

SAFEGUARDS INFORMATION

June 23, 2015

The Honorable James M. Inhofe
Chairman, Committee on Environment
and Public Works
United States Senate
Washington, DC 20510

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Dear Mr. Chairman:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am pleased to submit the 2014 "Report to Congress on the Security Inspection Program for Commercial Power Reactors and Category I Fuel Cycle Facilities: Results and Status Update." Section 170D.e of Chapter 14 of the Atomic Energy Act of 1954, as amended, 42 U.S.C. §2210d.e, requires the NRC to submit a report to Congress, in both classified and unclassified form, that describes the results of each security response evaluation (i.e., force-on-force (FOF) exercise) conducted, and any relevant corrective actions taken by a licensee during the previous year. The report provides information regarding the overall security and safeguards performance of the commercial nuclear power industry and Category I (CAT I) fuel cycle facilities to keep you informed of the NRC's efforts to oversee the protection of the Nation's civilian nuclear power infrastructure and strategic special nuclear material against terrorist attacks. Conducting FOF exercises and implementing the security inspection program are two regulatory activities, among many, that the NRC performs to ensure the secure use and management of radioactive and nuclear materials by the commercial nuclear power industry and CAT I fuel cycle facilities.

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During calendar year 2014, the NRC conducted 233 security inspections (of which 23 were FOF inspections) at commercial nuclear power reactors and CAT I fuel cycle facilities. Security program activities and the publicly available results of security inspections conducted at commercial nuclear power reactors and CAT I fuel cycle facilities are discussed in Enclosure 1. The non-public results of the security inspections conducted at commercial nuclear power reactors and CAT I fuel cycle facilities are discussed in Enclosure 2. Whenever a finding is identified during a security inspection, the NRC ensures that the licensee implements adequate compensatory measures until the problem is corrected. Compensatory measures can include, for example, additional armed personnel and/or physical and cyber security measures to strengthen a licensee's security capabilities.

Through our licensing and oversight process, the NRC is committed to ensuring that licensees continue to provide high assurance that their facilities remain secure.

Enclosure 2 transmitted herewith
contains Safeguards Information.
When separated from Enclosure 2, this
transmittal document is decontrolled.

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Enclosure 1 to this letter can be made publicly available; however, Enclosure 2 contains information that is not for public disclosure. Enclosure 2 must be handled and stored in accordance with Title 10 of the *Code of Federal Regulations* (10 CFR) 73.21, "Protection of Safeguards Information: Performance Requirements," as noted and described in the cover sheet. Therefore, I request that access to Enclosure 2 be limited to you and those of your staff who have a need to know. In addition, pursuant to Section 149 of the Atomic Energy Act of 1954, as amended, and 10 CFR 73.59, "Relief from Fingerprinting, Identification, and Criminal History Records Checks and Other Elements of Background Checks for Designated Categories of Individuals," access to Enclosure 2 must be restricted to those members of your staff who have undergone fingerprinting for a prior U.S. Government criminal history check.

Please do not hesitate to contact me if you need additional information.

Sincerely,

/RA/

Stephen G. Burns

Enclosures:

1. Publicly Available Report
2. Safeguards Information Report

cc: Senator Barbara Boxer

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Identical letter sent to:

The Honorable James M. Inhofe
Chairman, Committee on Environment
and Public Works
United States Senate
Washington, DC 20510
cc: Senator Barbara Boxer

The Honorable Shelley Moore Capito
Chairman, Subcommittee on Clean Air
and Nuclear Safety
Committee on Environment and Public Works
United States Senate
Washington, DC 20510
cc: Senator Thomas R. Carper

The Honorable Fred Upton
Chairman, Committee on Energy
and Commerce
United States House of Representatives
Washington, DC 20515
cc: Representative Frank Pallone, Jr.

The Honorable Ed Whitfield
Chairman, Subcommittee on Energy and Power
Committee on Energy and Commerce
United States House of Representatives
Washington, DC 20515
cc: Representative Bobby L. Rush

The Honorable John Shimkus
Chairman, Subcommittee on Environment
and the Economy
Committee on Energy and Commerce
United States House of Representatives
Washington, DC 20515
cc: Representative Paul Tonko