



October 17, 2014  
TJT:14:011

Ms. Cindy Bladey  
Office of Administration  
U.S. Nuclear Regulatory Commission  
11545 Rockville Pike  
Rockville, MD 20852

ATTN: Rulemakings and Adjudications Staff

**Subject: AREVA Inc. Comments on Draft Regulatory Basis for 10 CFR Parts 26 and 73, "Enhanced Security at Fuel Cycle Facilities; Special Nuclear Material Transportation"; Docket ID NRC-2014-0118; (79FR34641)**


AREVA Inc. would like to submit the following comments on the subject Draft Regulatory Basis published in the Federal Register on June 18, 2014 for public comment. We would like to thank the U.S. Nuclear Regulatory Commission (NRC) in advance for its time and efforts in addressing our comments and have full confidence that the NRC staff will view them as tangible concerns. As the NRC looks to finalize and possibly move forward with proposed rules, we look forward to having open dialogue regarding this significant matter.

AREVA Inc. participated in industry discussions regarding the Draft Regulatory Basis for 10 CFR Parts 26 and 73, "Enhanced Security at Fuel Cycle Facilities; Special Nuclear Material Transportation"; Docket ID NRC-2014-0118; (79FR34641) with NEI and other licensees. AREVA would like to echo the industry's desire to continue to advocate for alternatives to rulemaking for licensees impacted by this rule. AREVA Inc. believes that the NRC recognizes that each of the fuel fabrication facilities varies in day to day operations, resulting in site specific inspections that have proven to meet the NRC requirements under each site's Physical Security Program. AREVA Inc. also fully agrees with industries concern that detailed, prescriptive, one-size-fits-all new or revised requirements that modify the intent or go beyond the orders could create unintended conflicts or gaps with existing, NRC-approved security programs. The current orders have been inspected against and determined to be adequate. AREVA Inc. believes that we have already developed and implemented plans that comply with all of the requirements and do not require additional action at this time.

**AREVA INC.**

As a result of the impending draft we have enclosed our comments on the draft regulatory basis for 10 CFR 73 and wish to have a response that address our concerns.

Very truly yours,

A handwritten signature in black ink, appearing to read "T. J. Tate". The signature is fluid and cursive, with a large initial "T" and a long horizontal stroke.

T. J. Tate, Manager  
Environmental, Health, Safety & Licensing  
Docket No. 70-1257, SNM-1227

Enclosure: Comments for Attachments #8 and #15

c:

Cindy.Bladey@nrc.gov  
marissa.bailey@nrc.gov  
chris.miller@nrc.gov  
William.gott@nrc.gov  
Alexander.Sapountzis@nrc.gov

Comments for Attachments #8 and #15					
No.	Area	Ref. No.	Regulatory Basis	Questions/ Comments	Impact (Note: cost impacts are for information only and DO NOT in any way represent actual estimates)
1	General Performance objectives	H-1	The physical protection program should be designed to <u>timely</u> detect attempts to remove SNM.	We would like a definition of "timely"?	Depends on the definition or added requirements. Additional monitoring equipment could range from 50k to 100K
2	General Performance objectives	H-1	In addition to these fixed-site requirements, the NRC may require, depending on the individual facility and site conditions, alternate or additional measures deemed necessary to protect against theft or diversion of Category III SNM.	When is this assessment made? After this initial rule making? Based on additional inspections per site by site?	Impact could be costly if required to have new equipment more manning etc.
3	General Performance objectives	H-1	Licensee should use CAP "or" security event log	This appears to be a new requirement.	Administrative costs could range from 2k to 5K
4	Security Organization	H-2	The security organization should follow a management system to oversee the physical protection program including having at least "one member" (onsite and available at all times) to direct activities and request offsite assistance.	By management system does this mean the designated individual is a supervisor or lead? "Onsite and available at all times" does this mean cannot perform normal security duties?	Manning costs, procedure revisions, training. Could range from 100K to 150K
5	Security Organization	H-2	If member of the security organization are armed. The security plan should describe the training, qualification and requalification program.	What is the reasoning behind this? Is there a drive to push to Appendix B	If required to comply with Appendix B Dedicated security trainer, equipment, facilities. Could range from 100k to 500K
6	Controlled Access Areas	H-3	Licensees should, before granting access into controlled access areas confirm the identity of individuals; and verify the authorization for access of individuals, vehicles and materials	What is the meaning of verifying the authorization for access of materials?	Additional personnel, receiving modifications could range from 100K to 300K

Comments for Attachments #8 and #15					
No.	Area	Ref. No.	Regulatory Basis	Questions/ Comments	Impact (Note: cost impacts are for information only and DO NOT in any way represent actual estimates)
7	Access Controls	H-3	Access control devices should only be issued to individuals with unescorted access that requires those devices to perform official duties and responsibilities. Licensees should maintain a list of individuals which have been issued access control devices and implement a process to account for access control devices at least annually. Upon less than favorable termination of employment, access control devices that were issued or accessed by that employ should be changed	Devices are maintained and accounted for, recovered after termination, favorable or not. This should say changed, collected, or disabled.	replacing devices could range anywhere from 2k to 5k or more
8	Visitors	H-3	"establishing escort ratios"	Escort ratios should depend on the type of activity - not one size fits all.	
9	Visitors	H-3	Licensees should ensure that all escorts are "trained" to perform escort duties, have unescorted access to areas in which they perform escort duties, and have a means of timely communication with security personnel to summon assistance if needed.	Define timely communication. What type of communication devices are we talking about. Security Radios, Cell Phones, Land Lines?	Communication devices. Could range from 2K to 5k
10	Law Enforcement Liaison	H-5	To the extent practicable, licensees should conduct annual local law enforcement site familiarization activities to include a review of the protective strategy and on-site and off-site response procedures, and joint response exercises.	These appear to be new requirements.	Impact could be costly if this results in a new requirement.
11	Compensatory Measures	H-5	Compensatory measures should provide a level of protection that is equivalent to the protection that was provided by the degraded or inoperable equipment, system or component	Level of protection equivalent to the protection that was provided?  This is an ambiguous statement please provide more clarification.	Based on the interpretation same level could mean portable barriers, additional manpower etc... Could range from 10K to 100K
12	Compensatory Measures	H-5	Compensatory measures should be implemented with specific "time frames"	Who determines the "specific time frame"?	Additional man power could range from 70K to 210K

Comments for Attachments #8 and #15					
No.	Area	Ref. No.	Regulatory Basis	Questions/ Comments	Impact (Note: cost impacts are for information only and DO NOT in any way represent actual estimates)
<b>General Comments on the Draft Regulatory Basis for Part 26</b>					
1	General Performance Objectives	O-1	Licenses should use the corrective action program or security event log to track, trend, correct and prevent recurrence of failures and deficiencies in the transportation security program.	This appears to be a new requirement.	Administrative costs could range from 2K to 5K
2	Security Organization	O-2	Licenses or their agents should establish and maintain a transportation security organization that is designed, staffed, trained, qualified and equipped to implement its transportation security program	Please define Transportation Security organization	If this requires a separate Transportation Security Organization. Costs could be $\geq$ \$300K
3	Security Organization	O-2	The transportation security organization should follow a management system to oversee the transportation security program including having at least one member to direct activities	This section needs to be explained. "Who" in the transportation security organization and what is the expectation of their duties?	Additional man power could range from 70k to 140K
4	Heightened Security	O-3	"Safe Haven"	What is considered a "Safe Haven" who will determine Safe Havens? Are current safe havens acceptable?	
5	Security Program Review	O-3	The transportation security program should be reviewed at least every 24 months by individuals independent of both security program management and personnel who have direct responsibility for implementation of the security program.	Define "independent Review"	SGI clearance, administrative hours Could range from 5K to 10K
6	Security Program Review	O-3	The review should include an audit of transportation security equipment, procedures and practices	What is meant by "security equipment"	Independent person may require SGI clearance. Administrative cost  5k to 10K
7	Transportation Security Measures	O-3	The integrity of locks and seals should be checked before departure, during intermodal transfers, and upon arrival.	How would custody of responsibility be determined?	Administrative functions, tracking devices etc. Impact could be costly