

December 21, 2012

Mr. Larry Smith
Plant Manager
Honeywell Specialty Chemicals
P.O. Box 430
Metropolis, IL 62960

SUBJECT: ACCESS TO CLASSIFIED INFORMATION

Dear Mr. Smith:

Given the current cyber threat environment, the U.S. Nuclear Regulatory Commission (NRC) is considering taking steps to enhance cyber security at nuclear fuel cycle facilities. Consistent with this goal, the NRC is facilitating providing access to classified information to nuclear fuel cycle licensees on a voluntary basis.

Those licensees who would like to volunteer to obtain access to classified information may nominate up to five key licensee staff for personnel security clearances at each licensed location. Individuals nominated will go through a rigorous background check in order to be cleared. Additionally, each facility will undergo a Facility Security Clearance determination.

Access to classified information by individuals is governed by Title 10 of the *Code of Federal Regulations* (10 CFR) Part 25, Access Authorization. As part of the clearance process, each individual nominated will be required to complete the Standard Form 86 (SF 86), "Questionnaire for National Security Positions" electronically (on-line) through the Office of Personnel Management's (OPM) Electronic Questionnaires for Investigations Processing (e-QIP) system. E-QIP is part of an e-Government initiative sponsored by the OPM. It allows applicants to electronically enter, update, and release their personal investigative data over a secure internet connection to their employing agency for review and approval. Licensees will be expected to cover the initial and recurring costs of the individual clearances. Individual clearances must be updated every 10 years, specifically for "L" and every 5 years for "Q". Individuals must also execute the SF 312, "Classified Information Nondisclosure Agreement" (Enclosure 1), before the clearance, pending a successful background check, is granted. You should request an access authorization/clearance package from the NRC, Office of Administration, Division of Facilities and Security, Personnel Security Branch, for each person to be nominated. Fees are determined by the level of access authorization requested as prescribed by Title 10 of the Code of Federal Regulations (10 CFR Part 11.15 and 25.17) (L clearance is \$438 and Q clearance is \$6,240). This process may be performed concurrently with obtaining a Facility Security Request (FCL) but personnel security clearances will not be granted until an FCL is granted. Requests for an access authorization/clearance package, questions regarding the SF 86, or the security clearance process should be referred to Emily Robbins at 301-492-3524 or via email at emily.robbsins@nrc.gov. All correspondence related to Part 25 should be communicated via one of the methods listed in 10 CFR 25.9.

Facility Security Clearances (FCL) requirements are governed by Title 10 of the *Code of Federal Regulations* (10 CFR) Part 95. In order for the NRC to make a Facility Security Clearance

determination, participating licensees will be subject to Foreign Ownership Control or Influence (FOCI) determinations made by the NRC (Enclosure 2, FOCI package with instructions, including SF 328, "Certificate Pertaining to Foreign Interests"), develop a security plan as a user of classified information (Enclosure 3, "Standard Practice Procedures Plan," outlines the security responsibilities that are to be addressed in the subject security plan), and identify a Facility Security Officer (FSO) and other Key Management Personnel (KMP) on the Owners, Officers, Directors, and Executive Personnel Form, (Enclosure 4). The request should identify the level of the FCL requested. To assist you in determining what additional information should be submitted, a copy of the FOCI Data Sheet (Enclosure 5) is provided. In addition to individuals you desire to clear for work on the project, 10 CFR 95.18 requires the FSO and certain KMP to also obtain access authorization commensurate with the FCL level requested. The FSO for each site must be included as one of the persons requesting clearance. All correspondence related to facility clearances should be communicated via one of the methods listed in 10 CFR 95.9. Questions about the FCL process should be referred to Douglas Hase at 301-415-2650 or via email at douglas.hase@nrc.gov.

Please respond within 30 days of receiving this letter indicating whether you desire to participate in this initiative and, if appropriate, naming a point of contact (name, title, telephone number, and e-mail address) for your nuclear fuel facility site for this initiative.

Questions regarding this action should be referred to Brian Smith at 301-492-3137, or via e-mail at brian.smith@nrc.gov.

Sincerely,

/RA/

Catherine Haney, Director
Office of Nuclear Material Safety
and Safeguards

Docket No. 40-3392
License No. SUB-526

Enclosures:

1. SF 312, Classified Information Nondisclosure Agreement
2. SF 328, Certificate Pertaining to Foreign Interests
3. Standard Practice Procedures Plan
4. Owners, Officers, Directors, and Executive Personnel Form
5. FOCI Data Sheet

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 Office of Nuclear Material Safety
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