

UNITED STATES NUCLEAR REGULATORY COMMISSION

**INDEPENDENT EXTERNAL REVIEW TO IDENTIFY
VULNERABILITIES IN THE U.S. NUCLEAR REGULATORY COMMISSION
MATERIAL LICENSING PROGRAM**

PROPOSED CHARTER

1. **Committee's Official Designation:**

Independent Advisory Panel to Identify Vulnerabilities in the NRC Materials Licensing Program

This committee is established pursuant to Section 9 of Public Law 92-463 as an NRC discretionary committee.

2. **Committee's objectives, scope of activities and duties are as follows:**

As stated in the Action Plan to Respond to Recommendations to Improve the U.S. Nuclear Regulatory Commission Materials Program (Action Plan), the principal objective of this panel is to respond to the NRC Office of the Inspector General (OIG) recommendation (OIG-07-A-12), "...that the Executive Director for Operations convene an independent panel of experts external to the agency to identify agency vulnerabilities concerning NRC's material licensing and tracking programs and validate the agency's ongoing byproduct material security efforts."

The OIG report also stated, "Such an assessment should necessarily include examination of the management, operational, and technical security controls and the extent to which these controls are: (1) implemented correctly, (2) operating as intended, and (3) producing the desired outcome with respect to mitigating security vulnerabilities."

In responding to this recommendation, the panel will include in its review an assessment of the existing and potential security vulnerabilities related to NRC's specific, import, export and general license programs.

The panel is to also evaluate the apparent good-faith presumption that pervades the NRC licensing process (See Recommendation S-1 in the Action Plan).

The panel is expected to develop an agenda and plan for the review; this plan will include, as a minimum, assessment of pre-licensing guidance, licensing procedures, the licensing process, possession limits on licenses, and license reviewer training and oversight.

The panel will document each significant issue identified and make appropriate recommendations and propose corrective actions.

The panel will establish criteria for identifying vulnerabilities and will rank-order the vulnerabilities identified on a risk-informed basis and the perceived security risk based on the members' knowledge and experience.

The panel will also identify elements of the existing program that are effective in mitigating security vulnerabilities and should, therefore, be preserved.

The panel will provide a project plan to the Director, Office of Federal and State Materials and Environmental Management Programs (FSME) for comment within 30 days of initiating work.

The panel will complete and submit a report with recommendations to the Director of FSME by January 31, 2008. In addition to documenting its recommendations and the bases for those recommendations, the panel should be particularly careful to document other options that were considered and the reasons for not adopting them.

3. **Time period (duration of this Committee):**

Approximately 120 days.

4. **Official to whom this Committee reports:**

Director,
Office of Federal and State Materials and Environmental Management Programs
U.S. Nuclear Regulatory Commission
Washington, DC 20555

5. **Agency responsible for providing necessary support to this Committee:**

U.S. Nuclear Regulatory Commission.

6. **A description of the duties for which the the Committee is responsible, and, if such duties are not solely advisory, a specification of the authority for such functions:**

The duties of the Committee are set forth in Item 2 above.

7. **Estimated annual direct cost of this Committee:**

Members are appointed by the Director, FSME as Special Government Employees (SGEs). Approximately 3 members will utilize 1 FTE (includes approximately 0.75 FTE for working group members and 0.25 FTE for NRC staff). It is estimated that \$400,000 will be expended for travel and other expenses of the panel.

8. **Estimated number of meetings per year:**

There will be between four and six meetings of the panel, including an initial meeting with the Director of FSME to provide the charge to the panel, a meeting when the panel presents its plan and another when it presents its findings. Additional meetings will likely be held to develop recommendations, as well as to prepare an early draft report, interim updates and a final report.

9. **The Committee's termination date.**

No later than two years after the work begins.

10. **Filing date:**

September ??, 2007

Andrew L. Bates
Advisory Committee Management Officer
Office of the Secretary of the Commission