

October 23, 2006

Marvin S. Fertel  
Senior Vice President and Chief Nuclear Officer  
Nuclear Energy Institute  
1776 I Street, NW – Suite 400  
Washington, DC 20006-3708

SUBJECT: REQUEST FOR ENDORSEMENT OF NEI 06-04, REVISION 0, "GUIDELINE FOR THE DEVELOPMENT OF EMERGENCY PREPAREDNESS DRILL AND EXERCISE THREAT-BASED SCENARIOS" (AUGUST 2006)

Dear Mr. Fertel:

This letter is in response to your August 30, 2006, letter requesting endorsement of Revision 0 to NEI 06-04, "Guideline for the Development of Emergency Preparedness Drill and Exercise Threat-Based Scenarios" (August 2006). The U.S. Nuclear Regulatory Commission (NRC) acknowledges the Nuclear Energy Institute's (NEI's) efforts in the development of the NEI 06-04 guideline document. Insights from discussions held between the industry and State and local representatives in the development of NEI 06-04 have significantly enhanced our understanding of the challenges a security event may pose to licensees and offsite response organizations.

Your letter requested NRC and Department of Homeland Security (DHS) endorsement of NEI 06-04 by September 1, 2007. The staff has discussed the changes proposed in NEI 06-04 with DHS, and is providing this letter to supplement the DHS response contained in a letter dated October 10, 2006, from Robert B. Stephan (Assistant Secretary for Infrastructure Protection). The NRC's evaluation of NEI 06-04 will be incorporated into the staff's efforts to address actions and evaluate required changes directed by the Commission's Staff Requirements Memorandum (SRM), dated June 29, 2006 (ADAMS Accession No. ML061870268). This SRM stated that:

The staff should coordinate with DHS to develop emergency planning exercise scenarios which would help avoid anticipatory responses associated with preconditioning of participants by incorporating a wide spectrum of releases (ranging from little or no release to a large release) and events, including security-based events. These scenarios should emphasize the expected interfaces and coordination between key decision-makers based on realistic postulated events. The staff should share experiences of preconditioning or 'negative training' with DHS.

NRC and DHS have initiated efforts to form a joint Exercise Scenario Working Group under the NRC/DHS Radiological Emergency Preparedness Steering Committee, which will be tasked with identifying any regulations and guidance that may require revision to enhance the current inventory of exercise scenarios. This working group will also develop major milestones and a proposed schedule to support implementation of security event-based scenarios as an

evaluated Emergency Preparedness (EP) exercise by Calendar Year 2010. The NRC, in coordination with DHS, will engage external stakeholders as appropriate on proposed rulemakings or changes to guidance documents as part of the revision process.

Phase III of the integration and demonstration of emergency response to security events, outlined in Attachment 5 to the Industry White Paper, entitled "Enhancements to Emergency Preparedness Programs for Hostile Action," dated May 2005, as revised November 15, 2005 (ADAMS Accession No. ML053290326), involves the conduct of a site-specific drill involving a security event-based scenario at each site over a 3 year period. As indicated in your August 30, 2006, letter, the industry will perform these security event-based scenarios during an off-year exercise or drill, rather than as part of a biennial exercise, per Appendix E of Title 10 of the *Code of Federal Regulations*, Part 50. These drills may be observed, but will not be evaluated by either the NRC or DHS. As such, NRC endorsement is not required for licensees to conduct a security event-based scenario during an off-year exercise or drill. However, the NRC considers that the use of Revision 0 to NEI 06-04 is appropriate for developing and conducting a security event-based EP drill or exercise during this phase and encourages the industry to proceed with efforts to schedule and conduct these drills and exercises. The NRC, in coordination with DHS, will maintain an open dialogue with the industry regarding any changes that may be needed to existing regulations and guidance to continue to enhance preparedness and security at nuclear power plants based on the current threat environment.

Your letter also indicated that in keeping with the NRC'S Reactor Oversight Process, emergency response organization (ERO) members assigned to fill key positions should be granted credit under the ERO Participation performance indicator when they have taken part in a security event-based drill or exercise conducted in accordance with NEI 06-04. The NRC staff believes that credit is appropriate under the ERO Participation performance indicator in accordance with the staff's approved response to frequently asked question number 61.1, submitted by Callaway Plant on July 19, 2006.

If you have any questions, please contact me at (301) 415-8003 ([rpz@nrc.gov](mailto:rpz@nrc.gov)) or Nader Mamish at (301) 415-0147 ([nlm@nrc.gov](mailto:nlm@nrc.gov)).

Sincerely,

***/RA by W. M. Dean Acting For/***

Roy P. Zimmerman, Director  
Office of Nuclear Security and Incident Response

cc: R. Stephan, DHS  
C. Conklin, DHS

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Roy P. Zimmerman, Director  
Office of Nuclear Security and Incident Response

cc: R. Stephan, DHS  
C. Conklin, DHS

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