Utility Safety Culture Working Group 2025 Q3 Meeting Summary

The Utility Safety Culture Working Group (USCWG) meeting, held on September 18, 2025, focused on strengthening collaboration between regulators and utilities by exploring non-punitive information sharing frameworks used in high-reliability industries.
Representatives from California's investor-owned utilities (IOUs), presented on approaches and mechanisms supportive of open-information sharing in the nuclear, aviation, and Canadian Energy Sectors, which highlighted the need for trust, learning, and system accountability as essential for maturing safety culture.
The core concepts discussed included:

- Non-Punitive Information Sharing,
- Human and Organizational Principles (HOP)
- Accountability-Oriented Enabling Regulation (AER)

The IOUs presented on industry and regulator-industry level information sharing case examples from the Institute of Nuclear Power Operations (INPO) and the Federal Aviation Agency (FAA), in addition to presenting on the approach employed by the Canadian Energy Regulator.
The presentations emphasized that punitive systems can discourage transparency, whereas Accountability-Oriented Enabling Regulation (AER) and similar approaches promote joint learning, safety ownership, and long-term improvement. AER was conceptualized by the Nuclear Energy Agency (NEA)/OECD, emphasizes mutual trust and learning between regulators and regulated entities by shifting from a "parent-child" (prescriptive) model to an "adult-adult" (collaborative) model, and encouraging regulators to foster accountability rather than control. Success of this approach depends on the maturity of both parties safety culture.

Key points from IOUs:

- HOP principles remind us that people make mistakes, blame fixes nothing.
- Non-punitive information sharing is grounded in recognizing that trust and transparency are prerequisites for learning from incidents and near misses.
- Information shared through INPO is voluntary, confidential, and may not be publicly disclosed. Regulatory inspectors have access. Functions as a *third-party, industry-led* self improvement body.
    - Voluntary, non-punitive reporting has led to continuous safety improvement and fewer severe incidents.
    - Confidential sharing encourages transparency and collaboration among operators.
- The Nuclear Regulatory Commission (NRC) ensures safety through accountability and compliance, while INPO ensures safety through learning and peer collaboration. Coexistence of regulatory oversight and voluntary industry improvement.
- FAA's Aviation Safety Reporting System (ASRS) is voluntary and non-punitive. It allows pilots, maintenance crews, and others to report safety issues confidentially through NASA. De-identified reports and data sets available for public learning.
    - Non-punitive reporting when violations are unintentional.
    - Enforcement maintained for reckless or intentional misconduct.
    - Emphasis on system learning rather than individual blame.

- The FAA's Commercial Aviation Safety Team (CAST) brings together airlines, regulators, manufacturers, and pilots to analyze data collaboratively. Fatal accident rates dropped by 83% in under a decade.
- CAST showcases a non-punitive system thinking approach; transformed an enforcement-heavy culture into a collaborative safety partnership based on mutual trust.
- Canadian Energy Regulator applies a graduated enforcement model, adopted a policy statement on safety culture, and leads with a non-punitive and collaborative approach to safety culture.

The working group participants, including safety culture experts, Safety Policy Division Staff, Energy Safety Staff, amongst other representatives such as Cal Advocates and intervenors, discussed the lessons learned from the other industries.

Some of the key points highlighted:

- Voluntary vs. Mandatory Reporting:
  - Voluntary systems capture richer data and encourage openness.
  - Mandatory systems can drive defensive or incomplete reporting.
- Human Behavior:
  - Most incidents stem from system complexity, not "bad actors."
  - To learn effectively, organizations must prioritize *understanding* over *judgment*.
- Tension between transparency and judgement: there's a trade-off between knowing and judging. If the goal is to learn more, judgment must be limited. If the goal is judgment, less information will be shared. "You can either *know more* or *judge more*—not both."
- Trust is foundational: Without it, non-punitive systems fail.
- Safety culture is primarily about *human behavior*, not engineering.
- Each of the levels requires its own consideration:
  1. Employee → Organization
  2. Organization → Organization (peer sharing)
  3. Organization → Regulator
- Regulatory Tension: Balancing transparency with accountability and public trust remains critical.
- Cultural Maturity: The nuclear and aviation sectors show what can evolve over decades of consistent application.
- Sentiment that achieving non-punitive collaboration will require evolution in mindset, leadership modeling, and clear boundaries for confidentiality.

The meeting concluded with agreement to conduct a participant survey and consider development of a Concept Paper to advance California's non-punitive reporting framework.