

CAPITAL ASSET PLAN AND BUSINESS CASE
EXHIBIT 300

PART I: CAPITAL ASSET PLAN AND BUSINESS CASE (All Assets)

Agency	U. S. NUCLEAR REGULATORY COMMISSION		
Bureau			
Account Title	Salaries and Expenses		
Account Identification Code	31-0200-0-1-276		
Program Activity	IT Infrastructure		
Name of Project	Regional IT Infrastructure Support		
Unique Project Identifier: (IT only)(See section 53)	429-00-02-06-01-1021-00		
Project Initiation Date	On going support. Contract initiated various past years.		
Project Planned Completion Date	ONGOING		
This Project is:	Initial Concept <input type="checkbox"/>	Planning <input type="checkbox"/>	Full Acquisition <input type="checkbox"/>
	Mixed Life Cycle <input type="checkbox"/>	Steady State <input checked="" type="checkbox"/>	
Project/useful segment is funded:	Incrementally <input type="checkbox"/>	Fully <input checked="" type="checkbox"/>	
Was this project approved by OMB for previous Year Budget Cycle?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	
Did the Executive/Investment Review Committee approve funding for this project this year?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	
Did the CFO review the cost goal?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	
Did the Procurement Executive review the acquisition strategy?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	
Is this investment included in your agency's annual performance plan or multiple agency annual performance plans?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	
Does the project support homeland security goals and objectives, i.e., 1) improve border and transportation security, 2) combat bio-terrorism, 3) enhance first responder programs; 4) improve information sharing to decrease response times for actions and improve the quality of decision making?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	
Is this project information technology? (See section 300.4 for definition)	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	
For information technology projects only:			
a. Is this Project a Financial Management System? (see section 53.3 for a definition)	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	
If so, does this project address a FFMIA compliance area?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	
If yes, which compliance area?			
b. Does this project implement electronic transactions or record keeping that is covered by the Government Paperwork Elimination Act (GPEA)?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	
If so, is it included in your GPEA plan (and does not yet provide an electronic option)?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	

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Does the project already provide an electronic option?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	
c. Was a privacy impact assessment performed for this project?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	
d. Was this project reviewed as part of the FY 2002 Government Information Security Reform Act review process?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	
d.1. If yes, were any weaknesses found?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	
d.2. Have the weaknesses been incorporated into the agency's corrective action plans?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	
e. Has this project been identified as a national critical operation or asset by a Project Matrix review or other agency determination? <i>Note: Preparations for NRC's Project Matrix Review are just underway. The Review will not be completed until the first Quarter FY 2003, at the earliest</i>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	
e.1. If no, is this an agency mission critical or essential service, system, operation, or asset (such as those documented in the agency's COOP Plan), other than those identified above as national critical infrastructures? <i>NOTE: Yes for Region II, No for Regions I, II, & IV</i>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	

SUMMARY OF SPENDING FOR PROJECT STAGES									
(In Millions)									
(Estimates for BY+1 and beyond are for planning purposes only and do not represent budget decisions)									
	PY-1 and Earlier	PY 2002	CY 2003	BY 2004					
Planning:									
Budgetary Resources		0.000	0.000	0.000					
Outlays		0.000	0.000	0.000					
Acquisition :									
Budgetary Resources		0.000	0.000	0.000					
Outlays		0.000	0.000	0.000					
Total, sum of stages:									
Budgetary Resources		0.000	0.000	0.000					
Outlays		0.000	0.000	0.000					
Maintenance:									
Budgetary Resources		4.381	4.356	4.541					
Outlays		4.381	4.356	4.541					
Total, All Stages:									
Budgetary Resources		4.381	4.356	4.541					
Outlays		4.381	4.356	4.541					

I. A. Project Description

1. Provide a brief description of this project and its status through your capital planning and investment control (CPIC) or capital programming "control" review for the current cycle.

The IT expenditure provides ongoing information technology support, including local telecommunications infrastructure and operations, and computer and network end user support for four regional offices and 72 remote offices that report to the Region. Overall agency support and responsibility for agency-wide infrastructure is provided by OCIO but regional support for local telecommunications, computer, and network infrastructure and users is provided under this separate expenditure. The large majority of this expenditure includes funding local services provided by telecommunications contracts and establishing the staffing required for providing local support.

In CPIC terms, this regional IT infrastructure expenditure is in the control phase (i.e., operational and steady state). Capital asset acquisitions under this expenditure use the agency CPIC process.

2. What assumptions are made about this project and why?

It is assumed that this ongoing steady-state project will experience increased end use support requests and increased demand for telecommunications contract services. However, increased efficiency and effectiveness are assumed to counteract this increase in services and support, as well as current inflation levels, resulting in steady-state budget projections (FTE and funding) for future fiscal years.

3. Provide any other supporting information derived from research, interviews, and other documentation.

This end user support under this project includes major infrastructure services only.

I.B. Justification (All Assets)

1. How does this investment support your agency's mission and strategic goals and objectives?

NRC's Strategic Goals	NRC Strategies	Supports	How does your Initiative support this NRC goal or Corporate Management Strategy
<p><i>1. Nuclear Reactor Safety: Prevent radiation related deaths and illnesses, promote the common defense and security, and protect the environment in the use of civilian nuclear reactors.</i></p>		X	<p><i>The information technology services provided by this project establish the local framework for normal and emergency response activities relating to reactor safety.</i></p>
<p><i>2. Nuclear Materials Safety: Prevent radiation related deaths and illnesses, promote the common defense and security, and protect the environment in the use of source, byproduct, and special nuclear material for medical, academic, and industrial purposes.</i></p>		X	<p><i>The information technology services provided by this project establish the local framework for normal and emergency response activities relating to materials safety.</i></p>

<p>3. Nuclear Waste Safety: Prevent adverse impacts from radioactive waste to the current and future public health and safety and the environment, and promote common defense and security.</p>		X	<p>The information technology services provided by this project establish the local framework for normal and emergency response activities relating to waste safety.</p>
<p>4. International Nuclear Safety Support: Support U.S. interests in the safe and secure use of nuclear materials and in nuclear non-proliferation.</p>			
<p>NRC Corporate Management Strategy 1: Employ innovative and sound business practices.</p>	<p>We will improve customer service. We will find new and better ways of doing business.</p>	X	<p>The regional nature of this project allows implementation of innovative small-scale efforts to improve agency performance at the local level.</p>
<p>NRC Corporate Management Strategy 2: Sustain a high-performing, diverse workforce.</p>	<p>We will recruit, hire, and retain a high-quality, diverse workforce. We will improve the capability of our workforce through training, development, and continual learning.</p>	X	<p>The staff associated with this project is diverse, and possesses technical skills obtained through experience and continual training opportunities.</p>
<p>NRC Corporate Management Strategy 3: Provide proactive information management and information technology services.</p>	<p>We will integrate information technology and business planning. We will make it easier for the staff to acquire, access, and use information.</p>	X	<p>The regional nature of this project provides for close coupling of information management and information technology services with local users, resulting in improved ability to enhance timely end user services.</p>
<p>NRC Corporate Management Strategy 4: Communicate strategic change.</p>	<p>We will develop and implement communication plans. We will assess the effectiveness of communications.</p>	X	<p>The close coupling of the local user and information technology personnel improves the effectiveness of informal and formal communications.</p>

2. How does it support the strategic goals from the President's Management Agenda?

President's Management Agenda (PMA)	Supports	How Does Your Initiative Support This PMA Item?
Human Capital		
Competitive Sourcing	X	<i>Each acquisition under this expenditure uses the NRC's competitive procurement process, which ensures competitive sourcing.</i>
Financial Performance	X	<i>This expenditure is monitored and controlled using the same NRC process as other procurement actions, which maximize the efficient and effective use of resources.</i>
E-Government		
Budget and Performance Integration	X	<i>These expenditures are an integrated component of regional financial and performance metrics reported to NRC senior management at least quarterly, with specific goals for financial and performance metrics.</i>

3. Are there any alternative sources in the public or private sectors that could perform this function?

Yes. Some of the end user support functions are performed and funded by private sector personnel acting under the Infrastructure Services and Support contract. This contract allows additional support costs to be moved under it, if the agency determines that such action is appropriate. This will be evaluated during the term of the contract, as the agency develops additional insight into the operation of the Infrastructure Services and Support s contract. Additionally, a substantial fraction of this project consists of funding private sector telecommunications services at the Regional level.

4. If so, explain why your agency did not select one of these alternatives.

Contracted public sector personnel for end user information technology support has not previously been shown to be more efficient or effective than staff for the limited number of staff represented in this project. This decision will be revisited as additional experience is gained with the infrastructure, services, and support contract. This contract is still in the initial implementation stage for the centralized support of information technology in the agency.

5. Who are the customers for this project?

Regional agency personnel, licensees and the public

6. Who are the stakeholders of this project?

Regional agency personnel, licensees and the public

7. If this is a multi-agency initiative, identify the agencies and organizations affected by this initiative.

This is not a multi-agency initiative. As specific elements of this IT expenditure are identified, they may be procured through interaction with the General Services Administration rather than through agency procurement action, depending on the specific circumstances.

8. How will this investment reduce costs or improve efficiencies?

This IT expenditure represents ongoing steady-state information technology support. As such, this project is not intended to create a significant change in agency business practices.

9. List all other assets that interface with this asset NONE. Have these assets been reengineered as part of this project? Yes , No .

I.C. Performance Goals and Measures (All Assets)

This regional IT infrastructure expenditure is in the control phase (i.e., operational and steady state). As such, this expenditure is focused on sustaining and improving services rather than identifying improving performance metrics. For this initial submittal, future metrics after FY03 have not yet been identified.

Fiscal Year	Strategic Goal(s) Supported	Existing Baseline	Planned Performance Improvement Goal	Actual Performance Improvement Results	Planned Performance Metric	Actual Performance Metric Results
2002	<i>Employee innovative and sound business practices</i>	<i>Improve customer service</i>	<i>Sustain end user computer problem resolution for 90% of requests within three business days</i>	<i>To be developed</i>	<i>To be developed</i>	<i>To be developed</i>
2002	<i>Provide proactive information management and information technology services</i>	<i>Integrate IT and business plans and make it easier for staff to acquire, access, and use information</i>	<i>Improve business practices by identifying and implementing specific examples that enhance integration of information technology</i>	<i>To be developed</i>	<i>To be developed</i>	<i>To be developed</i>
2002	<i>Communicate strategic changes</i>	<i>Develop and implement communication plans and assess the effectiveness of communications</i>	<i>A communication plan for the region, which includes this expenditure has been developed and effectiveness of communication is assessed on a regular period</i>	<i>To be developed</i>	<i>To be developed</i>	<i>To be developed</i>

2003	<i>Employee innovative and sound business practices</i>	<i>Improve customer service</i>	<i>Sustain end user computer problem resolution for 90% of requests within three business days</i>	<i>To be developed</i>	<i>To be developed</i>	<i>To be developed</i>
2003	<i>Provide proactive information management and information technology services</i>	<i>Integrate IT and business plans and make it easier for staff to acquire, access, and use information.</i>	<i>Improve business practices by identifying and implementing specific examples that enhance integration of information technology</i>	<i>To be developed</i>	<i>To be developed</i>	<i>To be developed</i>
2003	<i>Communicate strategic changes</i>	<i>Develop and implement communication plans and assess the effectiveness of communications</i>	<i>A communication plan for the region, which includes this expenditure has been developed and effectiveness of communication is assessed on a regular period</i>	<i>To be developed</i>	<i>To be developed</i>	<i>To be developed</i>
2004	<i>Employee innovative and sound business practices</i>	<i>Improve customer service</i>	<i>Sustain end user computer problem resolution for 90% of requests within three business days</i>	<i>To be developed</i>	<i>To be developed</i>	<i>To be developed</i>
2004	<i>Provide proactive information management and information technology services</i>	<i>Integrate IT and business plans and make it easier for staff to acquire, access, and use information.</i>	<i>Improve business practices by identifying and implementing specific examples that enhance integration of information</i>	<i>To be developed</i>	<i>To be developed</i>	<i>To be developed</i>

			<i>technology</i>			
2004	<i>Communicate strategic changes</i>	<i>Develop and implement communication plans and assess the effectiveness of communications</i>	<i>A communication plan for the region, which includes this expenditure has been developed and effectiveness of communication is assessed on a regular period</i>	<i>To be developed</i>	<i>To be developed</i>	<i>To be developed</i>

I.D. Program Management [All Assets]

1. Is there a program manager assigned to the project? If so, what is his name? <i>Judy Coleman, Region II</i>	Yes	X	No	
2. Is there a contracting officer assigned to the project? If so, what is his name? <i>Greg Benoit, Region II</i>	Yes	X	No	
3. Is there an Integrated Project Team? <i>Yes, the regional information technology, procurement, financial management, and security staffs work closely with headquarters' staffs in the Offices of CIO, CFO, NSIR and ADM on telecommunications, computer technology and use, security, and procurements and contracts.</i>	Yes	X	No	
3.A. If so, list the skill set represented.	<i>Telecommunications, computer technology, communications, information security, procurement, contract management, asset management, and financial management</i>			
4. Is there a sponsor/owner? <i>Luis A. Reyes, Regional Administrator, RII, USNRC</i>	Yes	X	No	

Part II: Additional Business Case Criteria for Information Technology

II. A. Enterprise Architecture

II. A.1 Business

A. Is this project identified in your agency's enterprise architecture? If not, why?

Yes, the Regional Major Infrastructure Support program has been identified in NRC's in-progress enterprise architecture (EA).

B. Explain how this project conforms to your departmental (entire agency) enterprise architecture.

The Regional Major Infrastructure Support program falls within the scope of NRC's baseline EA. Due to the support nature of this project, it derives specific requirements from the EA rather than contributing to it. As such, this program supports the performance of the business functions identified in the agency enterprise business model, documented in the NRC publication, "NRC Enterprise Model," by providing the infrastructure required to carry out NRC's mission. The Regional Major Infrastructure Support program utilizes products and components that are aligned with NRC's current application and technology standards and future direction as specified in NRC's existing technology planning documents. Although NRC's existing technology planning documents are being updated, the current documents identify some core technology needs. These core technology needs are in the process of being updated and expanded through an evolving organizational EA governance process that will ensure that all current and future technology needs are vetted by NRC business managers to validate links to NRC business drivers for the identified technologies. When fully functional, NRC's integrated EA and CPIC processes will enable NRC to apply the same sound risk management strategies to its IT investments that have long characterized NRC's core business operations. NRC has also provided the Federal Enterprise Business Reference Model (FEBRM) with high level business functions and subfunctions derived from the NRC Enterprise Model. NRC is working to uncover additional internal cross-cutting initiatives and has begun to look at other agency business processes and State business processes to identify potential areas for collaborative efforts.

C. Identify the Lines of Business and Sub-Functions within the Federal Enterprise Architecture Business Reference Model that will be supported by this initiative.

Since the FEA BRM is undergoing continual update, our responses are based upon the latest data that we have available.

FEA BRM Lines of Business	FEA BRM Sub-Functions Supported
<i>Internal Operations/Infrastructure Intra-Agency Administration</i>	<i>IT Infrastructure Maintenance</i>
	<i>Help Desk Services</i>

D. Briefly describe how this initiative supports the identified Lines of Business and Sub-Functions of the Federal Business Architecture.

The Regional Major Infrastructure Support program provides ongoing information technology support, including local telecommunications, infrastructure and operations and computer and network end user support for the NRC Regional offices and remote offices that report to the region. These support services fall within the scope of the FEA BRM internal

operations/infrastructure intra-agency administration area. The sub-functions IT infrastructure maintenance and help desk services to NRC staff are directly supported by this NRC program.

E. Was this project approved through the EA Review committee at your agency?

Yes, this project has been approved by the NRC EA Review committee.

F. What are the major process simplification/reengineering/design projects that are required as part of this initiative?

The Regional Major Infrastructure Support program is an ongoing support function for which no major process simplification/reengineering/design projects are now anticipated.

G. What are the major organization restructuring, training, and change management projects that are required?

The Regional Major Infrastructure Support program is an ongoing support function that does not require any restructuring, training, or change management.

H. What are the Agency lines of business involved in this project?

The regional information technology infrastructure supports telecommunications and end user support activities for direct and overhead agency lines of business. This includes reactor, materials, and waste safety, as well as personnel and payroll processes that occur within the NRC Regional and the remote offices that report to the region. These activities constitute a regional support component of the overall NRC processes that occur within the NRC Regional office and the remote offices that report to the region. These activities constitute a regional support component of the overall NRC processes.

I. What are the implications for the agency business architecture?

Currently there are no implications for the agency business architecture since the Regional Major Infrastructure Support program is an infrastructure support project in the operational phase.

II.A.2 Data

A. What types of data will be used in this project?

Since the Regional IT Infrastructure Support program only provides infrastructure services, no data is used in this project.

B. Does the data needed for this project already exist at the Federal, State, or Local level? If so, what are your plans to gain access to that data?

Since the Regional IT Infrastructure Support program only provides infrastructure services, no data is used in this project.

- C. Are there legal reasons why this data cannot be transferred? If so, what are they and did you address them in the barriers and risk sections above?**

Since the Regional IT Infrastructure Support program only provides infrastructure services, no data is used in this project.

- D. If this initiative processes spatial data, identify planned investments for spatial data and demonstrate how the agency ensures compliance with the Federal Geographic Data Committee standards required by OMB Circular A-16.**

Since the Regional IT Infrastructure Support program only provides infrastructure services, no data is used in this project.

II.A.3 Application and Technology

- A. Discuss this initiative/project in relationship to the application and technology layers of the EA. Include a discussion of hardware, applications, infrastructure, etc.**

As an ongoing regional infrastructure support project, the Regional Major Infrastructure Support program derived specific requirements from the support needs of the early NRC EA applications and business layers. The Regional Major Infrastructure Support infrastructure acquisition approach preferred technology already identified in the Technical Reference Model and worked within the scope of overall NRC infrastructure acquisition strategy. Thus, all hardware and other components of the Regional Major Infrastructure Support project are included in and compatible with the technology layer of the EA. As the application and technology layers of the NRC EA evolve, Regional Major Infrastructure Support project staff will work with the OCIO EA staff to ensure continued alignment as migration planning is completed.

Due to the support nature of this project, it derives specific requirements from the EA rather than contributing to it.

- B. Are all of the hardware, applications, and infrastructure requirements for this project included in the EA Technical Reference Model? If not, please explain.**

Yes, as a regional component of NRC's agency infrastructure, all of the hardware, applications, and specific infrastructure components of the Regional Major Infrastructure Support program are included in the NRC EA Technical Reference Model.

II. B. Security and Privacy

NOTE: Each category below must be addressed at the project (system/application) level, not at a program or agency level. Referring to security plans or other documents is not an acceptable response.

- II.B.1. How is security provided and funded for this project (e.g., by program office or by the CIO through the general support system/network)?**

By the CIO through the general support system/network.

- A. What is the total dollar amount allocated to security for this project in FY 2004?**

Routine security is provided by OCIO. The only separate line item in this project is for Homeland Security. The current FY04 budget request for this project is for less than \$40,000, including staffing and contract funding.

- II.B.2 Does the project (system/application) meet the following security requirements of the Government Information Security Reform Act, OMB policy, and NIST guidance?**

Yes.

- A. Does the project (system/application) have an up-to-date security plan that meets the requirements of OMB policy and NIST guidance? What is the date of the plan?**

The certification and accreditation of the NRC LAN/WAN general support system covers the IT systems at the Regions. The LAN/WAN was accredited using NIST approved procedures..

- B. Has the project undergone an approved certification and accreditation process? Specify the C&A methodology used (e.g., NIST guidance) and the date of the last review.**

The certification and accreditation of the NRC LAN/WAN general support system covers the IT systems at the Regions. The LAN/WAN was accredited using NIST approved procedures.

- C. Have the management, operational, and technical security controls been tested for effectiveness? When were most recent tests performed?**

Security controls for the regional information technology infrastructure are tested as part of the NRC's infrastructure controls. The management, operational, and technical security controls were tested for effectiveness during the certification and accreditation of the NRC LAN/WAN..

- D. Have all system users been appropriately trained in the past year, including rules of behavior and consequences for violating the rules?**

Yes. New user and ongoing usage requirements user training is provided to all users.

- E. How has incident handling capability been incorporated into the system, including intrusion detection monitoring and audit log reviews? Are incidents reported to GSA's FedCIRC?**

NRC has recently implemented information systems security incident response procedures. These are part of the underlying security services provided by the NRC LAN/WAN general support system. The incident response procedures have been

reviewed and approved by GSA's FedCIRC, and the NRC is reporting incidents to the GSA FedCIRC.

- F. Is the system operated by contractors either on-site or at a contractor facility? If yes, does any such contract include specific security requirements required by law and policy? How are contractor security procedures monitored, verified, and validated by the agency?**

No. The IT Infrastructure Support program is operated at NRC regional offices' headquarters.

- II.B.3 How does the agency ensure the effective use of security controls and authentication tools to protect privacy for those systems that promote or permit public access?**

These controls are discussed in the Security Plan for the Telecommunications GSS and all security controls and authentication tools were tested during the certification and accreditation process completed in July 2002.

- II.B.4 How does the agency ensure that the handling of personal information is consistent with relevant government-wide and agency policies.**

The issue of the handling personal information is addressed in the security controls that are designed into the security services provided by the Telecommunications GSS. The security controls to ensure that personal information is properly handled were verified during system security certification testing

- II.B.5 If a Privacy Impact Assessment was conducted, please provide a copy to OMB.**

The Regional IT Infrastructure support expenditure does not contain personal information about individuals.

II. C. Government Paperwork Elimination Act (GPEA)

- II.C.1 If this project supports electronic transactions or record-keeping that is covered by GPEA, briefly describe the transaction or record-keeping functions and how this investment relates to your agency's GPEA plan.**

The Regional IT Infrastructure Support program does not include any record-keeping functions or transactions with the public or other government agencies.

- II.C.2 What is the date of your GPEA plan?**

The Regional IT Infrastructure Support program does not include any record-keeping functions or transactions with the public or other government agencies.

- II.C.3 Identify any OMB Paperwork Reduction Act (PRA) control numbers from information collections that are tied to this investment.**

The Regional IT Infrastructure Support program does not include any record-keeping functions or transactions with the public or other government agencies.