



Fuel Facilities and Nuclear Material Users Business Lines Commission Briefing

February 25, 2016

**Office of Nuclear Material
Safety and Safeguards**



Opening Remarks

Victor M. McCree
Executive Director
for Operations



Overview of the Fuel Facilities Business Line

Scott Moore
Acting Director
**Office of Nuclear Material
Safety and Safeguards**

Successful Program Outcomes

- **Maintaining our focus on safety and security**
- **Completing a successful merge**
- **Implementing Post-Fukushima activities**

U.S. Nuclear Regulatory Commission Fuel Facilities Enacted Budget FY 2008-FY 2017



Of the FY 2017 Request, 16 percent consist of Security resources and 0 percent consist of Research resources.

Proactively Planning and Implementing Project AIM (1/2)

- **Rebaselining**
 - **Assessed work activities in collaboration with partner offices**
 - **Potential reductions identified**

Proactively Planning and Implementing Project AIM (2/2)

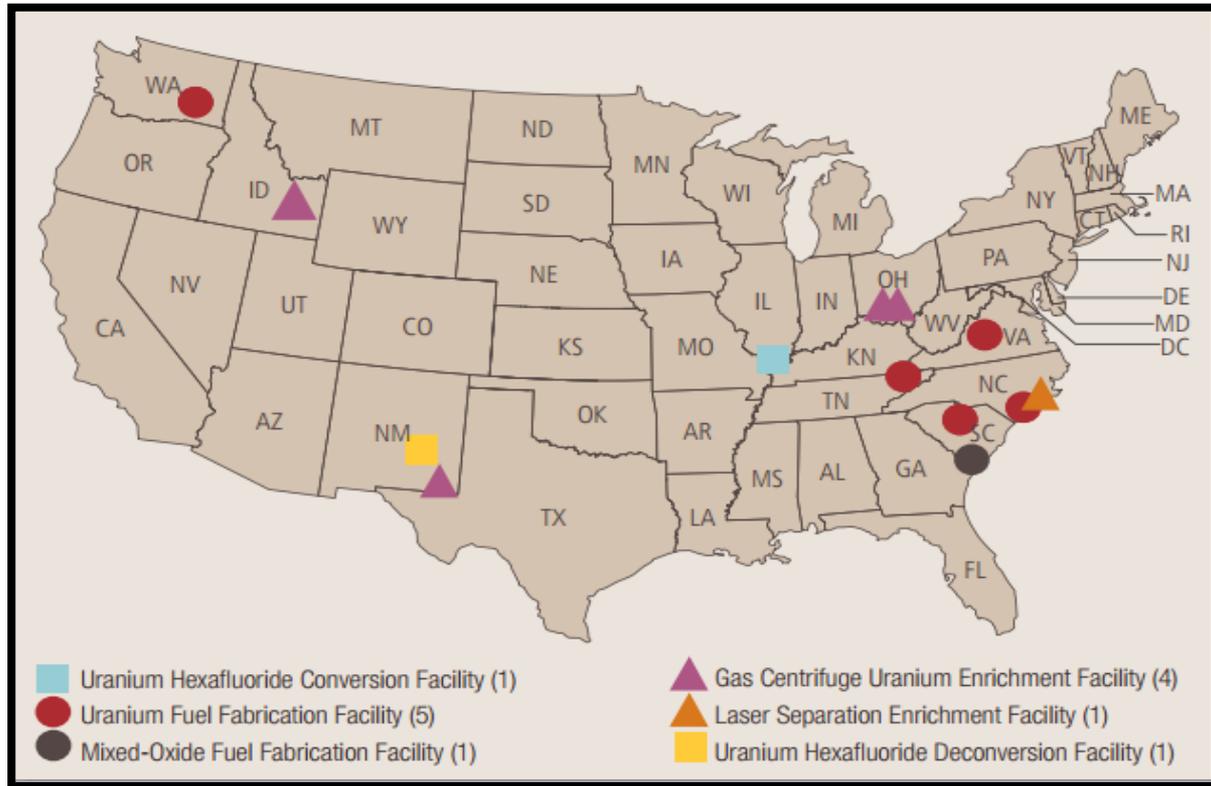
- **Proposed Centers of Expertise**
 - **Will follow Commission direction in reshaping the structure for performing certain agency activities**
 - **Will develop focused guidance for evaluating, planning, and implementation**



Current Fuel Cycle Program Environment

Craig Erlanger
Acting Director
NMSS/FCSE

Location of NRC Regulated Fuel Cycle Facilities



Focusing on Our Priorities

- **Ensuring safety and security through licensing, oversight and environmental reviews**
- **Supporting U.S. non-proliferation activities**
- **Maintaining effective communication with stakeholders**

Continuing to Improve the Regulatory Framework

- **Establishing a graded,
performance-based regulatory
framework for cyber security
at fuel cycle facilities**
- **Managing the Cumulative
Effects of Regulations**

Fuel Facilities Integrated Schedule

Regulatory Activity	Revised	2016												2017												2018												2019																							
		Jan	Febr	Marc	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Febr	Marc	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Febr	Marc	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Febr	Marc	April	May	June	July	Aug	Sept	Oct	Nov	Dec												
Part 73-Enhanced Security for SNM	02/02/2016	Proposed Rule to Commission												Final Rule to Commission																																															
Part 73-Cyber Security Rulemaking	02/02/2016	To Commission												Comment Period												Final Rule												To Commission												18 Month Implementation											
Acute Chem. Exposures (ISG)	02/02/2016	↓ ↓ Issue ISG To Commission																																																											
RFCOP	02/02/2016	A																								A												Pilot Testing and Interactions												A											

= Reg. Basis/Draft Guidance	= Proposed Rule/Draft Guidance	= Final Rule/Final Guidance	= Public Interaction	= Implementation
= Meeting occurrence	I = Marks a milestone with text	↓ = Change occurred below arrow		
V = Site Visit	A = ACRS Meeting	http://www.nrc.gov/materials/fuel-cycle-fac/regs-guides-comm.html#cumeffects		

Successfully Implementing the Fuel Facility Licensing Program

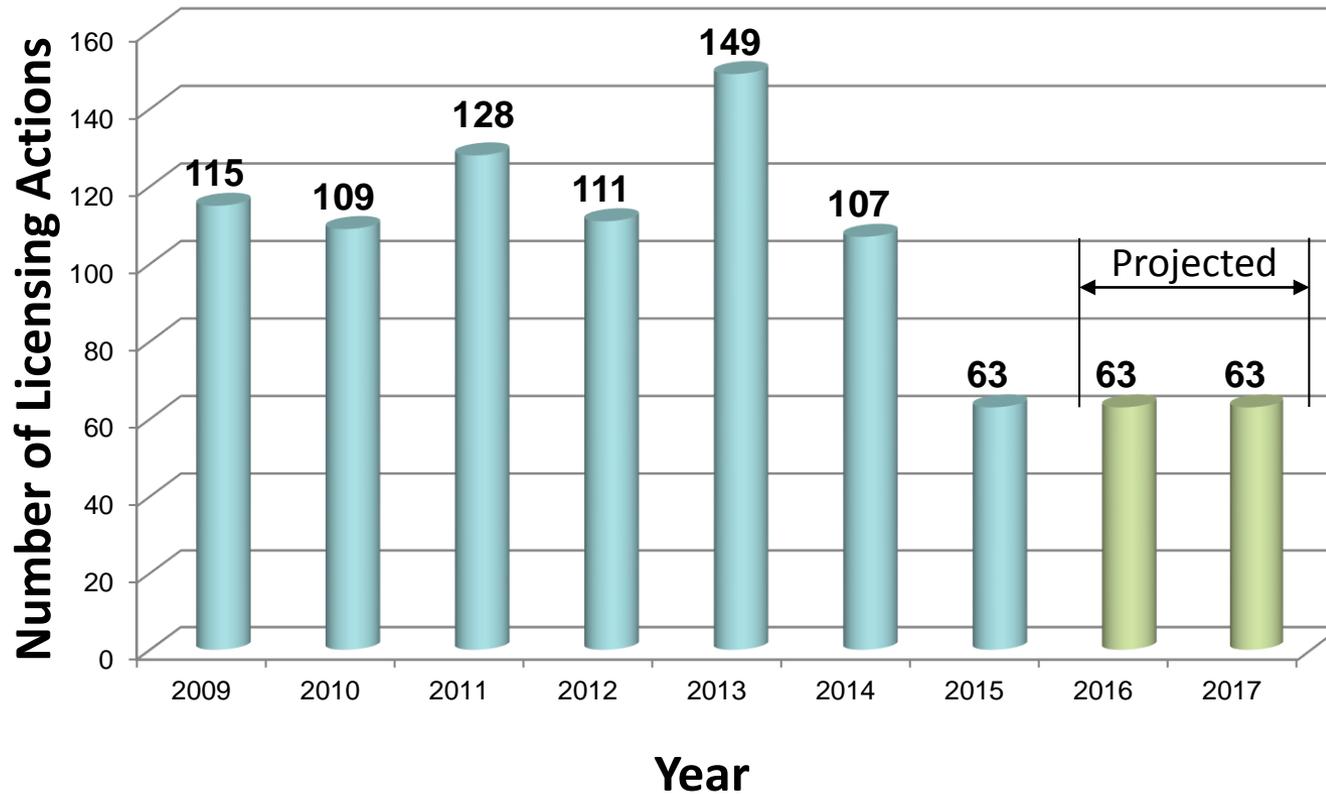


URENCO USA



**MOX Fuel Fabrication
Facility**

Focusing on the Future Licensing Environment



Enhancing the Oversight Infrastructure

- **Successfully implementing Post-Fukushima activities**
- **Improving the fuel facility operating experience program**
- **Developing the Revised Fuel Cycle Oversight Process**

Focusing on Future Opportunities

- **Implementing the Cyber Security rulemaking**
- **Closing the Generic Letter on Natural Phenomena Hazards**
- **Making steady progress on Revised Fuel Cycle Oversight Process**



Inspection Program Accomplishments and Opportunities

**Mark Lesser
Director**

**Division of Fuel Facility
Inspection, Region II**

Oversight Accomplishments

- **All performance indicators met in FY 15**
- **Core Inspection Program completed**
- **Reactive inspections performed**
- **Several plant specific supplemental inspections performed**



Organizational Accomplishments

- **Successful transition and integration of core inspection responsibility to Region II**
- **Improved consistency in the inspection process**
- **Advanced scheduling**
- **Effective use of team inspections**

Focus Areas

- **Knowledge Management**
 - **Maintaining proficient knowledge in a variety of technologies**
 - **Resource Management Strategic Initiative**
 - **Communities of Practice**
- **Strong collaboration with Program Offices**



International Safeguards

Peter Habighorst
Branch Chief
NMSS/FCSE/MCAB

Positively Impacting International Safeguards Activities

- **Ensure that U.S. Government can meet treaty obligations**
- **Effectively engage Federal Partners**
- **Provide knowledge transfer with NRC and licensees**

Key Activities



**Global Trade enabled by
Agreements for Peaceful
Nuclear Cooperation**



**IAEA Design Information Verification
Visit to U.S. Gas Centrifuge
Enrichment Plant, Eunice New Mexico**

Questions

Acronyms

- **FCSE – Division of Fuel Cycle Safety, Safeguards and Environmental Review**
- **FY – Fiscal year**
- **IAEA – International Atomic Energy Agency**
- **ISG – Interim Staff Guidance**
- **NMSS – Office of Nuclear Material Safety and Safeguards**
- **RFCOP – Revised Fuel Oversight Process**
- **SNM – Special Nuclear Material**



Nuclear Material Users Business Line

February 25, 2016

**Office of Nuclear Material
Safety and Safeguards**



Opening Remarks

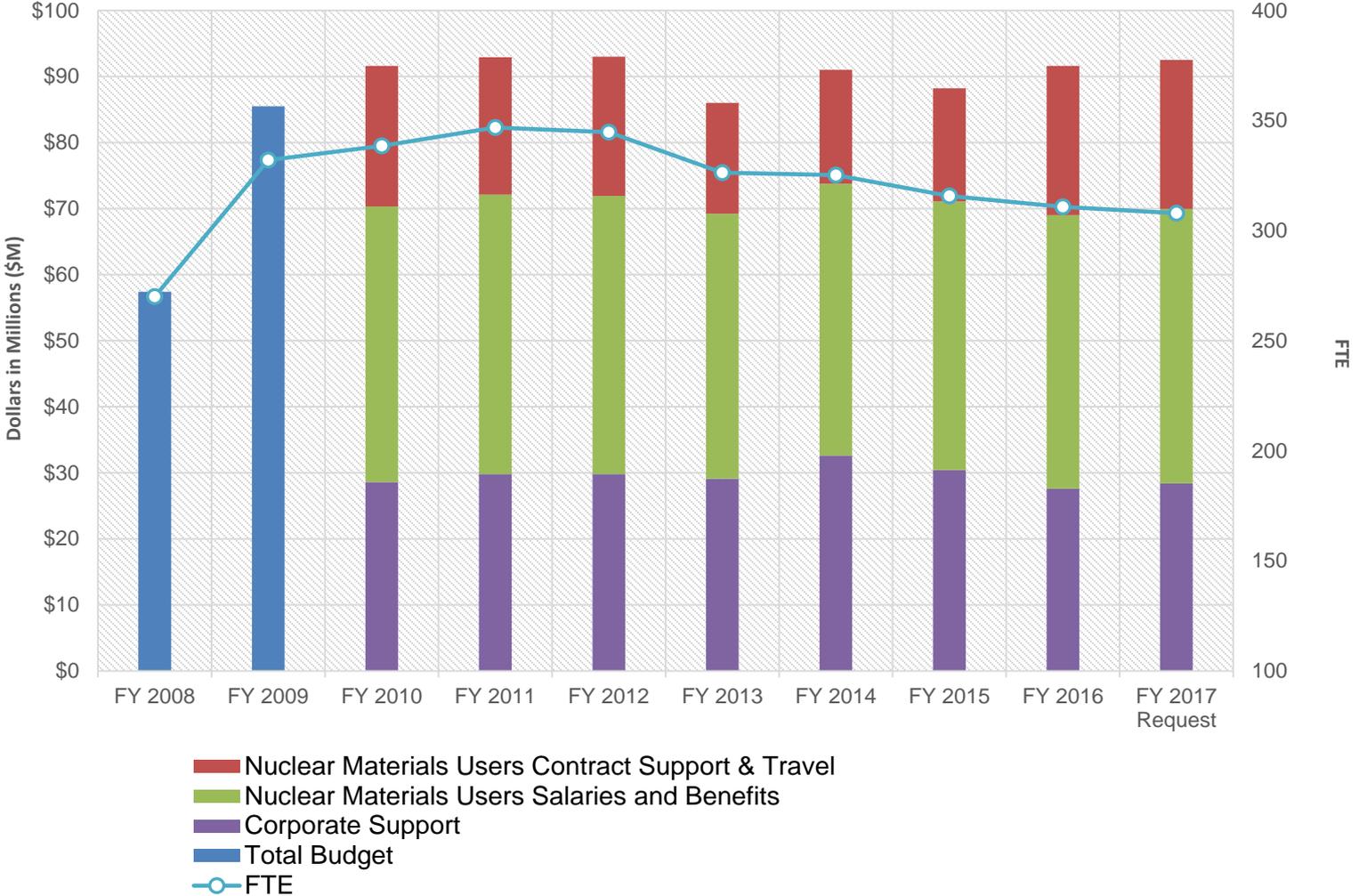
Victor M. McCree
Executive Director
for Operations



Nuclear Materials Business Line

Scott Moore
Acting Director
**Office of Nuclear Material
Safety and Safeguards**

U.S. Nuclear Regulatory Commission Nuclear Materials Users Enacted Budget FY 2008-FY 2017



Of the FY 2017 Request, 2 percent consist of Security resources and 0 percent consist of Research resources.

Overview of the Nuclear Materials Users Business Line

- **Materials program effectively ensures the safe and secure use of licensed material**
- **Successful implementation of business line activities**
- **Projected stable workload for the NMU Business Line**

Planning for the Future through Project AIM (1/2)

- **Leading the materials program consolidation evaluation**
 - **Commission paper due May 2016**
- **Preparing to implement Commission direction on Centers of Expertise**

Planning for the Future through Project AIM (2/2)

- **Efficiencies and process changes have been identified through rebaselining project**



Overview of the National Materials Program

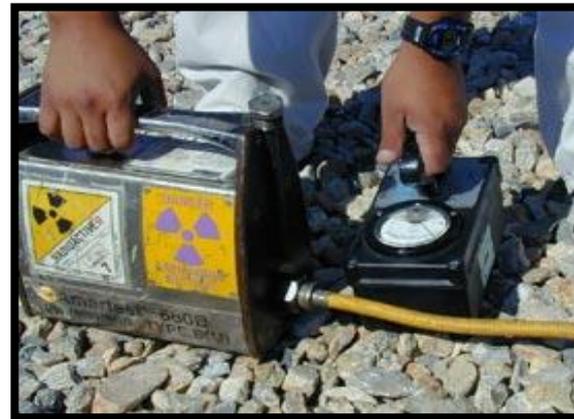
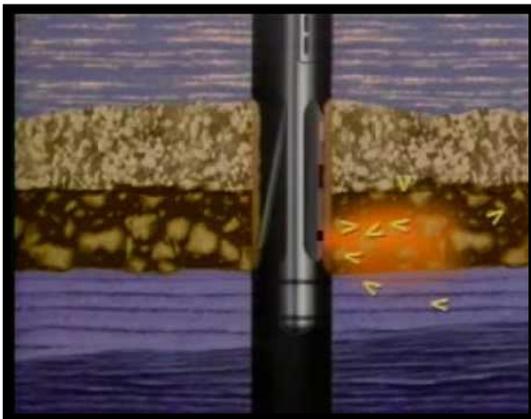
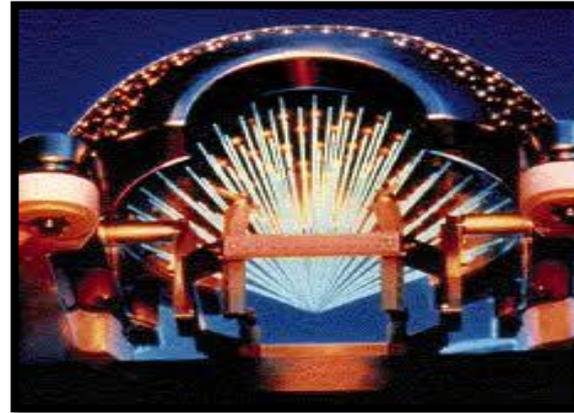
Daniel Collins
Director

**Division of Material Safety, State,
Tribal, and Rulemaking Programs**

Ensuring Safety and Security under the NMP

- **Over 21,000 licensees**
- **NRC regulates approximately 2,900 licensees (the remainder are Agreement State)**
- **Thousands of general licensees**

Effectively Overseeing a Diverse Group of Licensees



Accomplishments and Highlights

- **Program activities effectively support NRC's strategic goals and objectives**
- **Significant progress on many program priorities**

Ensuring Effective Communication with Stakeholders (1/2)

- **Frequent and clear communication supports the NMP**
- **Closely coordinate with OAS and CRCPD**



Ensuring Effective Communications with Stakeholders (2/2)

- **Maintain strong NRC relationship with Agreement States ensuring effective oversight**
- **Effective use of a wide range of communication tools**
- **Proactive outreach on specific issues**
 - **Federal partners, professional societies**

Proactively Addressing Uncertainties/External Factors (1/2)

- **Communicating and Coordinating with Stakeholders and Partners**
- **Identifying External Factors Early**
- **Adopting Strategies to Mitigate Potential Uncertainties and Disruptions**

Proactively Addressing Uncertainties/External Factors (2/2)

- **Carefully evaluating potential changes to the Materials Program**
- **Implementing enhancements in response to external audits**



Material Inspection Program Accomplishments and Challenges

Joseph Nick

Deputy Director

**Division of Nuclear Material Safety
Region I**

Materials Oversight and Licensing Program

- **Focus on protecting public health, safety and security**
- **Continued robust and effective oversight and licensing programs**
- **Positive IMPEP results indicate strong performance**

Materials Oversight and Licensing Accomplishments (1/2)

- **Ensured performance indicators were met in FY15 through:**
 - **Approximately 850 inspections and 2,000 licensing actions**
- **Reactive inspections and enforcement result in improved performance**

Materials Oversight and Licensing Accomplishments (2/2)

- **Regional support for Agreement State activities, training, and IMPEP**
- **Activities support an adequate and compatible Agreement State Program**

Materials Oversight and Licensing Challenges

- **Staying current with technological advances (medical)**
- **Integration of Web Based Licensing (WBL) System and other program enhancements**



Part 37 Implementation and Assessment

Paul Goldberg

Project Manager

**Source Management and Protection
Branch, NMSS/MSTR**

Source Security is Effective (1/2)

- **Regulatory framework for source security is in place**
- **Part 37 regulations provide reasonable assurance commensurate with the current threat level and potential consequences**

Source Security is Effective (2/2)

- **Radiation Source Protection and Security Task Force identified no significant gaps**

Ensuring Successful Implementation of Part 37

- **Successful transition from increased controls orders to Part 37**
 - **Implementation Working Group has actively supported transition from orders to regulations**
- **Security inspection experience shows good performance**

Comprehensive Assessment of Part 37

- **NRC is conducting a comprehensive assessment in response to legislative requirements**
- **Consists of four components, including an independent review**

Next Steps for Part 37

- **Results of the assessment will form the basis for a paper to the Commission**
- **Report to Congress is due by December 2016**
- **A follow up GAO Audit will be conducted in 2018**

Maintaining Awareness of External Impacts to Part 37

- **Engagement with stakeholders to communicate NRC's approach to source security**
- **Ongoing evaluation of threat information**
 - **Communicate and take actions as needed**



Implementation of the Agreement State Program

**Paul Michalak
Chief**

**Agreement State Program Branch
NMSS/MSTR**

Ensuring an Effective IMPEP (1/2)

- **Successful and respected program with 20 year history**
- **Valuable oversight tool to ensure adequate and compatible programs**

Ensuring an Effective IMPEP (2/2)

- **Regulatory partners – NRC and Agreement States share best practices**
- **Collaborative effort to identify and address program issues - North Dakota and Georgia**

Ensuring a Consistent National Training Program

- **Many courses and participant travel expenses are funded by the NRC**
- **Positive impact on Agreement State and NRC inspection and licensing programs**
- **Basis for quality and consistency across entire NMP**

Recent Training Initiatives

Increase Efficiency

- **Increased use of webinars as an efficient means to convey information**
- **Blended training courses reduce travel expenses while maintaining effectiveness**
- **Initiatives support proposed reductions (10%)**

Frequent and Productive Exchange of Information (1/2)

- **Regional State Agreement Officers play an integral role in communication**
- **State Communications Portal is an important and popular source of information sharing**

Frequent and Productive Exchange of Information (2/2)

- **Direct communications with the OAS and CRCPD are essential for in-depth discussions**
 - **e.g., monthly calls and annual meetings**

Future Agreement State Program Enhancements

- **Will follow Commission direction related to SECY-15-087**
 - **Publish consolidated Agreement State policy statement;**
 - **Continue using current approach to assessing compatibility;**
 - **Improve clarity and consistency in IMPEP evaluation criteria**

Questions

List of Acronyms

- **CRCPD – Conference of Radiation Control Program Directors**
- **GAO – Government Accountability Office**
- **IMPEP – Integrated Materials Performance Evaluation Program**
- **NMP – National Materials Program**
- **NMSS – Office of Nuclear Material Safety and Safeguards**
- **OAS – Organization of Agreement States**
- **WBL – Web Based Licensing**