

July 26, 2007

MEMORANDUM TO: Luis A. Reyes  
Executive Director for Operations

FROM: Stephen D. Dingbaum **/RA/**  
Assistant Inspector General for Audits

SUBJECT: OIG STATUS AND ANALYSIS OF  
RECOMMENDATIONS FOR AUDIT REPORT:  
AUDIT OF NRC'S INCIDENT RESPONSE  
PROGRAM (04-A-20)

REFERENCE: DIRECTOR, OFFICE OF NUCLEAR SECURITY AND  
INCIDENT RESPONSE, MEMORANDUM DATED  
JUNE 27, 2007

Attached is the Office of the Inspector General's analysis of NRC's June 27, 2007, Updated Status of Recommendations memorandum. Based on previous correspondence and this update, recommendations 1, 2, 5, 6, 7, 9, 10, 12, 14, 15, 16, and 17 are closed and recommendations 3, 4, 8, 11, and 13 remain resolved. Please provide an updated status for the resolved recommendations by January 11, 2008.

If you have any questions or concerns, please call me at 415-5915 or Sherri Miotla at 415-5914.

Attachment: As stated

cc: V. Ordaz, OEDO  
M. Malloy, OEDO  
P. Tressler, OEDO

**Audit Report**  
**Audit of NRC's Incident Response Program**  
**OIG-04-A-20**

**Status of Recommendations**

Recommendation 1:            Establish a defined agency-wide incident response plan that includes standards for performance, delineation of the conduct of exercises and drills, and a well-defined objective mechanism for evaluating incident response during exercises.

Agency Response  
Dated June 27, 2007:

As previously reported, MD 8.2, "NRC Incident Response Program" establishes the responsibilities and key requirements for the NRC Incident Response Program. On June 16, 2006, the Chairman approved the final version of MD 8.2. NRC implemented the revised NUREG-0728, "NRC Incident Response Plan," on April 14, 2005. The agency has posted this document on its NRC's external Web site (<http://www.nrc.gov/what-we-do/emerg-preparedness/respond-to-emerg/incident-response.pdf>). The staff has incorporated the implementing procedures and other supporting documents that are linked to the NRC IRP into the Incident Response Manual, such as Incident Response Manual Chapter \*IRMC) 0210, "Incident Response Self-Assessment Program" (copy attached). IRMC 0210 provides the objective means for evaluating Incident Response exercises and has been used for all FY-07 exercises. The actions needed to establish an agency-wide incident response plan, including the conduct and evaluation of exercises have been completed. The staff recommends this item be closed.

OIG Analysis:                The above statements reflect that the agency continues to work towards meeting the intent of this recommendation. In the OIG December 2, 2004, Status of Recommendations, OIG stated three conditions that must be satisfied to close this recommendation. The agency has satisfied those three conditions and this recommendation is now closed.

**Status:**                      **Closed.**

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**Status of Recommendations**

Recommendation 3: Update NUREG-0845, Agency Procedures for the NRC Incident Response Plan, or incorporate relevant portions into other agency procedures.

**Agency Response**

Dated June 27, 2007:

NUREG-0728, Revision 4 (NRC IRP), issued for interim use effective April 14, 2005, has superseded NUREG-0845. The staff has incorporated the relevant portions of NUREG 0845 into NUREG-0728 and its implementing procedures. A cross-walk between NUREG-0845 and the implementing procedures is being performed to ensure there are no procedural gaps. The staff is utilizing a standardized format for the revised implementing procedures as part of the new IRM. Changes to the National Response Plan (NRP) may result in the staff revising the associated implementing procedures. Incident Response (IR) Position Procedures will be completed by September 1, 2007. The IR Team Procedures are scheduled for completion by December 1, 2007. The remaining Support Procedures are on target for completion by September 1, 2008.

**OIG Analysis:**

Recommendation 3 will be closed when NRC completes revisions to implementing procedures and incorporates them into the new Incident Response Manual.

**Status:**

**Resolved.**

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**Status of Recommendations**

Recommendation 4: Periodically review regional incident response programs to ensure NRC's Incident Response Program is carried out consistently across the agency.

Agency Response  
Dated June 27, 2007:

The staff completed its plan and implementation schedule to review the regional response activities for consistency and provided them as an attachment in the April 3, 2005, status report. The periodic reviews of the staff's implementation of existing manual chapters and incident response team position procedures began with the FY 2007 headquarters participation exercises. The Incident Response Self-Assessment Program will be implemented in one Region by September 30, 2007, with additional regional and headquarters assessments scheduled on the continuing basis.

OIG Analysis:

Recommendation 4 will be closed when NRC completes the initial regional reviews.

**Status:**

**Resolved.**

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**Status of Recommendations**

Recommendation 8:  
involving multiple sites.

Periodically conduct incident response exercises

Agency Response  
Dated June 27, 2007:

In March 2006, the staff successfully conducted a multiple event tabletop exercise that included the participation of all the regional offices. The purpose of the tabletop was to test the key elements of IRM Chapter 0920, "Incident Response-Multiple Incidents." On March 21, 2007, the Dresden Exercise, which was observed by an OIG staff member, successfully demonstrated the Agency's ability to conduct a multiple incident exercise. As a result, IRMC 0920 will be revised to include the requirement to conduct a multiple incident exercise every two years. All actions for this item have been completed and the staff recommends the item be closed.

OIG Analysis:

Recommendation 8 will be closed when IRMC 0920 is revised to include the requirement to conduct a multiple incident exercise every two years.

**Status:**

**Resolved.**

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**Status of Recommendations**

Recommendation 11:      Revise the *NRC Incident Response Plan* to better define the incident response to emergencies involving regulated fuel cycle facilities and nuclear materials.

Agency Response  
Dated June 27, 2007:      In lieu of revising NUREG-0728 to include improvements to guidance for incident response to emergencies involving fuel facilities, NRC will provide updated guidance in the Response Technical Manual (RTM), supplements for fuel cycle facilities. The staff is currently working with the Office of Nuclear Material Safety and Safeguards (NMSS), and the Fuel Cycle Manual Chapter will be completed by March 31, 2008.

OIG Analysis:              Recommendation 11 will be closed when NRC completes the updated guidance in the RTM.

**Status:**                      **Resolved.**

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**Status of Recommendations**

Recommendation 13: Update Response Technical Manual Supplements for gaseous diffusion plants.

Agency Response  
Dated June 27, 2007:

Staff has begun an effort to update the RTM Supplements for the Paducah and Portsmouth Gaseous Diffusion Plants (DGP). The effort is focusing on evaluating pertinent information, such as locations and quantities of UF<sub>6</sub> which would affect the event assessments made by the NRC should an accident occur. A site visit was conducted the week of May 21-25, 2007, for both plants. Current information in the RTM was compared to UF<sub>6</sub> inventories and is being used to determine whether related information in the RTM are effective for event assessment activities. Once the new information has been evaluated, the staff will determine what revisions to the RTM Supplements are warranted. The RTM update remains on target for completion by November 15, 2007.

OIG Analysis: Recommendation 13 will be closed when NRC completes the updated RTM supplements.

**Status:** **Resolved.**

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**Status of Recommendations**

Recommendation 14: Improve and expand outreach for licensees to enhance licensees' understanding of NRC's Incident Response Program.

Agency Response  
Dated June 27, 2007:

The staff has issued and implemented guidance for conducting incident response outreach activities with licensees. The staff has increased licensee outreach at different venues both at headquarters and in the regions. This includes increased outreach with licensees before exercises, tours and briefings with licensee officials at the Headquarters Operations Center and Incident Response Program presentations at stakeholder workshops and conferences. The staff is working with a contractor to develop a multi-media disk (CD/DVD) for licensees and other stakeholders on the NRC's Incident Response Program. In addition, the staff has developed standardized outreach presentations for licensees and other stakeholders. The staff is on schedule to complete the multi-media disk by September 30, 2007.

OIG Analysis: The agency's actions address the intent of OIG's recommendation. Recommendation 14 is closed.

**Status:** **Closed.**



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**Status of Recommendations**

Recommendation 16:      Develop and implement a well-defined, agency-wide training program to meet incident response commitments.

Agency Response  
Dated June 27, 2007:

The staff has completed the actions necessary to implement a formal incident response training and qualification program. The staff has identified program goals and key development milestones and has issued IRMC 0310, "Incident Response training and Qualification Program." Under this program each responder is required to complete general response training and position-specific training and participate in an exercise before being qualified. Qualifications are being tracked using qualification cards issued to each responder. Responders are also required to re-qualify periodically. The staff has developed and is using web-based training modules that responders can use to complete their required training. A process has been established for the qualification records to be tracked by the Office of Human Resources. All actions for this item have been completed and the staff recommends the item be closed.

OIG Analysis:              The corrective actions satisfy the three conditions stated in the OIG December 2, 2004, *Status of Recommendations* memorandum. Recommendation 16 is closed.

**Status:**                      **Closed.**

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**Status of Recommendations**

Recommendation 17:      Establish a centralized system for tracking successful completion of training activities by individual and position.

Agency Response  
Dated June 27, 2007:      Implementation of IRMC 0310, "Incident Response Training and Qualification Program" established the process that is now being used for tracking completion of IR training and qualifications. All actions for this item have been completed and the staff recommends the item be closed.

OIG Analysis:              The agency's actions address the intent of OIG's recommendation. Recommendation 17 is closed.

**Status:**                      **Closed.**