

APPENDIX B

INSPECTION REQUIREMENTS AND GUIDANCE FOR HANDLING AND PROTECTION OF SAFEGUARDS INFORMATION - MODIFIED HANDLING

I. PURPOSE

To provide detailed inspection requirements and the guidance necessary for the execution of this temporary instruction.

II. BACKGROUND

The Atomic Energy Act of 1954, as amended, provides “the Commission shall issue such orders, as necessary to prohibit the unauthorized disclosure of Safeguards Information.”

III. INSPECTION REQUIREMENTS

Verify personnel who produce, receive, or acquire Safeguards Information - Modified Handling (SGI-M) materials protect the SGI-M materials against unauthorized disclosure in accordance with the SGI-M Protection Order.

IV. INSPECTION GUIDANCE

A. Access to SGI-M

1. Inspection/verification for this ASM is through observation, review of records, and personal interviews:
 - a. Verify that access to SGI-M is restricted to persons with a need-to-know and that these persons are:
 - (1) An employee, agent, or contractor of an applicant, a licensee, the Commission, or the United States Government.
 - (2) A member of a duly authorized committee of Congress.
 - (3) The Governor of a State or his designated representative.
 - (4) A representative of the International Atomic Energy Agency (IAEA) engaged in activities associated with the U.S./IAEA Safeguards Agreement who has been certified by the NRC.

- (5) A member of a state or local law enforcement authority that is responsible for responding to requests for assistance during safeguards emergencies.
 - (6) A person to whom disclosure is ordered pursuant to Section 2.744(e) of Part 2 of Title 10 of the Code of Federal Regulations.
 - (7) State Radiation Control Program Directors (and State Homeland Security Directors) or their designees.
- b. Verify individuals categorized in paragraph IV.A.1.a.(1), who are not government employees, have had a successful determination of trustworthiness and reliability based on the background check requirements of the Order before they are given access to SGI-M.
 - c. Verify access to SGI-M is limited to the very minimum number of personnel.

B. Protection of SGI-M

1. Inspection/verification for this ASM is through observation, review of records, and personal interviews:
 - a. Verify personnel handling SGI-M have sufficient training and knowledge to meet the licensee's performance requirements.
 - b. Verify SGI-M while in use is accessed by only authorized individuals who have a need to know.
 - c. Verify SGI-M, when unattended, is stored in an unmarked, locked file drawer or container.
 - d. Verify a system has been established to control locks, keys, combinations, mechanical keys, key cards, key codes, and all other control devices which facilitate access to SGI-M. Verify that:
 - (1) They are protected from theft, alteration, and duplication.
 - (2) They are issued only to individuals who have a need to know and are authorized access to SGI-M in accordance with the Order.
 - (3) They are immediately rotated out of use when compromise occurs or has the potential to occur. (i.e., a key to a locked file drawer is lost, the lock it goes to should be rotated out. or an individual responsible for issuing information

technology (IT) computer security codes for access is terminated for cause, the security software system should be reconfigured to prevent compromise.)

- e. Verify when SGI-M is to be mailed or delivered by courier outside its authorized place of use or storage;
 - (1) It is enclosed in two sealed opaque envelopes or wrappers.
 - (2) The outer envelope/wrapper is fully addressed to the intended recipient with no markings or indication the package contains SGI-M.
 - (3) The inner envelope/wrapper is fully addressed to the intended recipient along with "Safeguards Information - Modified Handling" marked on both sides, top and bottom.
 - (4) It is transported only by a commercial delivery company that provides computer tracking features, or by U.S. first class, registered mail, express mail, or certified mail. It may also be hand delivered by any individual authorized access pursuant to these requirements and must be kept in their possession until delivery.
- f. Verify that any copy machines used to copy SGI-M, which retain the information in memory are not connected to any type of network and the copier is in a controlled location to prevent unauthorized access.
- g. Verify only automatic data processing (ADP) systems that are assigned to the licensee's or contractor's facility are used for producing or processing SGI-M.
- h. Verify there are adequate security controls in place for ADP systems used to process SGI-M, and at a very minimum, access to information on the ADP requires the use of an entry code/password.
- i. Verify typewriter ribbons if used to produce SGI-M are secured in accordance with the Order.
- j. Verify SGI-M that is transmitted over any type of network is encrypted.

- k. Verify SGI-M files are removed from ADP systems after use and saved to removable media and secured in a locked file drawer or cabinet.
- l. Verify SGI-M which is transmitted over any telecommunications system is protected through cryptographic or encryption means. (The only exception to this are communications during emergency security events.)
- m. Verify all SGI-M materials that no longer need to be retained are destroyed in a method that prevents reconstruction.

C. Marking of SGI-M

- 1. Inspection/verification for this ASM is through observation, review of records, and personal interviews:
 - a. Verify licensee originators of SGI-M have sufficient training and knowledge to correctly determine what specific information may be designated SGI-M.
 - b. Verify SGI-M is marked in accordance with the Order.
 - c. Verify that any decontrolled documents do not contain SGI-M in accordance with the Order.

END