

January 27, 2015

MEMORANDUM TO: Stephen D. Dingbaum
Assistant Inspector General for Audits
Office of the Inspector General

FROM: James T. Wiggins, Director */RA by Brian J. McDermott for/*
Office of Nuclear Security and Incident Response

SUBJECT: STATUS OF RECOMMENDATIONS 1, 2, AND 3 RELATED TO
THE AUDIT OF THE U.S. NUCLEAR REGULATORY
COMMISSION'S BASELINE SECURITY AND SAFEGUARDS
INSPECTION PROGRAM (OIG-12-A-10)

In your memorandum to the Executive Director for Operations dated July 7, 2014, you requested an update on the Status of Recommendations 1, 2, and 3 related to the Office of the Inspector General's audit of the U.S. Nuclear Regulatory Commission's (NRC) baseline security and safeguards inspection program. This memorandum provides the status of staff actions in response to the remaining report recommendations. The staff is working toward resolution of these recommendations which will improve the agency's baseline security and safeguards inspection program and provide further assurance that the NRC is effectively assessing licensee implementation of physical security requirements.

Enclosure:
Recommendation Updates

cc: M. Johnson, OEDO
R. Mitchell, OEDO
K. Brock, OEDO
J. Arildsen, OEDO
K. Morgan Butler, OEDO

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(301) 287-3642

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RidsNsirMailCenter Resource (NSIR-14-0271)
RidsEdoMailCenter Resource (OEDO-14-00461)
*See Routing Sheet

ADAMS ACCESSION NO.: ML15005A341 EDO Response Package: ML14189A069

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| Date | 01/09/2015 | 01/14/2015 | 01/15/2015 | 01/21/2015 | 01/26/2015 | 01/26/2015 | 01/27/2015 |

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**Status of Recommendations of OIG-12-A-10
Audit of NRC's Baseline Security and Safeguards Inspection Procedure**

Status of Recommendations 1, 2, and 3 are as follows:

Recommendation 1

Develop and maintain a centralized database of security findings data to be used for evaluating licensee performance trends, and communicating this information to the U.S. Nuclear Regulatory Commission (NRC) staff, industry, and appropriate public stakeholders.

Status

To ensure an adequate database is constructed, the Office of Nuclear Security and Incident Response (NSIR) continues to evaluate the type of data to be collected and the method for sorting the data. This evaluation includes the extensive polling and consideration of end-user insights to ensure the staff appropriately establishes a database that provides a systematic analysis to assess trends across NRC regions and licensee fleets. NSIR has determined it would be prudent to combine its efforts with the Reactor Project System (RPS) Replacement Team (a currently funded project) to develop, establish, and maintain a centralized database of security findings.

NSIR has coordinated with the RPS Replacement Team regarding this database and the collection of the data points to be used for tracking and trending security inspection findings. Consistent with current practice, inspectors will be required to input their data directly into the RPS Replacement System. While the RPS Replacement Project continues to progress, NSIR is using the current RPS and local databases to track and trend the licensee performance trends.

Recommendation 2

Formalize and implement a process for maintaining current and accurate data within a centralized database.

Status

NSIR is developing an office procedure to ensure data from the security inspection reports will be included in a centralized database. NSIR expects to have an initial procedure in place for tracking and assessing security findings in calendar year (CY) 2015. This procedure will be updated following the establishment of the recommended database(s).

Recommendation 3

Formalize and implement a process for ensuring Safeguards Information (SGI) findings data is current and accessible for use in trending security findings issues.

Enclosure

Status

The Replacement RPS (RRPS) under development does not currently include the capability to protect and store SGI inspection data. However, in addition to continued evaluation of the viability of integrating SGI inspection data into a single RRPS, NSIR staff engaged the staff of the Office of Information Security (OIS), regarding the Safeguards Local Area Network and Electronic Safe (SLES) to discuss the feasibility of developing an alternate centralized database similar to RPS within the existing SLES framework. The OIS staff is currently conducting a cost analysis regarding the development of this database within SLES and will deliver a cost estimate to NSIR staff during the first quarter of CY 2015. Once a cost estimate has been provided, NSIR staff will work with the Office of Nuclear Reactor Regulation and the Information Technology Board to assess the most cost effective method and obtain prioritization for a solution. As discussed in the “status” of actions with respect to Recommendation 2, NSIR is in the process of developing an office procedure to ensure that both non-SGI and SGI findings are categorized and put into centralized databases consistent with the sensitivity designation of the information.