



February 6, 2020
ACO 20-0004

ATTN: Document Control Desk
Ms. Marissa Bailey, Director
Division of Security Operations
Office of Nuclear Security and Incident Response
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555-0001

American Centrifuge Plant
Docket Number 70-7004; License Number SNM-2011

Security Facility Approval for Classified Work: Review of Security Program and Applicable Security Plans for American Centrifuge Operating, LLC's Technology and Manufacturing Center in Oak Ridge, Tennessee

INFORMATION TRANSMITTED HERewith IS PROTECTED FROM PUBLIC DISCLOSURE AS CONFIDENTIAL COMMERCIAL OR FINANCIAL INFORMATION AND/OR TRADE SECRETS PURSUANT TO 10 CFR 2.390 AND 9.17(a)(4)

Dear Ms. Bailey:

This submittal satisfies the requirement discussed within American Centrifuge Operating, LLC (ACO)'s U.S. Nuclear Regulatory Commission (NRC)-approved Security Program (NR-3605-0004), Chapter 2, Section 2.21, which requires a "Security Facility Approval for Classified Work" to be requested through the NRC's Nuclear Security and Incident Response organization and the requirements contained in 10 *Code of Federal Regulations* (CFR) Part 95. Consequently, this request will facilitate the transfer of ACO-Oak Ridge (ACO-OR) Technology and Manufacturing Center (TMC) security regulatory oversight from the U.S. Department of Energy (DOE) to the NRC.

Therefore, in accordance with the above, ACO hereby submits a request for NRC's review, approval, and accreditation (where required) for the following ACO-OR Security Program and Plans.

Enclosure 1 provides NR-SP-ACO-OR-0001, *Security Program for American Centrifuge Operating, LLC at Oak Ridge, Tennessee* (Revision 0). This plan follows the format of the March 2011, *Standard Practice Procedures Plan: Standard Format and Common Set of Requirements for the Protection of Classified Matter for USEC Inc. and Its Limited Liability Companies Regulated by the U.S. Nuclear Regulatory Commission*. Upon NRC approval of this program, the corresponding DOE-approved (Reference 1) Site Security Plan (SEC-15-0004, Revision 2) currently in use at the TMC will be superseded.

~~Document/matter transmitted contains Security—Related Information—Withhold Under 10 CFR 2.390~~
~~Official Use Only and Proprietary Information~~

When separated from enclosures, this cover letter is uncontrolled.

NSIR08

Ms. Marissa Bailey
February 6, 2020
ACO 20-0004, Page 2

As discussed within Section 7 of NR-SP-ACO-OR-0001, Enclosure 2 provides PLD1-SP-024PD, *American Centrifuge Operations – Oak Ridge Operations Security Plan* (Revision 4), for the NRC's prior review. Mr. Scott Eagen, the appointed Operations Security (OPSEC) Coordinator in Oak Ridge, TN, has final approval authority for this plan.

As discussed within Section 10 of NR-SP-ACO-OR-0001, the following information technology system security plans are also being provided for the NRC's prior review and approval:

- Enclosure 3 provides SEC-18-0001, *Classified Information System Security Assessment Report (SAR)* (Revision 0), August 28, 2018.
- Enclosure 4 provides SEC-18-0002, *ACO-OR Cyber System Security Plan (SSP)* (Revision 1), November 2019.

On October 1, 2018 (Reference 2), DOE approved SEC-18-0001 and SEC-18-0002. Based upon this approval, DOE provided Authorization To Operate (ATO) the classified cyber network SEC-18-0002 for the processing up to and including Secret-Restricted Data for three years from the date of this letter. On November 22, 2019 (Reference 3), in accordance with DOE's request, ACO provided Revision 1 to SEC-18-0002 for the removal of K-1600 site and updated with the appropriate changes of the systems impacted/associated with the site. On January 10, 2020 (Reference 4), DOE approved revision 1 of SEC-18-0002 with the current ATO remaining unchanged. ACO requests NRC's re-accreditation based upon the DOE's ATO detailed above.

Additionally, DOE had requested in order to maintain this ATO, continuous monitoring reports must be submitted at least annually. The first annual report ACO-OR-2019-0048, *American Centrifuge Operating (OR)-Continuous Monitoring Report, Part I*, for the period of October 1, 2018 through October 1, 2019 is provided as Enclosure 5 of this letter.

- Enclosure 6 provides ACO-OR-2019-0026, *Balance Stand Classified Cyber Network*, dated April 25, 2019.

On May 22, 2019 (Reference 5), DOE approved the Balance Stand Classified Cyber Network at the TMC in Oak Ridge, Tennessee until the task is complete or until the current ACO-OR ATO expires on October 1, 2021. Specifically, ACO is authorized to operate the network for the processing up to, and including, Secret-Restricted Data until October 1, 2021. ACO requests NRC's re-accreditation based upon the DOE's ATO detailed above.

Enclosures 1 through 6 contain Security-Related Information and, in accordance with the guidance provided by the DOE, contain Official Use Only information. Additionally, Enclosures 3, 4, and 5, also contain Proprietary Information. Therefore, ACO requests these enclosures be withheld from public disclosure pursuant to 10 CFR 2.390(d)(1).

Ms. Marissa Bailey
February 6, 2020
ACO 20-0004, Page 3

After the NRC staff has had an opportunity to review the enclosures, ACO is available to support a discussion with the NRC to address questions or clarify issues. Implementing documents are available at the site for inspection.

To support NRC's review of this new Security Program for ACO-OR, proposed changes to NR-3605-0010, *Transportation Security Plan for Classified Matter Shipments for the American Centrifuge Plant*, as committed within Section 10.3.1 of Enclosure 1 of this letter will be submitted near the end of the first quarter 2020.

ACO requests that NRC complete their review and final approval on or before August 24, 2020 to support the ongoing schedule for the DOE's High Assay Low Enriched Uranium Demonstration Program. ACO respectfully requests upon NRC approval, a revised Facility Data and Approval Record be provided for Facility Code 3497, American Centrifuge Operating - Oak Ridge, to formally change the Cognizant Security Agency to the NRC.

If you have any questions regarding this matter, please contact Scott Eagen at (865) 241-7317.

Sincerely,



Kelly L. Wiehle
Regulatory Manager

References:

1. DOE signature authorities noted on SEC-15-0004 (Revision 2) include S. Rice and S. M. Greene on December 12, 2019
2. DOE letter from M. McCune to L. Cutlip (Centrus) regarding Authorization of the Centrus Energy Corp. American Centrifuge Operating – Oak Ridge Classified Cyber Network, dated October 1, 2018
3. ACO-OR-2019-0054 from S. Eagen to M. McCune (DOE), regarding Cyber Security Plan Revision for the American Centrifuge Operating, LLC, dated November 22, 2019
4. DOE letter from M. McCune to L. Cutlip (Centrus) regarding Approval of American Centrifuge Program – Oak Ridge System Security Plan (SSP), Revision 1, SEC-18-0002, dated January 10, 2020
5. DOE letter from M. McCune to L. Cutlip (Centrus) regarding Department of Energy's Response to American Centrifuge Operating, LLC's Request for Approval to Operate a Balance Stand Classified Cyber Network at the Technology and Manufacturing Center in Oak Ridge, Tennessee, dated May 22, 2019

Ms. Marissa Bailey
February 6, 2020
ACO 20-0004, Page 4

cc (without enclosures, unless otherwise noted):

- B. Brown, DOE, NE-ORSO1
- R. DeVault, DOE, NE-OR3, NE-ORSO
- K. Everly, NRC HQ (Enclosures)
- Y. Faraz, NRC HQ (Enclosures)
- J. Hutson, DOE ORO (Enclosures)
- L. Pitts, NRC Region II (Enclosures)
- S. Rice, DOE, NE-ORSO (Enclosures)