

61 FR 25924
Published 5/23/96
Effective 5/23/96

Protecting the Identity of Allegers and Confidential Sources; Policy Statement

AGENCY: Nuclear Regulatory Commission.

ACTION: Final policy statement.

SUMMARY: This revision is an update of the Commission's policy for protecting the identity of an individual who has been granted confidentiality. This revision reflects the changes in the organization of the NRC and the agency's practices concerning confidentiality, including informing individuals of the availability of confidentiality, circumstances under which confidentiality will be granted, and circumstances under which the identity of confidential sources will be revealed. The revision also describes the measures taken by the NRC to protect the identity of all individuals who bring safety concerns to the agency, regardless of whether the individual is granted confidentiality. This statement of policy is not a major rule as defined in Section 804 of the Small Business Regulatory Enforcement Fairness Act of 1996.

EFFECTIVE DATE: May 23, 1996.

FOR FURTHER INFORMATION CONTACT: Edward T. Baker, Agency Allegation Advisor, Office of Nuclear Reactor Regulation, U.S. Nuclear Regulatory Commission, Washington, DC. 20555-0001; telephone: (301) 415-8529.

SUPPLEMENTARY INFORMATION:

Background

On November 25, 1985 (50 FR 48506), the Nuclear Regulatory Commission (NRC or Commission) issued a Statement of Policy to provide a clear, agency-wide policy on the granting of confidentiality to persons who provide information to the NRC concerning licensee activities. The Commission is revising the policy statement to reflect changes in the NRC organization and criteria for disclosing the identity of confidential sources. The policy statement also describes the measures taken to protect the identity of any individual who brings safety concerns to the NRC and the circumstances under which the individual's identity may be disclosed. The Commission's inspection and investigatory programs rely in part

on people voluntarily coming forward with information. Some individuals will come forward only if they are confident that their identities will be protected from public disclosure. Therefore, safeguarding the identities of these individuals is a significant factor in ensuring the future voluntary flow of this information. The Commission will make all reasonable efforts to protect the identity of anyone who brings safety concerns to the NRC. This policy statement applies to all NRC offices except the Office of the Inspector General (OIG).

The Commission's policy statement on confidentiality has not been revised since 1985. Since then, changes in the NRC's organizational structure and agency practice concerning confidentiality and protecting the identity of alleged and confidential sources have occurred that are not reflected in the existing policy statement. Additionally, the review team for reassessing the NRC program for protecting alleged recommended in NUREG-1499, "Reassessment of the NRC's Program for Protecting Allegers Against Retaliation," that the policy statement be revised.

The existing policy statement specifically discusses the role of the Office of Inspector and Auditor, which was abolished following creation of the OIG in 1989. The OIG has established its own procedures on confidentiality in accordance with the Inspector General Act of 1978. The agency's practice concerning protecting the identity of alleged, informing them of the availability of confidentiality, and disclosing the identity of confidential sources has changed in the intervening period. In order to reflect those changes and the NRC staff's experience in dealing with confidentiality, the existing policy statement is being revised in the following respects:

(1) On March 22, 1995, the Commission approved the disclosure of the identity of a confidential source based on the existence of an overriding safety concern. The existing policy statement does not speak to disclosure in this circumstance.

(2) The existing policy statement restricts NRC employees from initiating a discussion of confidentiality except in the following circumstances:

(a) It is apparent that an individual is not providing information because of fear that his/her identity may be disclosed; or

(b) It is apparent from the surrounding circumstances that the individual wishes his/her identity to remain confidential.

On August 22, 1994, after notifying the Commission, the Office of the Executive Director for Operations (EDO) issued guidance to the NRC staff that an alleged who has not requested to be a confidential source be clearly informed that he or she is not considered a confidential source. If the allegation is received during a phone call, the NRC staff is required to tell the alleged of this position during the initial call. This position is also stated in the letter sent to an alleged acknowledging receipt of the allegation and documenting the NRC staff's understanding of the alleged's concerns. The NRC staff has adopted this position to avoid misperceptions by alleged as to whether they are considered confidential sources.

(3) The existing policy statement does not specifically address the problem of investigating discrimination when confidentiality has been granted to the individual who alleges that he or she was the victim of discrimination.¹ In practice, individuals who allege that they are victims of discrimination and who request confidentiality are informed of the difficulty of performing an investigation of this type of concern without revealing the name of the subject of the discrimination. These individuals are told the NRC will not normally investigate the discrimination aspects of their allegation if confidentiality is granted.

(4) In addition, a change to the disclosure criteria allows the Office of Investigations (OI) to disclose the identity of a confidential source, on a need-to-know basis, to either the U.S. Department of Justice (DOJ) or to another law enforcement agency. This disclosure would occur without seeking prior Commission approval or notifying the confidential source. Under the existing policy statement, the NRC is required to contact the confidential source before releasing his or her identity. If the confidential source agrees to the release, the EDO or the Director, OI, is authorized to release the identity. If the confidential source objects to the release or cannot be reached, the agency may not release the identity without specific Commission approval.

It is common practice in the law enforcement community for investigative agencies and prosecutors' offices to share the identity of confidential sources if there is a legitimate need-to-know. Traditionally, in the interest of preserving the integrity of any ongoing investigation or

prosecution, the sources are not informed that their identities have been shared. Additionally, DOJ and other law enforcement agencies appreciate the sensitivity with which they need to treat the identity of confidential sources. The ability to share the identity of confidential sources in this manner will enhance the sense of partnership in pursuing wrongdoing investigations.

(5) A provision has been added to allow the NRC official who granted the confidentiality to withdraw it without further approval, provided the confidential source has made such a request in writing and the NRC official has confirmed that the requesting individual is the same person that was granted confidentiality.

In addition to these changes to the Commission's policy on confidentiality, this revision describes the basic protection afforded individuals who bring safety concerns to the NRC but have not been formally granted confidentiality, that is, alleged.

The primary differences between the protection afforded confidential sources and alleged are:

- An NRC office director or regional administrator may approve the disclosure of the identity of an alleged, while the approval of the Commission, the EDO, or the Director of the Office of Investigations (OI) is necessary for disclosure of the identity of a confidential source;

- There is a formal, signed agreement between a confidential source and the NRC that sets forth the protection afforded and the circumstances in which a confidential source's identity may be revealed; and

- OI may disclose the identity of an alleged outside the agency during the pursuit of a wrongdoing investigation at their discretion without the knowledge or consent of the alleged. For confidential sources, OI may only disclose the identity to DOJ or another law enforcement agency without the confidential source's knowledge or consent.

This revised final policy statement provides a comprehensive statement of the Commission's position and reflects agency practice concerning confidentiality and the addition of the protection afforded all individuals who bring safety concerns to the NRC.

Small Business Regulatory Enforcement Fairness Act

The NRC has consulted with the Office of Management and Budget and concluded that this policy statement is not a major rule as defined in 5 U.S.C. 804(2).

¹In this policy statement, the term "discrimination" includes allegations of harassment and intimidation.

Statement of Policy

The Commission's investigative and inspection programs rely in part on individuals coming forward with information about safety concerns or perceived wrongdoing. All individuals should feel free to communicate to the NRC any safety or wrongdoing concerns.² It is NRC's responsibility to communicate fully with individuals raising the concerns, to provide the status and details of NRC review of the concerns, to address the concerns and respond to the individual in a timely manner, and to protect the identity of the individual to the greatest degree possible. The NRC recognizes that routine public release of the identities of those who come forward with this information could lead to reprisals against those individuals. Reprisals may involve not only physical harm to the individual, but may take other forms such as employment-related discrimination, including blacklisting, economic duress, or ostracism. Obviously, these actions would deter others from coming forward with information and could jeopardize the effectiveness of the NRC's oversight activities. Both Congress and the Commission have recognized this concern. Section 211 of the Energy Reorganization Act of 1974, as amended (42 U.S.C. 5851) and the Commission's related employee protection regulations are designed to protect those who assist the NRC in carrying out its safety responsibilities from discrimination by their employers. In addition, the Commission has developed procedures for protecting the identity of individuals who bring safety concerns to the NRC (allegers), and for protecting the identity of individuals who have been granted confidentiality (confidential sources).

Identity Protection for Allegers

In resolving allegers' concerns, the NRC intends to make all reasonable efforts not to disclose the identity of an allegger outside the agency. NRC staff personnel who receive an allegation are required to forward all information to an NRC allegation coordinator. The allegation coordinator provides the identity of an allegger only to NRC staff who have a need to know an allegger's identity, e.g., an inspector or investigator assigned to interview an allegger. In addition, documents containing the identity of alleggers are

stored in locked cabinets with controlled access and are not placed in the NRC's public document rooms.

However, the NRC may reveal the identity of an allegger outside the agency under the following circumstances:

- The allegger clearly states that he or she has no objection to being identified;
- The NRC determines that disclosure of the allegger's identity is necessary to protect the public because of an overriding safety issue identified based on the allegger's concerns;
- Disclosure of the allegger's identity is necessary to respond to a request from Congress or State or Federal agencies in the furtherance of NRC responsibilities under law or public trust;
- Disclosure is necessary pursuant to a court order or an NRC adjudicatory board order;
- The allegger takes an action that is inconsistent with and overrides the purpose of protecting his or her identity;
- Disclosure is necessary to pursue a wrongdoing investigation; or
- Disclosure is necessary to support a hearing on an enforcement action.

In addition, if the NRC is investigating an allegation that the allegger was a victim of discrimination because he or she raised a safety concern, it would be extremely difficult to investigate such an allegation without naming the individual who was the subject of discrimination. NRC Management Directive 8.8, "Management of Allegations," contains additional information concerning protecting the identity of alleggers and the circumstances when the identity may be disclosed.

Confidentiality

The protective measures and disclosure circumstances described above apply to all alleggers. If the individual is granted confidentiality, as described below, the individual is considered a confidential source. The Commission's regulations in 10 CFR 2.790(a)(7) authorize withholding the identities of confidential sources from public release. Further, 10 CFR 21.2(d) provides that, "as authorized by law", the identity of individuals "not subject to the regulations in this part" who report certain nuclear safety-related problems "will be withheld from disclosure." Additionally, under 10 CFR 19.16(a) if a worker requesting an inspection requests that his or her name not be included in the copy of the request given to the licensee, the name of the worker and the name of individuals referred to in the request must be withheld. The following discussion explains the Commission's general policy regarding confidentiality.

1. Circumstances Under Which Confidentiality May Be Granted

Although the Commission recognizes the importance of confidentiality, it does not believe that confidentiality should be granted to all individuals who provide information to the NRC or that confidentiality it should be granted routinely, particularly in light of the protection afforded all alleggers. The Commission believes that confidentiality should be granted only when necessary to acquire information related to the Commission's responsibilities or when warranted by special circumstances. For instance, confidentiality should ordinarily not be granted when the individual is willing to provide the information without being given confidentiality.

If it becomes apparent that an individual is not providing information because of a fear that his or her identity will be disclosed, an authorized NRC employee may suggest a grant of confidentiality. Similarly, an authorized NRC employee may suggest confidentiality in the absence of a request when it is apparent from the surrounding circumstances that the individual wishes his or her identity to remain confidential. This could be the case if an individual sets up an interview in a secretive manner.

The Commission recognizes that some individuals who desire confidentiality may not request it because of an erroneous belief that the identities of everyone providing information to the NRC are kept in confidence. Some individuals may not provide information because they do not know that confidentiality is available. Therefore, the Commission has decided to adopt a policy that requires an individual to explicitly request confidentiality. In the initial contact with the NRC, the extent to which the NRC can protect an allegger's identity will be explained. If the individual does not request confidentiality, the individual will be informed that he or she is not considered a confidential source. If the individual asks about confidentiality, the differences between identity protection for alleggers and confidential sources will be explained. If the individual then requests confidentiality, the NRC staff will evaluate the request and inform the individual if confidentiality was granted.

2. The Manner and Form in Which Confidentiality Should Be Granted and Disseminated Within the NRC

The Commission has delegated authority to the Executive Director for

²The Commission expects licensees and contractors to create and maintain an environment conducive to employees raising safety concerns. See "Statement of Policy on Freedom of Employees in the Nuclear Industry to Raise Safety and Compliance Concerns Without Fear of Retaliation." (61 FR 24366; May 14, 1996)

Operations (EDO) and the Director, Office of Investigations (OI), to designate those persons within their organizations who will be authorized to grant confidentiality. Confidentiality will be granted only when an NRC employee authorized to grant confidentiality and the individual requesting confidentiality sign a standard NRC Confidentiality Agreement, unless it is impossible to sign the agreement at the time the information is obtained. The agreement will explain the conditions to which the NRC will adhere when it grants confidentiality, as set forth in this policy statement. When it is impossible to sign a Confidentiality Agreement at the time the information is obtained, such as when the information is obtained over the telephone, confidentiality may be given verbally pending the signing of the Confidentiality Agreement, which must be done within a reasonable time. If confidentiality is granted verbally, it must be fully documented. If the Confidentiality Agreement is not signed within a reasonable time, the EDO or Director, OI, as appropriate, will determine if confidentiality should be continued.

After confidentiality is granted, the individual's name should be divulged to NRC employees only on a need-to-know basis. Each NRC employee with access to a confidential source's identity should take all necessary steps to ensure that the identity remains confidential. The EDO and the Director, OI, will ensure that consistent procedures are developed throughout the agency for implementing this requirement that should prevent inadvertent or unauthorized disclosures.

3. Circumstances Under Which Identity of a Confidential Source Will Be Divulged

The Commission stresses the importance of protecting the identity of a confidential source. However, there are six circumstances under which the identity of a confidential source may be released outside the NRC by the Commission or by certain NRC staff officials as described below. The Commission emphasizes that in each of these cases it will attempt to limit disclosure to the minimum necessary and that it expects disclosure to occur only rarely.

(1) The first category involves disclosure to a licensee because of an overriding safety issue. There are conceivable circumstances when public health and safety require the NRC to divulge the identity of a confidential source to allow a licensee to correct an

immediate safety concern. If this situation occurs, which we expect to be infrequent, the NRC will try to limit the disclosure to the licensee's senior management.

In most circumstances, the agency will be able to give a licensee sufficient information to correct an immediate safety issue without divulging the name of a confidential source. However, the Commission believes individuals should be aware their identity could be divulged if this situation occurs.

(2) The second category involves disclosure pursuant to a court order. It is conceivable that a licensee or other entity could obtain a court order requiring the NRC to divulge the identity of a confidential source. If that happens, the NRC will seek to keep the disclosure limited to the minimum necessary through protective orders or other means.

(3) The third category of circumstances when a confidential source's identity might be disclosed outside the NRC involves disclosure during an NRC adjudicatory proceeding. The Commission, in a separate Statement of Policy on Investigations, Inspections, and Adjudicatory Proceedings published on September 13, 1984 (49 Fed. Reg. 36032), has provided that any licensing board decision to order disclosure of the identity of a confidential source shall automatically be certified to the Commission for review. Therefore, the only adjudicatory board within the NRC with the actual authority to require that the identity of a confidential source be revealed is the Commission. The Commission will follow current judicial standards in determining whether to disclose the identity of a confidential source.

(4) The fourth circumstance when the identity of a confidential source might be released is in response to a request by Congress. Section 303 of the Atomic Energy Act of 1954, as amended, requires the NRC to keep congressional committees with jurisdiction over the NRC "fully and currently informed with respect to the activities* * * of the Commission." That section also requires "[a]ny Government agency [to] furnish any information requested by [congressional] committees with appropriate jurisdiction." The Commission may have to release the identity of a confidential source in response to a congressional request. Although any such request will be handled on an individual case-by-case basis, the Commission will disclose the identity of a confidential source only if the request is in writing. The Commission will make its best efforts to

have any such disclosure limited to the extent possible.

(5) The fifth circumstance when the identity of a confidential source may be revealed is in response to a request from a Federal or State agency. The Commission recognizes its responsibility to assist other agencies in their functions. However, the Commission also recognizes that providing the identities of confidential sources to other agencies could adversely affect the flow of information to the Commission. The Commission has decided to balance these two considerations as follows. If the requesting agency demonstrates that it requires the identity in furtherance of its statutory responsibilities and agrees to provide the same protection to the source's identity that the NRC promised when it granted confidentiality, the NRC will make a reasonable effort to contact the source to determine if he or she objects to the release. If the source can be reached and does not object, the EDO or his designee, or the Director, OI, are authorized to provide that identity to the requesting agency.

If the source either objects to the release of his or her identity, or cannot be reached, the EDO or his designee, or the Director, OI, may not release the source's identity, except as noted in (6) below, but shall advise the requesting agency of the situation. The requesting agency may then ask the Commission to release the identity. Although ordinarily the source's identity will not be provided to another agency over the source's objection or without contacting the individual, in extraordinary circumstances when furtherance of the public interest requires release, the Commission may release the identity of a confidential source to another agency despite the objections of that source or without being able to contact the person. However, even in those cases the requesting agency must agree to provide the same protection to the source's identity that was promised by the NRC.

(6) As an exception to (5) above, when OI and the U.S. Department of Justice (DOJ) are pursuing the same matter or when OI is working with another law enforcement agency, the EDO or the Director, OI may reveal the identity of a confidential source to DOJ or the other law enforcement agency, as needed, without notifying the individual or consulting with the Commission.

It is common practice in law enforcement and when conducting criminal prosecutions for agencies to share the names of confidential sources if there is a need to know. One of the primary reasons for these exchanges of

sensitive information is the protection of the confidential source. It is essential that the investigating and prosecuting parties know the identity of a confidential source to physically protect the source during the course of investigative activities and to prevent compromising the source's identity through some inadvertent action by one of the outside investigators or prosecutors. Because it is inappropriate for a source to know the investigative or prosecutorial activities, strategies, or tactics, it is also inappropriate to notify the source that his or her identity is being shared.

4. Circumstances Under Which Confidentiality May Be Revoked

A decision to revoke a grant of confidentiality can only be made by (1) the Commission, (2) the EDO, or (3) the Director, OI. However, the Commission emphasizes that a grant of confidentiality will be revoked only in the most extreme cases. Generally, confidentiality will be revoked only when a confidential source personally takes some action so inconsistent with the grant of confidentiality that the action overrides the purpose behind the confidentiality. For instance, this can happen when the source discloses information in a public forum that reveals his or her status as a confidential source or when he or she has intentionally provided false information to the NRC. Before revoking confidentiality, the Commission will attempt to notify the confidential source of its intent and provide the individual an opportunity to explain why their identity should not be disclosed.

5. Withdrawal of Confidentiality

The NRC official granting confidentiality may withdraw confidentiality without further approval if the confidential source has made such a request in writing and the NRC official has confirmed that the requesting individual is the same person who was granted confidentiality.

6. Conclusion

The Commission views protecting the identity of alleged and confidential sources as an important adjunct to investigative and inspection programs. Therefore, the Commission places great emphasis on protecting the identity of individuals who bring safety concerns to the NRC. However, the Commission recognizes there are limited circumstances when the identity of an alleged or confidential source will be divulged outside the NRC. In those circumstances the Commission will

attempt to limit disclosure to the extent possible.

Dated at Rockville, MD, this 17th day of May, 1996.

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