

**Quarterly Letter Status Report for
Protection of Classified Information and Related Security Activities
1st Quarter of Fiscal Year 2014
October 1 through December 31, 2013**

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.

This is the fifth (5th) status report provided in accordance with the terms 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 Laser Enrichment Facility (J5718)

During this reporting period, DOE's evaluation and inspection efforts included the following:

- **GLE-Wilmington** - Ordered new electronic keys for all Taclanes at all facilities (**Clinton and Wilmington Facilities**) for the upcoming 2014 year. Prepared all forms and obtained signatures for key order. Faxed to Central Facility and emailed to Telecommunications (HQ).
- Made two trips, including travel time, from the FB to the (**Clinton Facility**) to exchange two phones and due to them not working properly. Generated new hand receipts, card file, and updated all information in svstem. Brought old equipment back and updated the system and all paperwork to reflect the changes. Te

old equipment to try and resolve the issue. (Sent keys back to Central Facility to have them rekeyed). Processed all paperwork to reflect these changes and filed in RCR Files.

- Received new electronic keys for all electronic devices for the 2014 year for both **(Clinton and Wilmington Facilities)**. Prepared all forms and obtained signatures for receiving the new electronic keys. Faxed to Central Facility and emailed to Telecommunications (HQ). Updated all paperwork, and emailed all information to HQ for approval filed all paperwork in the current RCR files as required.
- Processed paperwork from **(Wilmington Facility)** for new electronic keys from HQ and generated SF-153 accounting to HQ for the new keys for the **(Wilmington Facility)**.
- Processed SF-153 destruction report from **(Wilmington Facility)** for keys that would expire on December 2013. This required a new hand receipt for new keys and removing old keys. Sent information to HQ for approval and updated all RCR Files.
- Deleted and prepared destruction reports to HQ for all electronic keys that expired at the end of calendar 2013. Processed new keys onto the log sheet and assigned to the **(Clinton and Wilmington Facilities)**.
- Traveled to and from the FB to the **(Clinton Facility)** to load new key into the taclane (ran into loading problems on the **(Clinton Facility)** side which took longer to complete than expected). Prepared all paperwork and files to reflect these changes. Obtained signatures and processed this information to HQ. Upon return to FB processed destruction SF-153 for loaded key and prepared all paperwork. Obtained signatures and processed this information to HQ for the **(Clinton Facility)**.
- Contacted and corresponded via email and phone the processes for repair and shipping of equipment for **(Wilmington Facility)** with L-3 Communications, General Dynamics and DNSA for the **(Wilmington Facility)**.
- Contacted L-3 Communications, General Dynamics and DNSA and corresponded via email and phone the status on previous equipment ordered for the **(Clinton and Wilmington Facilities)**.
- Contacted vendors for price quotes, and received email information pertaining to equipment that needs to be ordered in the upcoming months for the **(Clinton Facility)**.
- Ordered new keys for the facility, prepared forms, obtained signatures and faxed information to vendors for the **(Clinton Facility)**.
- **GLE-Wilmington-** Created new hand receipts for equipment, scanned, and sent to clients throughout the month.
- Received destruction receipts for keying material and created a new destruction SF-153 to send to Headquarters (HQ). This included generating paperwork, inventory SF-153, scan and send to HQ, and update database with changes.
- Received, inventoried, signed, and processed new equipment. This included processing the information into the database and scanning this information to HQ.
- Updated appointment memorandum appointing additional KIK 20 electronic key loader auditors to the account, created memorandum for Dale King's signature, scanned and emailed to him. Received back scanned memorandum and sent to HQ for approvals.
- Generated electronic key order for equipment, placed the order, and emailed to HQ.
- Received the keys, through the KIK 20 electronic key loader, signed, faxed information back to HQ, and updated all database information.
- Wrapped and mailed equipment to Wilmington, generated new hand receipts, received paperwork back from Wilmington and updated the database, and sent the information to HQ.
- Emailed vendors to provide direction on sending equipment back, including keying material, and obtained SECTERA keys for the new equipment received.
- Generated SF-153 transfer to General Dynamics for equipment and keying material and wrapped and mailed to the vendors.
- Traveled to and from GLE facility to install and test equipment, generated paperwork, obtained signatures, updated database, and sent the information to HQ.
- Replaced STEA and key associated with it, fax tested, generated required paperwork, updated database and SF-153's and sent the information to HQ.
- Sent required quarterly rekey information to users, received email verification back that all keys had been rekeyed, and updated the database and files.
- Scanned and resent all extended hand receipt memorandums to Dale King for signature.

Other activities included the following:

- As the "Federal" Classification Officer for the General Electric Uranium Enrichment Program, performed classification officer duties as follows:
 - Performed several Declassification Requests.
 - Performed classification consultations, classification interpretations, and reviewed several documents.
- Continued to work to complete the resolution of comments regarding the usage of wireless devices in classified areas with DOE authorized cyber networks.
- Finalized a DOE letter of concurrence regarding the GE-H Plan of Action Milestones for classified cyber networks at the Wilmington facility and the Manufacturing Support Facility.
- Continued the effort associated with the procurement of additional COMSEC equipment for GE-H facilities in Wilmington, NC.
- Participated in discussion and teleconferences regarding the return of GE-H cyber equipment to a repair facility. Also reviewed the GE-H risk assessment prepared to support the equipment return.
- Finalized comments regarding the usage of wireless devices in classified areas with DOE authorized cyber networks. The guidance was issued by DOE to NRC.
- Drafted an Authorization to Operate letter for the operation of the Satellite Labs with classified cyber networks at the GE-Hitachi facility in Wilmington, NC.
- Drafted a letter of concurrence for the use of open source software (Secure CRT) on the GE-H classified cyber networks in Wilmington and in Clinton, TN.
- Initiated review of the updated Classified Distributive Information Network (CDIN) drawings for the Manufacturing Support Facility (MSF).
- Completed an Authorization to Operate letter for the operation of the Satellite Labs with classified cyber networks at the GE-H facility in Wilmington, NC. The letter was issued by DOE.
- Completed a letter of concurrence for the use of open source software (Secure CRT) on the GE-H classified cyber networks in Wilmington, NC and Clinton, TN. The letter was issued by DOE.

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

1st Quarter FY14	October	November	December
Federal Emp. Labor	\$1,244.64	\$1,611.66	\$1,075.60
Federal Emp. Travel	\$0.00	\$0.00	\$0.00
Contractor 1	\$3,397.26	\$4,220.16	\$4,114.18
Contractor 2	\$682.36	\$779.84	\$682.36
Contractor 3	\$300.00	\$137.00	\$1,048.00
Federal Admin. Charge (3%)	\$168.73	\$202.46	\$207.60
Quarterly Total			\$19,871.85

Based upon cumulative funding provided to date, past expenditures and projected future activities, we do foresee the need for additional funding during the second quarter of Fiscal Year 2014.