

March 13, 2014

MEMORANDUM TO: William Gott, Chief
Fuel Cycle Transportation Security Branch
Division of Security Policy
Office of Nuclear Security and Incident Response

FROM: Alex Sapountzis, Senior Program Manager */RA/*
Fuel Cycle Transportation Security Branch
Division of Security Policy
Office of Nuclear Security and Incident Response

SUBJECT: SUMMARY OF FEBRUARY 20, 2014, PUBLIC MEETING BETWEEN
U.S. NUCLEAR REGULATORY COMMISSION AND
STAKEHOLDERS TO DISCUSS SECURITY AT FIXED SITES,
ACCESS AUTHORIZATION AND SAFETY/SAFEGUARDS
INTERFACE THAT IS ASSOCIATED WITH THE REGULATORY
BASIS FOR THE TITLE 10 OF THE *CODE OF FEDERAL
REGULATIONS* PART 73 RULEMAKING EFFORT

On February 20, 2014, the United States Nuclear Regulatory Commission (NRC) hosted a public workshop. The purpose of this workshop was to meet with stakeholders to discuss and obtain stakeholder feedback on the NRC's efforts to develop a regulatory basis to update security regulations within Title 10 of the *Code of Federal Regulations* (10 CFR) Part 73, based on the concept of material attractiveness for Special Nuclear Material (SNM). The discussions focused on three topics that included:

1. Access authorization.
2. Safety and safeguards interface.
3. Security of SNM at fixed sites associated with theft and diversion.

The workshop began with the NRC staff referencing the timelines and due dates for the regulatory basis for both the 10 CFR Parts 73 and 26 efforts. The NRC staff requested that licensees provide meaningful input in section 8 of the regulatory basis (once issued for public comment) associated with cost and impacts to licensees for these two efforts.

Next the NRC discussed access authorization and the Security Orders ("Orders") issued post September 11, 2001, that provided guidance to licensees to determine if an individual should be granted site access (based on trustworthiness and reliability). The following questions and issues were raised:

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1. An attendee asked if the NRC was planning to expand the requirements associated with access authorization to fuel cycle licensees. The staff responded that it was looking at applying the same access authorization requirements found in the Orders and also for maintaining consistency with the power reactor licensees, adding the requirements in 10 CFR 73.57, 73.59 and 73.61, where appropriate. The same attendee responded that this may expand access authorization requirements.

Next, the NRC gave a presentation on safety/safeguards interface (see ADAMS number ML14049A114). Based on the dialogue during the presentation the following questions and issues were raised:

1. One attendee asked if the interface problems in the presentation were actual problems or examples. The NRC responded that it was not sure since the individual who was scheduled to give the presentation had to participate in an emergent inspection at a NRC licensed facility. After the meeting, it was later determined that the presentation provided actual problems.
2. Another attendee asked if there would be additional documentation required for any upgrades at the site when it reviewed those upgrades and considered the impacts to safety and safeguards programs. The NRC responded that it does not anticipate any changes.

Next, the NRC gave a presentation on physical security measures at fixed sites associated with theft and diversion of SNM (see ADAMS number ML14049A108). Based on the dialogue during the presentation the following questions and issues were raised.

1. Some attendees found the material attractiveness tables the staff had initially proposed to the Commission (slides 3 and 4) confusing. The staff responded that this information is presented for historical purposes to show the public where the NRC started from and in later presentation slides, the staff will show it is moving towards keeping the existing categorization levels and introducing dilution. Furthermore, the staff reiterated that the protective measures it comes up with for the different categories, including dilution, will be incorporated into the regulations through the rulemaking.
2. One attendee requested examples of where SNM in different forms might fall within the different categories; the NRC stated that the regulations and regulatory guides will provide clarity.
3. Another attendee asked why material attractiveness and dilution have an impact on our regulations. The staff explained that dilution plays a large factor in determining how easily the SNM could be processed into a more useable form for use in an improvised nuclear device (IND), based on the attractiveness of the material to an adversary. Through its partnership with Los Alamos National Laboratory (LANL), a logic model was developed to understand the concept of material attractiveness and the NRC is using it to inform the regulatory basis.
 4. Another attendee asked what are the impacts to Category III licensees associated with the protective measures starting on slide 6? The NRC stated that it does not anticipate any changes to the physical protection measures for Category III licensees based on the current regulations and Orders issued post September 11, 2001, to these licensees. The NRC also stated that some Category I licensees may see some changes to the requirements for physical protective measures. As for Category II licensees, they will see significant changes since no facilities exist, hence no post September 11, 2001, Orders were ever issued.

5. Another attendee requested clarification on slide 6 under Category I protective strategy on details on what is required for a diversion path analysis. The NRC responded that it is still working out those details.
6. Another attendee asked if the NRC will require Category III licensees to approve their site physical security plan based on the information on slide 7. The NRC responded that it is still developing these requirements, making sure to maintain alignment with INFCIRC 225 and determining if it will review/approve Category III physical security plans; the intent is for the licensee to have a physical security plan and whether the NRC should review/approve the plan is yet to be determined.
7. One attendee requested that the NRC reconcile terminology difference within the regulations. The NRC stated that was one of the goals in this rulemaking effort
8. Another attendee requested details and the projected impacts to licensees regarding physical protection measures related to sabotage. The NRC responded that it is working on those physical protection measures and may have a future public meeting to obtain stakeholder input.
9. Another attendee stated that licensees will be able to either set security to the highest level based on material at the site or separate the site into different security zones based on the material within that zone. This could be overly complex. The NRC stated that these are performance based regulations and the site will determine the physical protection strategy.
10. One attendee commented and appreciated the NRC showing the staff's views on the physical protection measures required for the different categories of material include dilute forms.
11. Another attendee asked if the intent on vehicle searches at the owner controlled area (OCA) boundary for Category I sites was to be performed 100% of the time. The NRC responded that we are not expecting to change the search requirements.
12. Another attendee requested how to submit comments on the information presented in this public meeting. The NRC responded that attendees may submit comments either to those individuals listed in the meeting notice as contacts or through the NRC website (<http://www.nrc.gov/security/domestic/phys-protect/reg-initiatives/10cfr73.html>).
13. Another attendee asked if more public meetings are planned in the near future. The NRC stated that the staff will post future meeting announcements on the website.
14. Another attendee asked if the NRC intends to rescind any Orders (e.g., access authorization Orders). The NRC stated that it may rescind some Orders once they are incorporated into the regulations.
15. Another attendee stated that physical protective measures for Category I moderately dilute materials in the slides may not be enough to prevent radiological sabotage. The NRC stated that it is still under review by the staff.
16. On slide 11, under security program review, the NRC proposed that all categories incorporate a corrective action program (CAP) to record licensee issues or record these issues in an event log. One attendee commented that it prefers to capture security related events in an event log instead of a corrective action program (CAP). The NRC reiterated that the licensee has a choice on whether to capture the security related event in a CAP or an event log.
17. Another attendee asked what is the driver for applying fatigue requirements for officers at Category I sites. The NRC responded that the Commission issued direction to the staff to evaluate fatigue issues at material licensees (SRM-COMSECY-04-0037).

18. Another attendee made the comment that the NRC in affect is reducing the physical protection measures required for Category I dilute materials based on material attractiveness. The NRC stated that it is still working on the appropriate protection measures, and noted that Category I dilute materials are in a bulkier form, more difficult to acquire, and more difficult to process for use in an IND.

Please direct any inquires to Alex Sapountzis at 301-287-3660 or Alexander.Sapountzis@nrc.gov.

Enclosures:

1. Agenda for Public Meeting to Discuss Security at Fixed Sites, Access Authorization, and Safety/Security Interface all Associated with the Regulatory Basis for the 10 CFR Part 73 Rulemaking Effort.
2. Attendance List

18. Another attendee made the comment that the NRC in affect is reducing the physical protection measures required for Category I dilute materials based on material attractiveness. The NRC stated that it is still working on the appropriate protection measures, and noted that Category I dilute materials are in a bulkier form, more difficult to acquire, and more difficult to process for use in an IND.

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Enclosures:

1. Agenda for Public Meeting to Discuss Security at Fixed Sites, Access Authorization, and Safety/Security Interface all Associated with the Regulatory Basis for the 10 CFR Part 73 Rulemaking Effort.
2. Attendance List

DISTRIBUTION:

A. Sapountzis	J. Adams	P. Habighorst	L. Harris	T. Harris	W. Gott
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ADAMS Accession No. ML14072A438

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DATE	3/13/14	3/13/14

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**AGENDA FOR PUBLIC MEETING TO DISCUSS SECURITY AT FIXED SITES, ACCESS
AUTHORIZATION AND SAFETY/SAFEGUARDS INTERFACE ALL ASSOCIATED WITH THE
REGULATORY BASIS FOR THE 10 CFR PART 73 RULEMAKING EFFORT**

**February 20, 2014
9:00 A.M. – 12:30 P.M.**

U.S. NUCLEAR REGULATORY COMMISSION (NRC)

Agenda

PURPOSE: To provide an opportunity for interested parties to discuss the NRC's efforts to develop a regulatory basis to update security regulations within Title 10 of the *Code of Federal Regulations* (10 CFR) Part 73, that includes security at fixed sites for the protection of special nuclear material, access authorization at fuel cycle facilities and safety/safeguards interface.

February 20, 2014

- 9 00 A.M. Opening remarks, introduction and meeting focus. (NRC)
- 9:15 A.M. Access Authorization. (NRC)
- 9:30 A.M. Safety/Safeguards Interface. (NRC)
- 9:45 A.M. Public comments. (All)
- 10:15 A.M. Security at fixed sites for the protection of special nuclear material. (NRC)
- 10:45 A.M. Break
- 11:00 A.M. Public comments. (All)
- 12:15 P.M. Closing remarks. (NRC)
- 12:30 P.M. Adjournment

Attendance List

On February 20, 2014, the NRC met with stakeholders to discuss the NRC's efforts to develop a regulatory basis to update security regulations within 10 CFR Part 73, based on the concept of material attractiveness for Special Nuclear Material (SNM)

Name	Organization
Kristi Branch	Pacific Northwest National Laboratory
Janet Bryant	Pacific Northwest National Laboratory
Brian Buckley	General Electric
Brantley Buerger	Vermont Yankee Nuclear Power Plant
Louis Carson	Nuclear Regulatory Commission/Region IV
John Clark	Babcock and Wilcox-Nuclear Operations Group
T. G. Clark	MOX Services
Daniel Cronin	University of Florida
Devon Englemen	SHINE Medical Technologies
Kimberly Gambone	Nuclear Regulatory Commission/Nuclear Security and Incident Response
Tony Gody	Nuclear Regulatory Commission/Region II
Bill Gott	Nuclear Regulatory Commission/Nuclear Security and Incident Response
Dealis Guyn	MOX Service-Savannah River Site
Gary Hamby	Honeywell
Duane Hardesty	Nuclear Regulatory Commission/Nuclear Reactor Regulations
Elaine Hiruo	Platts News
Daniel Huang	Nuclear Regulatory Commission/Nuclear Materials Safety and Safeguards
Gerry Jackson	Nuclear Regulatory Commission/Nuclear Security and Incident Response
Melinda Krahenbuhl	Reed College of Oregon
Jim Lenois	Vermont Yankee Nuclear Power Plant
Ed Lyman	Union of Concerned Scientist
Andrew Mauer	Nuclear Energy Institute
Peter Miner	United States Enrichment Corporation
John Nakoski	Nuclear Regulatory Commission/Research
Nancy Parr	Westinghouse
Sarah Price	Nuclear Regulatory Commission/General Counsel
Louis Quintana	General Electric
Steven Reese	Oregon State University
Joe Rivers	Nuclear Regulatory Commission/Nuclear Security and Incident Response
Michael Rodriguez	Nuclear Regulatory Commission/Nuclear Security and Incident Response
Alex Sapountzis	Nuclear Regulatory Commission/Nuclear Security and Incident Response
Janet Schlueter	Nuclear Energy Institute
Nathan Siu	Nuclear Regulatory Commission/Research
Scott Sloan	Nuclear Regulatory Commission/Nuclear Reactor Regulations
Xiaosong Yin	Nuclear Regulatory Commission/Nuclear Reactor Regulations
Mitzi Young	Nuclear Regulatory Commission/General Counsel
Tom Young	Nuclear Regulatory Commission/Federal State Materials and Environmental Management Programs