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**Communications Between the NRC  
and Licensees; Policy Statement**

**AGENCY:** Nuclear Regulatory  
Commission.

**ACTION:** Policy statement.

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**SUMMARY:** This policy statement presents the Nuclear Regulatory Commission (NRC) policy that informs both the nuclear industry and the NRC staff of the Commission's expectations regarding communications, including the reporting of perceived inappropriate regulatory actions by the NRC staff. The Commission encourages and expects open communications at all levels between its employees and those it regulates. Licensees should feel unconstrained in communicating with the NRC. Additionally, the NRC will not tolerate inappropriate regulatory actions by the NRC staff, nor will it tolerate retaliation or the threat of retaliation against those licensees who communicate concerns to the agency.

**EFFECTIVE DATE:** November 6, 1995.

**FOR FURTHER INFORMATION CONTACT:**  
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**SUPPLEMENTARY INFORMATION:**

**Background**

COMSECY-95-008, dated February 21, 1995, forwarded to the Commission a draft NRC policy that would inform both the nuclear industry and the NRC staff of the Commission's expectations regarding communications, including the reporting of perceived inappropriate regulatory actions by the NRC staff. COMSECY-95-008 also forwarded a

proposed procedure for handling such concerns within the Office of the Executive Director for Operations (OEDO) if reported by a senior power reactor manager (licensee official).

In a Staff Requirements Memorandum dated March 21, 1995, the Commission directed the NRC staff to discuss the concepts in COMSECY-95-008 with the Agency Labor-Management Partnership (ALMP) and to meet with the Nuclear Energy Institute (NEI) to discuss communication issues. In addition, the Commission provided items for further NRC staff consideration in its evaluation of the proposed policy and guidance documents.

The NRC staff discussed the proposed NRC policy and the draft procedure for handling perceived inappropriate regulatory actions during the Regional Labor-Management Partnership Subcommittee (Partnership) meeting on March 29, 1995, and at the ALMP meeting on April 21, 1995. There was consensus within the Partnership that the procedure was necessary. The Partnership also provided several suggested wording changes to clarify the procedure.

On May 11, 1995, the NRC staff met with NEI representatives regarding the NRC staff's actions in response to the Towers Perrin Nuclear Regulatory Review Study and to discuss communications between the NRC and the nuclear industry. NEI believed that the NRC's initiatives would enhance the effectiveness of communications between NRC and the nuclear industry and encourage the NRC staff to communicate this policy and procedure to the industry.

SECY-95-149, dated June 8, 1995, forwarded to the Commission the revised NRC policy that would inform both the nuclear industry and the NRC staff of the Commission's expectations regarding communications, including the reporting of perceived inappropriate regulatory actions by the NRC staff. As recommended by the Commission, the procedure was expanded to address the broad range of communications between the NRC and licensees. The NRC staff clarified the definition of inappropriate regulatory actions, including changes recommended by the Partnership. The procedural steps were also reordered as recommended by the Commission.

In a Staff Requirements Memorandum dated June 28, 1995, the Commission did not object to issuance of the policy regarding communications between the NRC and industry.

#### Statement of Policy

In 1991, the Commission established the "NRC Principles of Good Regulation," a copy of which is

presented as Appendix A to this document. The Commission believes that good regulation must be transacted publicly and candidly and that open communications must be maintained with Congress, other Government agencies, licensees, and the public.

The Commission encourages and expects open communications at all levels between its employees and those it regulates. Licensees should feel unconstrained in communicating with the NRC. The Commission also expects the NRC staff to exercise initiative in maintaining open lines of communication and to ensure that its regulatory activities are appropriate and consistent. The Commission recognizes that honest, well-intentioned differences in opinions between the NRC staff and the licensee will occasionally occur. Therefore, the Commission encourages open communications to foster an environment where such differences receive constructive and prompt resolution.

Open communication also extends to the reporting of perceived inappropriate regulatory actions by the NRC staff when dealing with licensees. The Commission encourages licensees to provide specific information regarding such concerns.

The NRC will not tolerate inappropriate regulatory actions<sup>1</sup> by the NRC staff, nor will it tolerate retaliation or the threat of retaliation against those licensees who communicate concerns to the agency. NRC staff whose actions are found to be contrary to this policy could be subject to disciplinary actions in accordance with the NRC Management Directive 10.99, "Discipline, Adverse Actions and Separations" (formerly Manual Chapter 4171), or in accordance with the Collective Bargaining Agreement Between the U.S. Nuclear Regulatory Commission and National Treasury Employees Union.

Dated at Rockville, Maryland, this 31st day of October 1995.

For the Nuclear Regulatory Commission.  
John C. Hoyle,  
Secretary of the Commission.

<sup>1</sup> Inappropriate regulatory actions include activities that exceed the agency's regulatory authority, involve improper application of agency requirements, or adversely affect the agency's regulatory functions. Examples of inappropriate regulatory actions include, but are not limited to, unjustified inconsistent application of regulations and guidance by NRC staff or management that significantly affect licensee activities and inappropriate action on the part of NRC staff and management that disrupts effective communications with the licensees.

#### Appendix A to This Document—NRC Principles of Good Regulation

##### *NRC Principles of Good Regulation*

**Independent.** Nothing but the highest possible standards of ethical performance and professionalism should influence regulation. However, independence does not imply isolation. All available facts and opinions must be sought openly from licensees and other interested members of the public. The many and possibly conflicting public interests involved must be considered. Final decisions must be based on objective, unbiased assessments of all information, and must be documented with reasons explicitly stated.

**Open.** Nuclear regulation is the public's business, and it must be transacted publicly and candidly. The public must be informed about and have the opportunity to participate in the regulatory processes as required by law. Open channels of communication must be maintained with Congress, other government agencies, licensees, and the public, as well as with the international nuclear community.

**Efficient.** The American taxpayer, the rate-paying consumer, and licensees are all entitled to the best possible management and administration of regulatory activities. The highest technical and managerial competence is required, and must be a constant agency goal. NRC must establish means to evaluate and continually upgrade its regulatory capabilities. Regulatory activities should be consistent with the degree of risk reduction they achieve. Where several effective alternatives are available, the option which minimizes the use of resources should be adopted. Regulatory decisions should be made without undue delay.

**Clear.** Regulations should be coherent, logical, and practical. There should be a clear nexus between regulations and agency goals and objectives where explicitly or implicitly stated. Agency positions should be readily understood and easily applied.

**Reliable.** Regulations should be based on the best available knowledge from research and operational experience. Systems interactions, technological uncertainties, and the diversity of licensees and regulatory activities must all be taken into account so that risks are maintained at an acceptably low level. Once established, regulation should be perceived to be reliable and not unjustifiably in a state of transition. Regulatory actions should always be fully consistent with written regulations and should be promptly, fairly, and decisively administered so as to lend stability to the nuclear operational and planning processes.