NRC NEWS

U.S. NUCLEAR REGULATORY COMMISSION

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Remarks Prepared for EDO Luis Reyes (for Chairman Klein)

Global Initiative to Combat Nuclear Terrorism Law Enforcement Conference

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Good morning. It is a pleasure to be here representing Chairman Klein and the U.S. Nuclear Regulatory Commission at this very significant conference. Chairman Klein regrets that he is not able to be here, and extends his best wishes for a successful meeting.

While the NRC is not a defense or law enforcement agency, we are intimately concerned with—and involved with—the security of nuclear technology and materials. On behalf of Chairman Klein and the entire NRC let me say that we appreciate the efforts that have gone into organizing this conference, and we thank and encourage all the participating nations and agencies that are helping to protect the world from nuclear terrorism. In particular, we have enjoyed a mutually beneficial relationship with the FBI as well as support from many local law enforcement agencies.

The focus of my talk today is to give you a brief overview of the U.S. Nuclear Regulatory Commission's activities over the past few years related to security in the commercial nuclear industry in the United States, and an overview of our partnerships and outreach activities to enhance nuclear security worldwide. The commercial nuclear industry is the collection of privately owned companies in the U.S. which process, store, generate, transport, or otherwise use nuclear material for peaceful purposes. These include uranium mining and conversion facilities, uranium enrichment and fuel manufacturing facilities, and of course the commercial nuclear power plants.

The Mission of the U.S. Nuclear Regulatory Commission is to regulate the Nation's civilian use of byproduct, source, and special nuclear materials to ensure adequate protection of public health and safety, promote the common defense and security, and protect the environment.

The NRC's regulatory mission covers three main areas:

· Reactors: specifically, the commercial reactors for generating electric power and non-power reactors used for research, testing, and training;

- Materials: referring to uses of nuclear materials in medical, industrial, and academic settings, and facilities that produce nuclear fuel; and
- Waste: including transportation, storage, and disposal of nuclear materials and waste, and decommissioning of nuclear facilities from service.

Obviously, the security of the nuclear facilities and materials the NRC regulates has always been a priority. But the terrorist attacks of September 11, 2001, brought heightened scrutiny and spurred increasingly stringent security requirements throughout the nation. Today, I am proud to say that NRC-regulated nuclear facilities are among the most secure of the nation's critical infrastructure.

Over the past five-and-a-half years, the NRC has required many security enhancements at its licensed power reactors, decommissioning reactors, independent spent fuel storage installations, research and test reactors, uranium conversion facilities, gaseous diffusion plants and fuel fabrication facilities. The NRC directed many of these facilities to upgrade their physical security plans, guard training and qualification plans, and contingency plans. These facilities now have, among other heightened measures:

- More patrols
- Stronger and more capable security forces
- Additional physical barriers
- Greater stand-off distances for vehicle checks
- More restrictive site access controls
- Enhanced emergency preparedness and response plans

Nuclear power plants and fuel fabrication facilities must show they can defend against a set of adversary characteristics outlined in the NRC's Design Basis Threat, or DBT. For security reasons, the details of the DBT are not public. But I can say that it outlines threats and adversary characteristics that these facilities must defend against with high assurance. In 2004, the NRC implemented more realistic "force on force" exercises to evaluate the DBT. Since late 2004, nearly 40 of these full-scale exercises have been conducted under this enhanced evaluation program. Efforts are ongoing to further enhance realism and "lessons learned" from these exercises.

The NRC has also significantly increased its oversight of security capabilities. In 2000, NRC inspectors spent about 40 staff-weeks a year at nuclear power plants directly inspecting security, excluding inspections of the "force-on-force" drills I just mentioned. By 2003, this inspection effort had increased five-fold to 205 staff-weeks. These inspections specifically focused on the implementation of "compensatory measures" the NRC required after the 2001 attacks to address the new threat environment. In 2004, the NRC implemented a new "baseline inspection program" for security, and by 2005, direct staff inspections at nuclear power plants had increased further to about 400 staff-weeks a year.

To consolidate the various elements of security throughout the agency, NRC created the Office of Nuclear Security and Incident Response in April of 2002. The mission of this office is "To prevent nuclear security incidents and respond to safety and security events." This office provides policy, evaluation and assessment of issues involving security at nuclear facilities. NSIR, as we call it, is the NRC's safeguards and security interface with:

- The Department of Homeland Security,
- Intelligence and law enforcement communities,

· The Department of Energy, and other agencies.

The Office also directs the NRC's program for response to incidents, including emergency preparedness and incident response interface with other Federal agencies.

NRC staff from the NSIR office will be briefing you later this morning, and that presentation will go into specific details about a variety of NRC security measures and procedures. So rather than pre-empt that presentation, let me take this opportunity to focus in on the theme of how the NRC communicates and cooperates with other agencies, in the U.S. as well as internationally.

The NRC doesn't stand alone in protecting its licensees. The NRC and the Department of Homeland Security coordinate resources and work together in today's threat environment. One tangible example is the 2006 National Infrastructure Protection Plan, which facilitates the sharing of information and provides for a coordinated, comprehensive response to threats and events.

Federally integrated response is also illustrated by DHS's decision to begin infrastructure reviews in the nuclear sector, making it a model for future reviews of security at other critical industries. A DHS-led program to evaluate national critical infrastructure protection capabilities—called the Comprehensive Review initiative—integrates a full range of security, law enforcement and emergency preparedness professionals to identify strengths and potential weaknesses of the nation's critical infrastructure and key resources. Nuclear power plants were identified as an initial area for review because of the high level of planning already in place, and all plants have either been reviewed or are scheduled to be reviewed in the next year.

The NRC has also developed a Threat Advisory and Protective Measures System that corresponds to the color-coded Homeland Security Advisory System. The NRC system identifies specific actions to be considered by NRC licensees for each threat level to counter projected terrorist threats. If a credible threat emerges against a specific nuclear facility, additional protective measures may be mandated even without a change in the overall threat level.

At the NRC, we know that the timely sharing of accurate information with other federal agencies and the nuclear industry is critical to preventing or mitigating the effects of terrorist attacks. Therefore, we have NRC staff onsite at the Domestic Nuclear Detection Office, the National Counterterrorism Center, the DHS Infrastructure Protection Office, as well as representatives to the FBI National Joint Terrorism Task Force to support the integrated assessment of security-related information. The NRC Operations Center, located in the agency's headquarters in Rockville, Md., provides an around-the-clock conduit for disseminating information and coordinating response, and NRC's highly-trained specialists review intelligence and threat-related information from a range of sources in order to assess suspicious activity related to its licensees. Secure communications systems also allow the NRC to communicate with nuclear regulators in other countries.

In addition, NRC works in partnership with NORAD/NORTHCOM (North American Aerospace Defense Command/United States Northern Command) to provide advance warning of commercial aircraft diversions that could potentially affect power reactor facilities. NRC has utilized the insights from its classified research on security assessments to direct that appropriate imminent threat procedures be developed at each power reactor. We believe that implementation of these procedures significantly enhances mitigation capabilities.

The NRC also participates in key international initiatives that have contributed significantly to strengthening control of sources around the world. Since 2005, the NRC and several other federal agencies—including DOE, DHS, and Customs and Border Protection—have worked cooperatively through the U.S. Department of State to achieve a strong Security and Prosperity Partnership with our North American neighbors. Although the Security Prosperity Partnership encompasses numerous cooperative initiatives across many industrial sectors, our efforts have focused on the continued safe and secure beneficial uses of radioactive materials for medical and industrial applications. One outcome of these efforts has been to open channels of communication across our respective borders, allowing the commerce of these materials to proceed securely. These efforts have also resulted in an unprecedented sharing of information among the Mexican, U.S., and Canadian governments for the mutual benefit of all three countries. As we continue to participate in the Security Prosperity Partnership, the NRC is looking forward to renewed strong cooperation with our sister regulatory agencies, the Canadian Nuclear Safety Commission and the Comisión Nacional de Seguridad y Salvaguardias.

One of the NRC's most successful international initiatives, in conjunction with the departments of Energy and State, concerns the development and implementation of the IAEA's Code of Conduct on the Safety and Security of Radioactive Sources. The Code provides a reinforcing framework of sound international export controls on radioactive materials that could be used to construct devices for malicious purposes. It was adopted by the IAEA in September 2003, endorsed by the Group of Eight industrial nations in 2004, and was fully implemented by the NRC in December 2005. So far, 88 nations have made a commitment to implementing the code.

The NRC used its technical expertise to play a key role in developing the categorization of sources, upon which the Code was based. Further, the enactment of the Energy Policy Act of 2005 codified certain of the Code's import-export restrictions for risk-significant sources. The NRC has used the Code as the underlying principle for the security enhancements of licensees possessing risk-significant sources.

The U.S. has worked to promote the Code's implementation worldwide. As the government agency responsible for import-export licensing of radioactive sources, the NRC has coordinated extensively with its international regulatory counterparts to assist them in understanding both changes in U.S. regulations and the responsibilities associated with implementing the Code in their countries. In this effort, the NRC has partnered with the regulatory authorities of the United Kingdom, Canada, and Australia, among others, on projects to secure, protect, and monitor radioactive sources.

The NRC staff maintains a close partnership with the IAEA on other source-related issues, participating regularly in international meetings to develop safety and security guidance documents. NRC staff have also participated in Radiation Safety and Security Infrastructure Appraisal missions, which assess the effectiveness of individual nation's regulatory infrastructure for the safety and security of radioactive sources.

I should mention that our success in controlling high-risk radioactive sources internationally is largely dependent on our success in controlling them domestically. Some examples of these NRC efforts include the plan to implement a National Source Tracking System; our issuance, together with the Agreement States, of legally-binding requirements for increased security of high-risk sources to nearly 3,000 licensees; the Radiation Source Protection and Security Task Force; our Rulemaking on Secure Transfer; and NRC's partnership with Customs and Border Patrol to validate the authenticity of radioactive material shipments.

Okay, since I promised not to go into too much detail, let me stop there. As I mentioned, I just wanted give you few highlights of how the NRC has contributed to enhancing the security of nuclear facilities and materials, here in the U.S. and internationally. NRC staff will be providing presentations with more specifics later in the conference.

Let me conclude, then, by returning to a point I opened with: The NRC is not a law enforcement entity; we are a regulatory body. And I should mention that the safety and oversight responsibilities we have keep us busy enough. The utilities that operate nuclear power plants have told us that they plan to submit license applications for as many as 27 new nuclear power plants within the next two years. So we have an enormous amount of work to prepare for.

But no matter how busy we may be, we will *always* make time to help our colleagues in law enforcement protect the nation's security. Please keep that in mind. Any time you encounter a situation that involves the words "nuclear" "radioactive" or "radiological," remember that you can call upon our knowledge, our training and our experience—not only in nuclear and radiological safety and security issues, but also nuclear-related risk assessment, which is an area where we have done a great deal of work.

With that, let me once again thank you for inviting the NRC to participate in this important conference, and let me encourage all of the participants to continue working together on the critical challenge of preventing nuclear terrorism.