

[TAB 4]

**POFD Civil Penalty
Appeals and Referrals**

Presented By:

Heather Dalberg, Paralegal



**ALASKA PUBLIC OFFICES COMMISSION
STAFF RECOMMENDATION FOR COMMISSION ACTION**

PREPARED BY: Heather Dalberg **DATE:** December 20, 2024

RESPONDENT: Ultra Safe Nuclear Corporation

CIVIL PENALTY

ASSESSED UNDER: Lobbying: AS 24.45.141, 2 AAC 50.855

REASON FOR FILING: Employer of Lobbyist

LATE REPORT(S): Lobbyist and Employer of Lobbyist Reports

- Lobbyist Report
 Employer of Lobbyist 3rd Quarter Report¹
 Other

DUE DATE: October 31, 2024

FILED ON: November 4, 2024

DAYS LATE: 4

DATE PENALTY ASSESSMENT SENT: November 4, 2024

CPA APPEAL RECEIVED: November 26, 2024

MAXIMUM STATUTORY PENALTY: \$40.00

PENALTY ASSESSED: \$40.00

RECOMMENDATION: Waive

(See "Staff's Recommendation Based on Standard Mitigation Criteria")

¹ [<https://aws.state.ak.us/ApocReports/Common/View.aspx?ID=32801&ViewType=LOEM>].

AFFIANT’S STATEMENT OF MITIGATING FACTS:

Affiant is seeking to run a sale process in accordance with Section 363 of Chapter 11 of the U.S. Bankruptcy Code. This decision was made due to ongoing difficulties securing sufficient funding for their operations as currently organized.

STAFF’S ANALYSIS OF FACTS FOR COMMISSION REVIEW

As a registered employer of a lobbyist, Ultra Safe Nuclear Corporation is required to file quarterly reports.² The report at issue was due on October 31, 2024, and reminders were sent to the email address on file leading up to the due date. On October 31, 2024, APOC staff called the phone number on file and learned that the phone number was no longer working. APOC staff contacted the lobbyist to see if another phone number was available. The lobbyist informed APOC staff that Ultra Safe Nuclear Corporation had filed for bankruptcy and the person responsible for filing the reports had left the company. APOC staff contact a generic email address found on the company’s website. Donald Gustavson responded to that email after the report deadline and worked with APOC staff to get access to the online filing system and submit the delinquent report.

Mr. Gustavson requests a waiver due to the organization’s bankruptcy which prohibits them from making payments.

Mitigation criteria allows for a reduction of up to 50% of the maximum civil penalty when the filer has a good filing history (no late filings in the previous 5 years).³ This is the first late filing for Ultra Safe Nuclear Corporation.

Mitigation criteria allows for a reduction of greater than 50%, up to a complete waiver for a unique circumstance.⁴ Ultra Safe Nuclear Corporation’s contact on file left the organization after filing the 2nd Quarter Report and did not update the Employer of Lobbyist Profile’s contact information. APOC staff sent reminder emails to the email address on file and no one at the organization received them leading up to the deadline. When Mr. Gustavson was alerted of the report deadline, he worked with APOC staff to file promptly. APOC staff believes the report would not have been submitted late had the contact information been updated and Mr. Gustavson was made aware of the report earlier in the month.

Based on the foregoing, APOC staff recommends the penalty receives a full waiver.

FILER’S REPORTING HISTORY:

Ultra Safe Nuclear Corporation has been a registered employer of lobbyist since November 2021. This is their first late filing.

² AS 24.45.061(b)

³ 2 AAC 50.865(a)(1)(A)

⁴ 2 AAC 50.865(b)(6)

STAFF’S RECOMMENDATION BASED ON STANDARD MITIGATION CRITERIA

Staff recommends the penalty be waived based on the filer’s good filing history and a unique circumstance.

Staff finds the following mitigation criteria applicable to the respondent’s appeal:

Criteria for up to 50% reduction of the maximum civil penalty [2 AAC 50.865(a)]:

- Good filing history (no late filings in the previous 5 years). **2 AAC 50.865(a)(1)(A)**
- Inexperienced filer.⁵ **2 AAC 50.865(a)(1)(B)**
- Technical error at APOC. **2 AAC 50.865(a)(2)**
- Reported information had a value of \$100 or less. **2 AAC 50.865(a)(3)**
- Reported information had a value between \$100 and \$1000 AND any factor listed in 2 AAC 50.865(b) also applies. **2 AAC 50.865(a)(4)**

Criteria for greater than 50% reduction, up to complete waiver [2 AAC 50.865(b)]:

- Personal catastrophe/emergency or incapacitating illness. **2 AAC 50.865(b)(1)**
- APOC Staff error. **2 AAC 50.865(b)(2)**
- Report included only administrative costs. **2 AAC 50.865(b)(3)**
- No significant harm to the public and no aggravating factors.⁶ **2 AAC 50.865(b)(4)**
- The civil penalty is significantly greater and out of proportion to the degree of harm to the public for not having the information.⁷ **2 AAC 50.865(b)(5)**
- A unique circumstance. **2 AAC 50.865(b)(6)**

Non-mitigating factors [2 AAC 50.865(c)]:

The Commission will not accept the following mitigating factors to reduce the amount of a penalty.

- Relying on another person or mailroom to mail or submit the statement timely. **2 AAC 50.865(c)(1)**
- Forgetting to file. **2 AAC 50.865(c)(2)**
- Being a volunteer. **2 AAC 50.865(c)(3)**
- Having no change in data from previous statements on file. **2 AAC 50.865(c)(4)**

⁵ Any entity or filer subject to a registration or reporting requirement for less than 365 days.

⁶ The amount missing is \$100 or less; the amount missing is more than \$100 but less than \$1,000 and the filer self-reported; or the missing information is readily available to the public through another forum.

⁷ Penalty exceeds the value of late or unreported transactions or for 24-hour and 7-day reports, the penalty exceeds twice the value of the late or unreported transactions.

- Reliance on filer’s own staff to remind him or her of the filing deadline. **2 AAC 50.865(c)(5)**
- Being too busy to file. **2 AAC 50.865(c)(6)**
- Absence caused by travel, unless the travel was unplanned or unavoidable such as travel for personal emergency or weather-related travel problems. **2 AAC 50.865(c)(7)**

Aggravating Factors [2 AAC 50.865(d)]:

- Failure to comply by omitting a significant source of income, interest in real property, loan, trust, business, or other substantial financial interest.⁸ **2 AAC 50.865(d)(1)**
- More than one late filing in the preceding 5 years. **2 AAC 50.865(d)(2)(A)**
- Evidence suggesting deliberate non-reporting. **2 AAC 50.865(d)(2)(B)**
- Failure to cooperate with staff. **2 AAC 50.865(d)(2)(C)**
- A violation under AS 15.13, AS 24.45, AS 244.60.200-260, or AS 39.50 in the preceding 5 years. **2 AAC 50.865(d)(2)(D)**

Based on the applicable standard mitigation criteria, staff recommends that the maximum civil penalty assessment be:

- Waived**
- Reduced by _____ to _____**
- Upheld at the assessed amount of _____**

⁸ Value greater than \$1000.

ARRIVED

NOV 26 2024

APOC-JUNEAU
PM HC FAX EM

Civil Penalty Appeal Affidavit

AS 24.45 Alaska Lobbying Law

Name of Appellant

(Lobbyist or Employer): _____ Ultra Safe Nuclear Corporation

Employer (if a lobbyist): _____

Penalty issued in connection with (check box or boxes):

- Lobbyist Report for _____ (month or quarter)
- Employer of Lobbyist Report for 3rd (quarter)

Specify Year: 2024

Instructions: If you send payment, you need not file this form. An affidavit is required only if you are appealing the civil penalty assessment. An affidavit must be self-certified or notarized by any person authorized to administer oaths and must be mailed or faxed to APOC within thirty (30) days of your notice of civil penalty assessment.

Statement:

I do hereby swear and affirm that this statement of facts is offered in mitigation of the civil penalty issued in connection with a violation of AS 24.45, the Alaska Lobbying Law.

State the reasons why the reporting violation occurred and any reasons why the civil penalty should not be assessed:

USNC is seeking to run a sale process pursuant to Section 363 of Chapter 11 of the U.S. Bankruptcy Code. Please see the link below to a copy of our press release posted on our website for more information on the process. This decision was made due to ongoing difficulties securing sufficient funding for our operations as currently organized.

<https://www.usnc.com/ultra-safe-nuclear-corporation-usnc-files-chapter-11-petition-to-facilitate-sale/>

Certification:

I, the undersigned, certify that the information in this Statement is, to the best of my knowledge, true, correct and complete. By statute, a person who makes a false sworn certification which s/he does not believe to be true is guilty of perjury.

Signed/Date: Wun 26 Nov 24

Type/Print Signer's Name: GUSTAVSON, DONALD A



November 4, 2024

Ultra Safe Nuclear Corporation
ATTN: Donald Gustavson
200 Europia Ave
Oak Ridge, TN 37830

RE: 3rd Quarter Employer of Lobbyist Report Civil Penalty Assessment

Dear Mr. Gustavson:

According to our records you did not file your 3rd Quarter Employer of Lobbyist Report that was due on October 31, 2024. Instead, your report was filed on November 4, 2024 (4 days late). By law a maximum penalty of \$10.00 accrues each day the report is late.¹ The maximum penalty the Alaska Public Offices Commission could assess you is \$40.00.²

You have a number of options in this matter:

- 1) You may pay this penalty and avoid formal Commission action by remitting payment by check or money order payable to the State of Alaska to the Alaska Public Offices Commission at the address above; or, you may pay in cash at our offices. **Payment must be made within thirty days of the date of this letter.** If you are unable to pay the entire assessed penalty in a single payment and wish to discuss a payment plan, or have any other question concerning this matter, please contact the APOC staff.
- 2) Alternatively, you have the right to appeal staff's conclusion that a violation has occurred or the penalty amount assessed.³ **If you wish to appeal you must submit the enclosed appeal affidavit to APOC within thirty days of the date of this letter.**⁴

If you appeal, staff will review your affidavit and prepare a recommendation for the Commission to consider concerning the violation and the penalty amount. You will receive a copy of that recommendation and a notification of when the Commission will meet to consider the matter. When the Commission reviews the appeal and recommendation you will have the opportunity to participate in the meeting either in person or telephonically.

¹ AS 15.13.390(a); AS 39.50.135; AS 24.60.240; AS 24.45.141.

² 2 AAC 50.855(a).

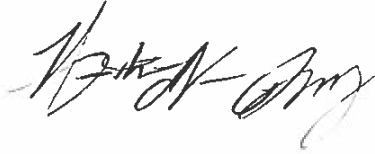
³ AS 15.13.390(a); AS 39.50.135; AS 24.60.240; AS 24.45.141.

⁴ 2 AAC 50.831(a).

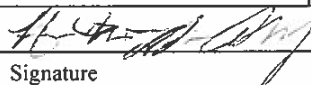
Failure to respond to this notice by either making arrangement for payment within thirty days or submitting an appeal within thirty days will result in staff presenting this matter to the Commission for a final order in the amount of the assessed penalty and referral to the Attorney General's Office.

A copy of this letter will be placed in your APOC file and is considered a public document. If you have any questions about this matter please contact APOC staff.


ALASKA PUBLIC OFFICES COMMISSION



Heather Dalberg
Paralegal II
heather.dalberg@alaska.gov
(907) 465-4864

CERTIFICATE OF SERVICE: I hereby certify that on this date, I caused a true and correct copy of the foregoing to be delivered to:	
Ultra Safe Nuclear Corporation ATTN: D. Gustavson 200 Europia Ave Oak Ridge, TN 37830 g.gustavson@usnc.com	<input checked="" type="checkbox"/> Email <input checked="" type="checkbox"/> Certified Mail
 Signature	11/4/24 Date

Encl: Civil Penalty Appeal Affidavit

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY												
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature <input checked="" type="checkbox"/> <i>Lorie Fox</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) LORIE FOX</p> <p>C. Date of Delivery 11/12/24</p>												
<p>1. Article Addressed to:</p> <p>Ultra Safe Nuclear Corp ATTN: Donald Gustavson 200 Europa Ave Oak Ridge, TN 37830</p>  <p>9590 9402 6609 1028 5118 25</p>	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>												
<p>2. Article Number (Transfer from service label) 9589 0710 5270 1274 1672 81</p>	<p>3. Service Type</p> <table border="0"> <tr> <td><input type="checkbox"/> Adult Signature</td> <td><input type="checkbox"/> Priority Mail Express®</td> </tr> <tr> <td><input type="checkbox"/> Adult Signature Restricted Delivery</td> <td><input type="checkbox"/> Registered Mail™</td> </tr> <tr> <td><input checked="" type="checkbox"/> Certified Mail®</td> <td><input type="checkbox"/> Registered Mail Restricted Delivery</td> </tr> <tr> <td><input type="checkbox"/> Certified Mail Restricted Delivery</td> <td><input type="checkbox"/> Signature Confirmation™</td> </tr> <tr> <td><input type="checkbox"/> Collect on Delivery</td> <td><input type="checkbox"/> Signature Confirmation Restricted Delivery</td> </tr> <tr> <td><input type="checkbox"/> Collect on Delivery Restricted Delivery</td> <td></td> </tr> </table>	<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®	<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™	<input checked="" type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery	<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Signature Confirmation™	<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery	<input type="checkbox"/> Collect on Delivery Restricted Delivery	
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PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Receipt

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<p>Certified Mail Fee \$ _____</p> <p>Extra Services & Fees (check box, add fee as appropriate)</p> <table border="0" style="width: 100%;"> <tr> <td><input type="checkbox"/> Return Receipt (hardcopy)</td> <td>\$ _____</td> </tr> <tr> <td><input type="checkbox"/> Return Receipt (electronic)</td> <td>\$ _____</td> </tr> <tr> <td><input type="checkbox"/> Certified Mail Restricted Delivery</td> <td>\$ _____</td> </tr> <tr> <td><input type="checkbox"/> Adult Signature Required</td> <td>\$ _____</td> </tr> <tr> <td><input type="checkbox"/> Adult Signature Restricted Delivery</td> <td>\$ _____</td> </tr> </table> <p>Postage \$ _____</p> <p>Total Postage and Fees \$ _____</p>	<input type="checkbox"/> Return Receipt (hardcopy)	\$ _____	<input type="checkbox"/> Return Receipt (electronic)	\$ _____	<input type="checkbox"/> Certified Mail Restricted Delivery	\$ _____	<input type="checkbox"/> Adult Signature Required	\$ _____	<input type="checkbox"/> Adult Signature Restricted Delivery	\$ _____	Postmark Here
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<input type="checkbox"/> Adult Signature Restricted Delivery	\$ _____										
<p>Sent To USNC 3rd class 1st flr</p> <p>Street and Apt. No., or PO Box No. 200 Europa Ave</p> <p>City, State, ZIP+4® Oak Ridge, TN 37830</p>											

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

EMPLOYER OF LOBBYIST REPORT FORM

COMPLETED

Signed **11/04/2024**
Year: **2024**
Report: **3rd Quarter**

Filer First Name: **Donald**
Filer Middle Name:
Filer Last Name: **Gustavson**

EMPLOYER INFORMATION

Employer Name: **Ultra Safe Nuclear Corporation**

Mailing Address: **200 Europia Avenue**
City, State Zip: **Oak Ridge, Tennessee 37830**
Phone: **+1 3462626222**
E-mail: **g.gustavson@usnc.com**
Fax:

GIFTS

Date	Name	Position	Nature of Gift	Value
No Gifts Given				

NOTICE OF TERMINATION

Lobbyist Name	Termination Date
No Notice of Terminations	

INTERESTS OF EMPLOYER

General description of the legislative and administrative action the employer of lobbyist attempted to influence during the period. Report specific bill numbers when possible. AS 24.45.061(a)(5).

Lobbyist is assisting USNC to be able to eventually do business in Alaska by encouraging legislation that will make possible the safe and economic operation of Microreactors.

Nature and interest of the entity employing or retaining lobbying services:

Nuclear micro modular technology company

SCHEDULE A (COMPENSATION AND EXPENSES PAID TO OR ON BEHALF OF THE LOBBYIST)

Lobbyist Name	Compensation		Expenses	
	2024 - Strategy North Group LLC., Strategy North Group LLC.	Fee / Salary	\$18,750.00	Food / Beverage
Other		\$0.00	Living	\$0.00
		Travel	\$0.00	
		Other	\$0.00	
Totals		Totals		
This Report		\$18,750.00	This Report	\$0.00
Previous Total		\$37,500.00	Previous Total	\$0.00
New Total		\$56,250.00	New Total	\$0.00

SCHEDULE B (COSTS RELATED TO LOBBYING)

In-House Costs Related to Lobbying

Employee Name	Lobbying Activity	Support of Lobbying	Amount
No In-House Lobbying Costs			

Outsourced Costs Related to Lobbying

Date	Payee/Vendor	Address	Purpose	Amount
No Outsourced Lobbying Costs				

Costs Related to Lobbying Totals

This Report	\$0.00
Previous Total	\$0.00
New Total	\$0.00



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Administration

ALASKA PUBLIC OFFICES COMMISSION

2221 E. Northern Lights Blvd., Rm. 128
Anchorage, AK 99508-4149
Main: 907.276.4176
Fax: 907.276.7018
www.doa.alaska.gov/apoc

December 20, 2024

Ultra Safe Nuclear Corporation
ATTN: Donald Gustavson
200 Europa Ave
Oak Ridge, TN 37830
g.gustavson@usnc.com

Re: COMMISSION MEETING NOTICE

Mr. Gustavson:

At its January 16, 2025 Commission Meeting in Anchorage, the Commission will review the matter of your delinquent Employer of Lobbyist Report. I have enclosed the Staff Recommendation that will be presented to the Commission at the meeting.

You have a right to participate at the meeting by telephone (1-907-202-7104, Access Code 542592595#, Phone Conference ID: 542 592 595#) or by Microsoft Teams.¹ Please notify our office if you intend to participate. CPAs for Lobbyist and Employer of Lobbyist Reports are expected to begin at **10:10 a.m. on Thursday, January 16, 2025**. Staff will send you a copy of the final decision by the Commission. If you have any questions, contact APOC.

Sincerely,

ALASKA PUBLIC OFFICES COMMISSION

A handwritten signature in black ink, appearing to read "Heather Dalberg".

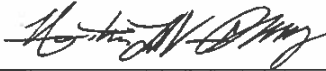
Heather Dalberg
APOC Paralegal II

Encl: Staff Recommendation

¹ If you choose to participate via Microsoft Teams, please contact our offices so that we may send you a meeting invitation.

Certificate of Service I emailed and certified mailed a true and correct copy of the foregoing to:

Ultra Safe Nuclear Corporation
ATTN: Donald Gustavson
200 Europa Ave
Oak Ridge, TN 37830
g.gustavson@usnc.com



Paralegal II

Date 12/20/24