

August 14, 2012

The Honorable Barbara Boxer
Chairman, Committee on Environment
and Public Works
United States Senate
Washington, D.C. 20510

Dear Madam Chairman:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am pleased to submit the 2011 "Report to Congress on the Security Inspection Program for Commercial Power Reactor and Category I Fuel Cycle Facilities: Results and Status Update." The Atomic Energy Act of 1954, as amended, 42 U.S.C. §2210d.(e), requires the NRC to submit a report to Congress, in both classified and unclassified form, that describes the results of each security response evaluation (i.e., force-on-force (FOF) exercises) conducted and any relevant corrective actions taken by a licensee during the previous year. Additionally, I am providing information regarding the overall security and safeguards performance of the commercial nuclear power industry and Category I (CAT I) fuel cycle facilities to keep you informed of the NRC's efforts to regulate the security standards for the Nation's civilian nuclear power infrastructure and strategic special nuclear material against terrorist attacks. Conducting FOF exercises and implementing the security inspection program are two of a number of regulatory oversight activities the NRC performs to ensure the secure use and management of radioactive materials by the commercial nuclear power industry and CAT I fuel cycle facilities.

During calendar year 2011, the NRC conducted 225 security inspections (of which, 24 were FOF inspections) at commercial nuclear power reactors and CAT I fuel cycle facilities. These inspections identified 155 findings, 143 of which were of very low security significance and 12 were of greater than very low security significance. The Safeguards Information attachment to the report discusses the results of the security inspections conducted at commercial nuclear power reactors and CAT I fuel facilities. Whenever a finding is identified during a security inspection, the NRC ensures that the licensee implements adequate compensatory measures until the problem is corrected. Compensatory measures can include, for example, additional armed personnel and/or physical security measures to strengthen a licensee's response capabilities.

Through our inspection and oversight processes, the NRC is committed to effective regulation so that licensees continue to provide high assurance that their facilities remain secure.

The Attachment to the Enclosure transmitted herewith contains Safeguards Information. When separated from the Attachment, this transmittal document is decontrolled.

The NRC will make available for members of Congress, or Congressional Oversight Committee staff, the unclassified, Safeguards Information, and classified inspection reports, as appropriate, for any FOF inspection in their State or congressional district through the NRC's Office of Congressional Affairs. The same offer will be extended, as appropriate, under existing protocols and requirements, to Governor-appointed State Liaison Officers.

For this year, the inspection results for the CAT I fuel cycle facilities did not reach the classified level. Therefore, there is no Confidential attachment to this letter.

The Enclosure to this letter will be made publicly available by the NRC; however, the Attachment to the Enclosure contains Safeguards Information and is not for public disclosure. The Attachment to the Enclosure must be handled and stored in accordance with Title 10 of the *Code of Federal Regulations* (10 CFR) 73.21, "Protection of Safeguards Information: Performance Requirements," as noted and described in the cover sheet. Therefore, I request that access to this Attachment be limited to you and those of your staff who have a need-to-know. In addition, pursuant to Section 149 of the Atomic Energy Act of 1954, as amended, and 10 CFR 73.59, "Relief from Fingerprinting, Identification, and Criminal History Records Checks and Other Elements of Background Checks for Designated Categories of Individuals," access to the Attachment must be restricted to those members of your staff who have undergone fingerprinting for a prior U.S. Government criminal history check.

Please do not hesitate to contact me if you need additional information.

Sincerely,

/RA/

Allison M. Macfarlane

Enclosure:
Report to Congress on the Security
Inspection Program for Commercial
Power Reactors and Category I Fuel
Cycle Facilities: Results and Status
Update (Unclassified)

cc: Senator James M. Inhofe

Identical letters sent to:

The Honorable Barbara Boxer
Chairman, Committee on Environment
and Public Works
United States Senate
Washington, D.C. 20510
cc: Senator James M. Inhofe

The Honorable Thomas R. Carper
Chairman, Subcommittee on Clean Air and
Nuclear Safety
Committee on Environment and Public Works
United States Senate
Washington, D.C. 20510
cc: Senator John Barrasso

The Honorable Fred Upton
Chairman, Committee on Energy
and Commerce
United States House of Representatives
Washington, D.C. 20515
cc: Representative Henry A. Waxman

The Honorable Ed Whitfield
Chairman, Subcommittee on Energy
and Power
Committee on Energy and Commerce
United States House of Representatives
Washington, D.C. 20515
cc: Representative Bobby L. Rush

The Honorable John Shimkus
Chairman, Subcommittee on Environment
and the Economy
Committee on Energy and Commerce
United States House of Representatives
Washington, D.C. 20515
cc: Representative Gene Green