



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
REGION I
2100 RENAISSANCE BOULEVARD, SUITE 100
KING OF PRUSSIA, PA 19406-2713

December 21, 2021

EA-21-093

Kelly Trice
President
Holtec Decommissioning International, LLC
1 Holtec Blvd., Krishna P. Singh Technology Campus
Camden, NJ 08104

SUBJECT: OYSTER CREEK NUCLEAR GENERATING STATION - NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTY – \$150,000, INSPECTION REPORT NO. 05000219/2021403

Dear Mr. Trice:

This letter provides you the U.S. Nuclear Regulatory Commission's (NRC) enforcement decision for the apparent violations (AVs) identified during the discretionary inspection conducted at Holtec Decommissioning International, LLC's (HDI's) Oyster Creek Nuclear Generating Station (Oyster Creek) on May 17 - 20, 2021, and June 10 - 17, 2021, with continued in-office review through July 15, 2021. On July 28, 2021, we issued Inspection Report 05000219/2021403 (ML21202A231¹ (public cover letter) / ML21202A197 (non-public enclosed report)), which documented that AVs of NRC requirements were being considered for escalated enforcement action. The inspection report, and the AVs described therein, contain security-related information in accordance with 10 CFR 2.390(d)(1), and are being withheld from public disclosure so as to protect information that may be useful to a potential adversary. Consequently, the inspection report enclosed with the July 28, 2021, letter was not publicly available and details regarding the AVs were provided in a non-public enclosure.

At your request, a predecisional enforcement conference (PEC) was held on October 6, 2021, in the NRC's Region I office with you and members of your staff to discuss the AVs, their significance, their root causes, and HDI's corrective actions. The conference was closed to public observation because it involved security-related information. A summary of the PEC is available in the non-public version of this letter. In a separate letter dated October 12, 2021 (ML21327A166 (non-public)), HDI submitted an additional list of planned and completed corrective actions to address the issues that resulted in the AVs. These actions are described in the non-public version of this letter.

¹ Designation in parentheses refers to an Agency-wide Documents Access and Management System (ADAMS) accession number. Unless otherwise noted, documents referenced in this letter are publicly available using the accession number in ADAMS.

Based on the information developed during the inspection and the information that you provided during the conference and in your October 12, 2021, letter, the NRC determined that violations of NRC requirements occurred.

These violations are cited in a non-public Notice of Violation (Notice) and the circumstances surrounding them are described in detail in the subject inspection report. The violations are of concern to the NRC for the reasons described in the non-public version of this letter. Therefore, these violations have been categorized collectively in accordance with the NRC Enforcement Policy as an escalated enforcement action. In accordance with the Enforcement Policy, a base civil penalty in the amount of \$150,000 is considered for an escalated enforcement action.

Because your facility has not been the subject of escalated enforcement actions within the last 2 years or two inspections, the NRC considered whether credit was warranted for Corrective Actions taken in accordance with the civil penalty assessment process in Section 2.3.4 of the Enforcement Policy. Planned and completed corrective actions are documented in the non-public version of this letter. For the reasons described in the non-public version of this letter, the NRC has determined that Corrective Action credit is not warranted.

Therefore, to encourage prompt and comprehensive correction of violations, and in recognition of the absence of previous escalated enforcement action, I have been authorized, after consultation with the Director, Office of Enforcement, to issue a Notice and Proposed Imposition of Civil Penalty in the base amount of \$150,000 for the escalated enforcement action. In addition, issuance of the Notice constitutes escalated enforcement action and as a result, the NRC will conduct a follow-up inspection in accordance with Inspection Procedure 92702, "Follow-up on Traditional Enforcement Actions Including Violations, Deviations, Confirmatory Action Letters, and Orders." The NRC also includes significant enforcement actions on its Web site at <http://www.nrc.gov/reading-rm/doc-collections/enforcement/actions/>.

You may choose to pay the proposed civil penalty by submitting your payment, with the invoice enclosed to this letter, to the following address:

Office of the Chief Financial Officer
U.S. Nuclear Regulatory Commission
P.O. Box 979051
St. Louis, MO 63197

In addition, you may pay the proposed civil penalty in accordance with NUREG/BR-0254. When using NUREG/BR-0254 to pay the civil penalty, the invoice number should be used as the "enforcement action identifier" when submitting your payment through one of the approved methods listed in the brochure. The NRC may consider a request for additional time to pay the proposed civil penalty, including the option to enter into an installment agreement, if payment of the civil penalty as a lump sum in the required timeframe would pose a financial hardship. To request additional time to pay, you must submit a written request, with appropriate justification explaining your financial hardship, to NRCCollections.Resource@nrc.gov. All requests should be submitted in sufficient time to allow the NRC the ability to review your request for additional time to pay before the 30-day payment period expires. If you disagree with this enforcement sanction, you may deny the violations, as described in the Notice, or you may request alternative dispute resolution (ADR) with the NRC to resolve this issue. ADR 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 (the “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 found at <http://www.nrc.gov/about-nrc/regulatory/enforcement/adr.html>.

The Institute on Conflict Resolution (ICR) at Cornell University has agreed to facilitate the NRC's program as a neutral third party. If you are interested in pursuing this issue through the ADR program, please contact: (1) the ICR at (877) 733-9415; and (2) Dan Schroeder at 610-337-5262 within **10** days of the date of this letter. You may also contact both ICR and Dan Schroeder for additional information. Your submitted signed agreement to mediate using the NRC ADR program will stay the 30-day period for payment of the civil penalties and the required written response, as identified in the enclosed notice, until the ADR process is completed.

You are required to respond to this letter and should follow the instructions specified in the Notice when preparing your response. If you have additional information that you believe the NRC should consider, you may provide it in your response to the Notice. The NRC will use your response, in part, to determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.

As described in the July 28, 2021, inspection report, six additional AVs were identified, but were not considered for escalated enforcement action. The NRC determined that six Severity Level (SL) IV violations of NRC requirements occurred. Because Oyster Creek initiated condition reports to address the issues, these violations are being treated as Non-Cited Violations (NCVs), consistent with Section 2.3.2 of the Enforcement Policy. These NCVs were documented in the subject inspection report. If you contest the violations or significance of the NCVs, you should provide a response within 30 days of the date of this letter, with the basis for your denial, to the Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington DC 20555-0001, with copies to: (1) the Regional Administrator, Region I; and (2) the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be made available electronically for public inspection in the NRC Public Document Room or in the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

K. Trice

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If Security-Related Information is necessary to provide an acceptable response, please mark your entire response Security-Related Information in accordance with 10 CFR 2.390(d)(1) and follow the instructions for withholding in 10 CFR 2.390(b)(1). In accordance with 10 CFR 2.390(b)(1)(ii), the NRC is waiving the affidavit requirements for your response.

If you have any questions concerning this matter, please contact Dan Schroeder of my staff at 610-337-5262 or Daniel.Schroeder@nrc.gov.

Sincerely,

Raymond Lorson
Deputy Regional Administrator

Docket No. 50-219
License No. DPR-16

SUBJECT: NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTY – \$150,000, INSPECTION REPORT NO. 05000219/2021403 DATED: December 21, 2021

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ML21326A151

X SUNSI Review/		<input type="checkbox"/> Non-Sensitive X Sensitive			<input type="checkbox"/> Publicly Available X Non-Publicly Available	
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DATE	12/8/2021	12/15/2021	12/15/2021		12/17/2021	12/21/2021