September 26, 2008

The Honorable Joseph I. Lieberman
Chairman, Senate Committee on Homeland
Security and Governmental Affairs
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am pleased to respond to the recommendations made by the U.S. Government Accountability Office (GAO) in its report to the Senate Committee on Homeland Security and Governmental Affairs and to the House Committee on Oversight and Government Reform entitled "Telecommunications: Agencies Are Generally Following Sound Transition Planning Practices, and GSA Is Taking Action to Resolve Challenges." In its report (GAO-08-759), the GAO made two recommendations for NRC consideration. Specific responses to these GAO recommendations are enclosed.

The NRC appreciates the opportunity to address the recommendations identified by the GAO. If you have any questions, please contact Ms. Rebecca L. Schmidt, Director of the Office of Congressional Affairs, at (301) 415-1776.

Sincerely,

/RA/

Gregory B. Jaczko
Acting Chairman

Enclosure:
Statement of Actions Taken on
GAO-08-759 Recommendations

cc: Senator Susan Collins

Similar letter sent to:

The Honorable Joseph I. Lieberman
Chairman, Senate Committee on Homeland
Security and Governmental Affairs
United States Senate
Washington, D.C. 20510
cc: Senator Susan Collins

The Honorable Henry Waxman
Chairman, Committee on Oversight
and Government Reform
United States House of Representatives
Washington, D.C. 20515
cc: Representative Tom Davis

Mr. Gene L. Dodaro
Acting Comptroller General of the
United States
U.S. Government Accountability Office
441 G. Street, NW
Washington, D.C. 20548
cc: L. Koontz, GAO
J. Sweetman, GAO

STATEMENT OF ACTIONS TAKEN ON GAO-08-759 RECOMMENDATIONS

The U.S. Nuclear Regulatory Commission (NRC), in response to the two recommendations made in the GAO report entitled "Telecommunications: Agencies Are Generally Following Sound Transition Planning Practices, and GSA Is Taking Action to Resolve Challenges," is taking the following actions:

Recommendation No. 1
The Chairman of the NRC should direct the Chief Information Officer (CIO) to establish measures of success based on the transition objectives that the agency plans to develop.

Response: The CIO has directed the agency Transition Manager to establish agency specific transition objectives with appropriate measures of success. The Transition Manager, as part of establishing agency specific transition objectives and measures, performed a thorough review of its telecommunications services inventory as mentioned in the GAO report and found that the current agency telecommunications services and near-term future telecommunications needs are (1) in alignment with the agency's overall mission and business objectives, and (2) being met by the existing Federal Technology Services (FTS) contracts. Based upon this determination, the NRC will perform a "like-for-like" transition of telecommunications services from the current FTS contracts to the new Networx acquisition contracts. In the future, as emerging telecommunications needs are developed by the agency, the NRC will evaluate, select through the Fair Opportunity process, and utilize the appropriate Networx acquisition vehicle(s) and Networx vendor(s) to meet those emerging needs.

The table below identifies the NRC transition objectives and their associated measures of success.

Transition Objective	Objective Description	Measure of Success
1	All agency FTS2001 telecommunications services transitioned prior to the end of the current Bridge contracts.	All applicable services transitioned to the Networx vendor(s) of choice prior to May 1, 2010.
2	All Resident Inspector locations are transitioned without an extended loss in data service.	Each remote site transition not to exceed eight hours for data services.
3	All emergency response functions, inclusive of COOP functions, will be transitioned without a loss in service.	Each emergency response function or site will be transitioned using parallel operations not to exceed 30 days and without a loss in service.
4	Correct billing of agency services both on the incumbent and new vendor billing systems during the transition process.	All service invoices will reflect actual usage/implementation dates and charges by the NRC; while all disconnects will be honored according to the FTS2001 Bridge contracts.
5	Application or system will be minimally impacted due to transition activities.	Routine applications or systems will be transitioned in 3 hours or less and critical systems will be transitioned in less than one hour.
6	Customer not ready conditions will be minimized.	The Transition Manager will ensure that all agency site preparations are completed and that resource scheduling has been clearly communicated with all stakeholders prior to scheduling a site transition with the incumbent and gaining service providers.

Enclosure

Recommendation No. 2
The Chairman of the NRC should direct the CIO to evaluate the costs and benefits of new technology or alternatives to meeting its telecommunications needs.

Response: The NRC has only one wide area network for data transmission that supports the agency's dedicated data transmission needs in total. Voice services utilize both local and long distance voice connections in various methods depending upon the specific location's voice architecture; i.e., agency private branch exchange or General Services Administration's consolidated service. Following the evaluation of the agency telecommunications inventory and in light of the agency telecommunications architecture, the NRC does not recognize any additional opportunities for optimization; however, the NRC does intend to reduce its telecommunications service costs due to the lower overall pricing available under the Networx acquisitions for FTS 2001-like services.

As a normal business practice, the NRC evaluates new technologies as they become available to meet existing or emerging agency business needs. At present, there are no outstanding agency telecommunications needs that cannot be filled by the current FTS 2001 contracts. The NRC recognizes that the Networx acquisition vehicles offer the Departments and Agencies many value-added telecommunications and Information Technology services that are not currently offered under the FTS 2001 service contracts; however, the NRC does not currently have a business need to utilize those enhanced telecommunications service offerings.