any documentation of a CCAP PRG occurring on June 25, 2019, and a review of your calendar did not show a meeting on that date.

On July 9, 2019, when asked again to identify who was on the PRG, you asserted to both the Fleet Assessor and a Fleet Manager that you had mistakenly closed the wrong CA. You also stated in CR-01477 (written on July 9, 2019, after receiving an email query about the PRG members from the Fleet Advisor) that you had two actions due on June 28, 2019, and you closed the wrong one. But in its internal investigation, Entergy was not able to identify the other action that was due on June 28, 2019.

In addition, the Fleet Assessor recalled asking you if you had intended to close a CA associated with an Arkansas Nuclear One CCAP issue, and you said that you thought so. But when the Fleet Assessor checked in the system, the Fleet Assessor noted that nothing had been done on that CA (and thus it would not have been ready to close). When you spoke to the Fleet Manager, you said the CA you had meant to close was not associated with the CCAP. In addition, the Fleet Manager said that the two actions were "not close to each other, they're not remotely similar, they're not easy to mistake . . . they're completely different actions. You wouldn't mistakenly do one for the other."

Finally, as of June 17, 2019, the ACA report contained numerous editorial mistakes and did not appear to have been reviewed. The evidence also indicates that you had exhausted the two due date extensions that you were able to grant to yourself.

Based on the evidence discussed above, it appears that you deliberately provided information to the license that you knew was inaccurate at the time you provided it. The information in the condition report was material to the NRC because it is subject to NRC inspection and informs the NRC's assessment of the licensee's implementation of the corrective action program. This conduct appears to have caused you to be in violation of 10 CFR 50.5(a)(2).

APPARENT VIOLATION

Based on the results of an NRC investigation completed on March 24, 2021, an apparent violation of NRC requirements was identified. The apparent violation is listed below:

10 CFR 50.5(a)(2) requires, in part, that any employee of a licensee may not deliberately submit to a licensee information that the person submitting the information knows to be inaccurate in some respect material to the NRC.

Contrary to the above, on June 25, 2019, you, an employee of a licensee, deliberately submitted to the licensee information that you knew to be inaccurate in some respect material to the NRC. Specifically, in Condition Report CR-HQN-2019-00182, Corrective Action No. 7, you entered inaccurate information indicating that a performance improvement review group (PRG) had met and approved the associated apparent cause analysis with no comments, when in fact the PRG had not met or approved the analysis. The information in the condition report was material to the NRC because it is subject to NRC inspection and informs the NRC's assessment of the licensee's implementation of the corrective action program.