September 6, 2002

Dr. Mohamed El-Baradei
Director General
International Atomic Energy Agency
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Dear Dr. El-Baradei:

As the anniversary of the terrorist attacks of September 11 approaches, the United States is continuing its efforts to enhance security. Because of the broad public interest in commercial nuclear facilities and activities, I am writing on behalf of the Nuclear Regulatory Commission (NRC) to inform you of where we are and where we are headed in our efforts to enhance safety and security. This letter highlights some of the significant accomplishments of the NRC and our licensees and describes certain ongoing initiatives.

For over 25 years, NRC regulations have required that major NRC licensees maintain rigorous security programs. These facilities are among the best defended and most hardened commercial facilities in the United States. Nonetheless, in light of the terrorist attacks the Commission launched a comprehensive review of the security and safeguards programs of nuclear power plants and nuclear materials facilities. Although this work is still underway, this review has resulted in a series of Commission actions, and further actions are planned in the coming months.

Immediately following the attacks, the NRC issued a series of safeguards and threat advisories to the major licensed facilities placing them on the highest security level. Security across the nuclear industry was enhanced as a result of these actions, and many of the strengthened security measures are now requirements as a result of subsequently issued NRC Orders. The security enhancements include measures to provide additional protection against vehicle bombs, as well as water and land-based assaults. They include requirements for increased security patrols, augmented security forces, additional security posts, increased vehicle standoff distances, tightened facility access controls, and enhanced coordination with the law enforcement and intelligence communities.

Enhancing access control may be one of the most effective means of preventing a successful attack, because an insider could provide significant assistance to an attacking force. Immediately following the September 11 attacks, we worked with the FBI, the Nuclear Energy Institute, and our licensees to review access lists of employees working at nuclear power plants to identify any individual whose name matched the FBI Watch List. We determined that there were no positive matches. NRC, in coordination with the intelligence and law enforcement community, has also placed special emphasis on strengthening access controls at nuclear

facilities. NRC regulations require that individuals having unescorted access to nuclear power plants undergo a background investigation which includes credit checks, employment history, reference examination, psychological testing, and a criminal history check conducted by the FBI. The Orders issued to certain licensees require additional measures, including severe limitations on temporary unescorted access to sensitive areas of these facilities. We have reduced the processing time for background checks to facilitate careful examination of licensee personnel and contractors. For example, the time for processing criminal history information has been reduced to approximately 24 hours in many cases.

The Commission has completed an initial assessment of power reactor vulnerabilities to intentional malevolent use of commercial aircraft in suicidal attacks and has initiated a broad-ranging research program to understand the vulnerabilities of various classes of facilities to a wide spectrum of attacks. We are developing measures to mitigate any vulnerabilities that are identified. In addition, the Commission has begun a series of bilateral exchanges with our allies on nuclear security vulnerabilities and potential mitigating measures. Although our work in this area is ongoing, the Commission has directed nuclear power plant licensees to develop specific plans and strategies to respond to an event that could result in damage to large areas of their plants from impacts, explosions or fire. In addition, licensees must provide assurance that their emergency planning resources are sufficient to respond to such an event.

The Commission is working closely with other Federal agencies to revise the design basis threat that provides the foundation for the security programs of nuclear power plant licensees. The Commission's Orders to these licensees in February 2002 effectively provide enhanced security in the interim while this work in underway. Full security performance reviews, including force-on-force exercises, will be carried out at each nuclear power plant on a three-year cycle instead of the eight-year cycle that had been used prior to September 11, 2001. These reviews have commenced with table top exercises that for the first time involve a wide array of Federal, State and local law enforcement and emergency planning officials.

In April, we established the Office of Nuclear Security and Incident Response (NSIR) to improve communications and coordination both within and external to the NRC on security and safeguards issues. NSIR is responsible for developing overall safeguards and security policies and is the central point of contact with the Office of Homeland Security. The office also contains our Incident Response organization, including the NRC Headquarters Operations Center, and coordinates with Federal response and law enforcement agencies. It also directs our counter-intelligence, information security and secure communications activities.

The establishment of NSIR has facilitated an increase in the level of interaction among NRC, other Federal agencies, State and local governments, as well as the international community. As a direct result of coordination efforts, the Federal Aviation Administration and the Department of Defense have acted on specific occasions to protect the airspace above nuclear power plants. We have also enhanced our ability to communicate critical, time-sensitive information with licensee sites. We have placed secure telephones in all of our resident inspectors' offices at nuclear power plants and will soon have secure FAX capabilities in these offices as well. We are also in the process of obtaining security clearances for a limited number of licensee officials at each nuclear power plant.

A critical function of NSIR is to manage the NRC Incident Response Program. We continue to maintain around-the-clock operations of the NRC Headquarters Operations Center, which ensures that a cadre of experts are on call to respond to emergencies. The Incident Response Program now provides improved communication capability between and among Incident Response Centers in our regional offices, and better coordination with other Federal agencies.

The NRC has developed a new Threat Advisory and Protective Measures System in response to Homeland Security Presidential Directive-3. When a new Homeland Security Advisory System (HSAS) threat condition is declared, the NRC will promptly notify affected licensees of the condition and refer them to the predefined protective measures that we have developed for each threat level. The new system for NRC licensees has been formally communicated to licensees, Governors, State Homeland Security Advisors, Federal agency administrators and other appropriate officials. The new system replaces the NRC's 1998 threat advisory system and covers additional classes of licensees not included in NRC's 1998 system.

The Commission has also specified actions for enhancing security at NRC Headquarters and increasing the readiness of the Operations Center. Consistent with the current Yellow (elevated) threat condition, the NRC has enhanced its Headquarters physical security by increasing the number of armed guards, installing perimeter security barriers, and strengthening access controls. Additionally, special mail handling equipment was installed to complement the agency's enhanced security posture. We also conducted a comprehensive redesign of our web site to restrict access to sensitive but unclassified information, while still allowing continued communication with the public on a wide variety of our non-sensitive activities.

The Commission is also actively involved in efforts to defend against possible terrorist use of radiological dispersal devices. Prior to September 11, 2001, the NRC had initiated two programs aimed to reduce the risk of loss of control of radioactive materials. The NRC is helping to fund efforts by the Conference of Radiation Control Program Directors to identify, recover, and manage the proper disposition of unwanted discrete radioactive sources and devices. And NRC initiated a program to increase the control of, and accountability for, generally licensed devices through a registration program for certain devices.

Following the terrorist attacks of September 11, 2001, NRC alerted licensees, suppliers, and shippers of the need to enhance security against the threat of theft of radioactive material. In addition, NRC is conducting a comprehensive evaluation of controls to protect those radioactive materials that constitute the greatest hazard to public health and safety. NRC has established a joint working group with the Department of Energy to evaluate approaches for "cradle-to-grave" control of radioactive sources which might be used in a radiological dispersal devise. As part of the evaluation, the NRC is working with the Agreement States to establish a consolidated listing of higher-risk materials licensees that may be subject to additional requirements for enhanced security measures. The NRC is also reexamining its import and export licensing for these isotopes and is working with the International Atomic Energy Agency on establishing a code of conduct for licensing such materials. The NRC is also working with the Office of Homeland Security and other agencies to ensure that the Federal Government is prepared to respond to an event involving a radiological dispersal device.

Finally, the NRC has provided legislative proposals to Congress detailing specific initiatives that would further enhance security of NRC-licensed activities. These proposals address a spectrum of activities. One provision would authorize guards at NRC-regulated facilities to use deadly force to protect property significant to the common defense and security. This would give guards protection from State criminal prosecution for actions taken during the performance of their official duties. Another provision would allow the Commission, in consultation with the Attorney General, to confer upon guards at NRC-designated facilities the authority to possess or use weapons that are comparable to those used by the Department of Energy's guard forces. Some State laws currently preclude private guard forces at NRC-regulated facilities from utilizing a wide range of weapons. Another provision would make it a Federal crime to bring unauthorized weapons and explosives into NRC-licensed facilities. The NRC would also make Federal prohibitions on sabotage applicable to the operation and construction of certain nuclear facilities. The NRC is hopeful that these legislative initiatives will be enacted.

The past year has been challenging for the NRC, our licensees, and the United States. However, the steps taken by the NRC and our licensees were built on a longstanding, solid foundation of strong security and safeguards practices. We have the utmost confidence that the United States' nuclear facilities remain among the most robust and well protected of any civilian facilities in the country.

Although this letter describes many of our efforts, it is by no means comprehensive. Please feel free to contact me for additional information or if you have specific questions.

Sincerely,

/RA/

Richard A. Meserve

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