

**Quarterly Letter Status Report for
Protection of Classified Information and Related Security
Activities
3rd Quarter of Fiscal Year 2015
April 1 through June 31, 2015**

I. Introduction

The U.S. Department of Energy (DOE) and the U.S. Nuclear Regulatory Commission (NRC) have entered into three (3) interagency agreements for DOE to perform certain security related activities for the NRC. These interagency agreements are:

- NRC-HQ-50-12-1-008 "Protection of Classified Information and Related Security Activities at the General Electric Laser Enrichment Facility – J5718"; and

These interagency agreements became effective October 1, 2012. Each of the interagency agreements contains terms that require DOE to provide quarterly letter status reports summarizing the status of all evaluation and inspection tasks relative to each of the agreements.

II. Description of Activities during this Reporting Period

The DOE provided technical assistance by conducting inspections and assessments of Information Technology security activities. Each inspection activity was conducted in conjunction with appropriate NRC staff (as requested). Details of the inspection effort were provided either in person during the inspection or in subsequent electronic correspondence or telephone communication.

A summary discussion of the activities associated with each agreement follows.

B. General Electric (GE) Laser Enrichment Facility (J5718)

- Coordinated and participated in meetings, telecons, and discussions regarding DOE/NRC inspection of GE-Hitachi, Wilmington, North Carolina facility operations scheduled for July 2015.
- Prepared memo for HQ removing the GE-Hitachi facility in Clinton, TN from the account and updated all information in the account.

- Performed COMSEC account updates for equipment and documentation; conducted inventory of HQ equipment, hand receipts, keys (physical and electronic), and CMR database.
- Sent out quarterly rekey information to users, collected feedback and updated CMR to reflect changes.
- Processed Pin for SECTERA device that was transferred to account for storage.

Other activities included the following:

- As the "Federal" Classification Officer for the General Electric Uranium Enrichment Program, performed classification officer duties as follows:
 - Conducted a review of all evaluation and inspection tasks.
 - Provided classification clarification to questions submitted by Global Laser Enrichment Facility personnel.

The cost accounting in support of this interagency agreement can be summarized as:

3rd Quarter FY15	April	May	June
Federal Emp. Labor	\$5,763.54	\$1,165.62	\$753.90
Federal Emp. Travel	\$0.00	\$0.00	\$672.81
Contractor 1	\$1,639.80	\$2,295.72	\$2,025.72
Contractor 2	\$400.00	\$400.00	\$300.00
Contractor 3	\$200.87	\$0.00	\$0.00
Federal Admin. Charge (3%)	\$240.13	\$115.84	\$112.57
Quarterly Total			\$16,086.52

Based upon cumulative funding provided to date, past expenditures and projected future activities, we do foresee the need for additional funding during the fourth quarter of Fiscal Year 2015.