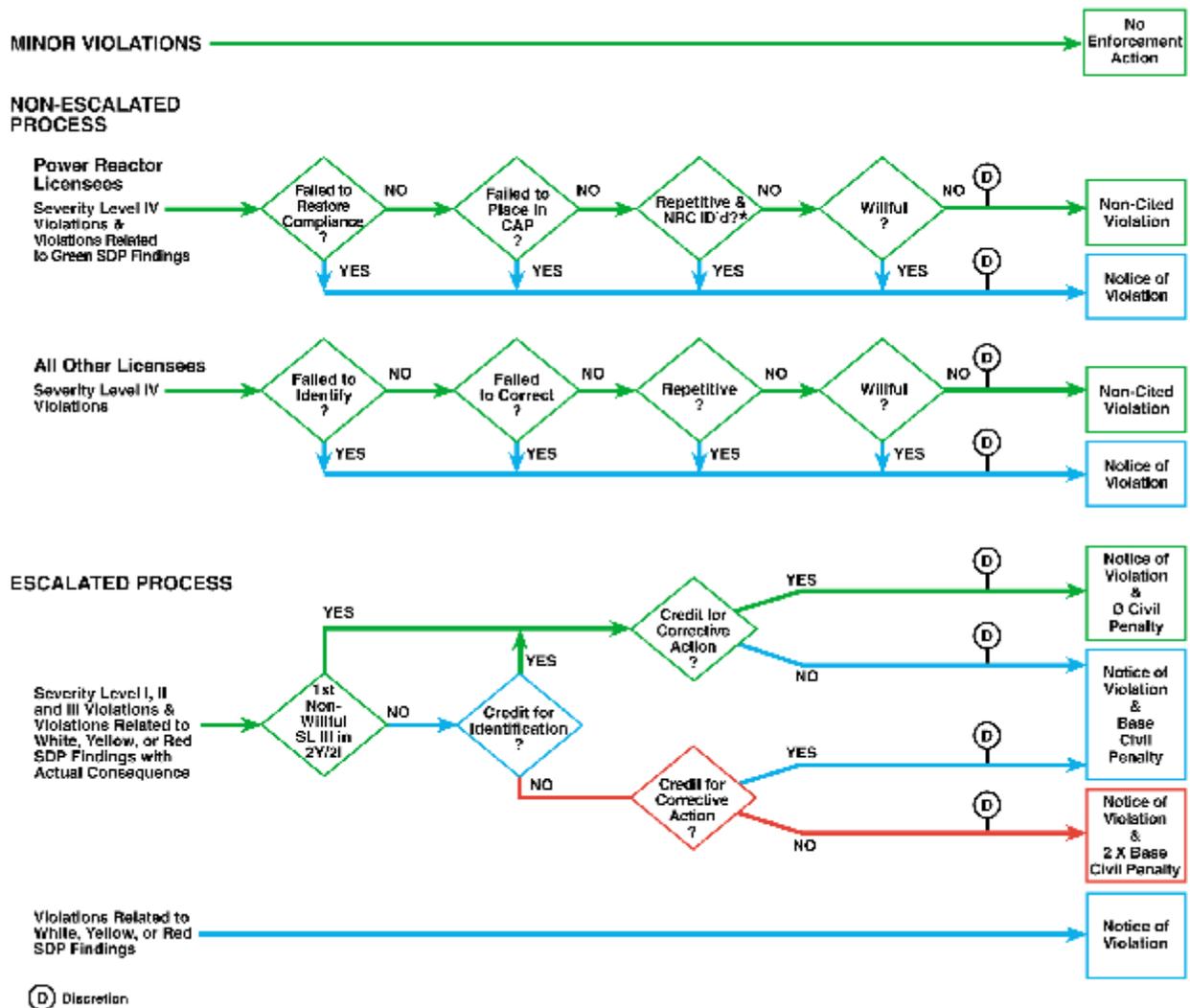


NRC ENFORCEMENT PROCESS



This graphic represents the NRC’s graded approach in dealing with violations, both in terms of addressing their significance and developing sanctions.

The NRC first assesses the significance of a violation by considering: (1) actual safety consequences; (2) potential safety consequences; (3) potential for impacting the NRC’s ability to perform its regulatory function; and (4) any willful aspects of the violation. Violations are either assigned a severity level, ranging from Severity Level I for the most significant to Severity Level IV for those of more than minor concern or are associated with issues assessed through the reactor oversight process’s Significance Determination Process (SDP) that are assigned a color of green, white, yellow, or red based on the risk significance.

Although **minor violations** must be corrected, given their limited risk significance, they are not subject to enforcement action and are not normally described in inspection reports.

Severity Level IV violations and **violations related to green SDP findings** are addressed within the non-escalated enforcement process and may either be cited in formal Notices of Violation (NOV) pursuant to 10 CFR 2.201 (which normally requires written responses) or treated as Non-Cited Violations (NCVs) (which are documented in inspection reports, but do not require written responses).

- ▶ For power reactor licensees, an NCV will normally be issued unless: (1) the licensee failed to restore compliance, (2) the licensee failed to place the violation in its corrective action program, (3) the violation was repetitive and NRC-identified, or (4) the violation was willful. *Violations evaluated through the SDP are not subject to the third criterion.
- ▶ For all other licensees, the decision of whether an NOV or NCV will be issued depends on whether: (1) the licensee failed to identify the violation, (2) the licensee failed to correct the violation, (3) the violation was repetitive, or (4) the violation was willful.

Severity Level I, II, and III violations and **violations related to white, yellow, or red SDP findings with actual consequences** are addressed within the escalated enforcement process and are cited in NOVs and may be subject to civil penalties. The NRC imposes different levels of civil penalties based on a combination of the type of licensed activity, the type of licensee, the severity level of the violation, and: (1) whether the licensee has had any previous escalated enforcement action (regardless of the activity area) during the past 2 years or past 2 inspections, whichever is longer; (2) whether the licensee should be given credit for actions related to identification; (3) whether the licensee's corrective actions are prompt and comprehensive; and (4) whether, in view of all the circumstances, the matter in question requires the exercise of discretion.

Violations related to white, yellow, or red SDP findings are also addressed within the escalated enforcement process and are cited in NOVs. Severity levels are not normally assigned and civil penalties are not normally imposed for these violations.

In recognition that the regulation of nuclear activities in many cases does not lend itself to a mechanistic treatment, the enforcement process provides flexibility through judgement and the ability to exercise **discretion** to tailor sanctions to the particular circumstances of an individual case, notwithstanding the outcome of the normal process.