

November 5, 2001

Mr. Paul Leventhal, President
Dr. Edwin S. Lyman
Nuclear Control Institute
1000 Connecticut Avenue, N.W.
Suite 410
Washington, D.C. 20036

Dear Mr. Leventhal and Dr. Lyman:

I am writing on behalf of the Nuclear Regulatory Commission (NRC) in response to your letter of July 10, 2001, in which you expressed reservations about the NRC's Safeguards Performance Assessment (SPA) Pilot Program and your concerns regarding the NRC's authority to ensure that adequate physical protection is being maintained at nuclear power plants. The Commission understands your continuing interest in the NRC's safeguards and physical security programs.

We appreciate receiving your views regarding the one-year SPA pilot program. As you know, the decision to proceed with the pilot, which was made before September 11, 2001, reflected the Commission's continuous efforts to ensure adequate protection of the nuclear facilities that it regulates. The combination of SPA and Operational Safeguards Response Evaluations (OSREs) would result in an increase in the number of actual force-on-force exercises with NRC involvement. The SPA pilot program, which would be undertaken to supplement exercises under the traditional OSRE program, would provide the NRC with additional opportunities to observe licensee performance in contingency response exercises. Following completion of the SPA pilot, a lessons-learned evaluation on the program was planned. The results of the SPA pilot program would be evaluated as part of the efforts to improve safeguards and security. Thus, the Commission believed that its decisions would result in an overall increase in the NRC's oversight of licensee safeguards program performance and the SPA pilot program would provide additional information for the Commission to determine the appropriate program to assess a licensee's protective strategy.

In the aftermath of the terrorist attacks of September 11, 2001, on the World Trade Center and Pentagon buildings and the continuing uncertainty about future terrorist intentions, I have tasked the NRC staff, with the full support of the Commission, to conduct a thorough review of NRC's safeguards and physical security programs. One of the objectives of this effort will be a comprehensive examination of the basic assumptions underlying these programs including, but not limited to, assumptions regarding the NRC's design basis threat. The staff's effort will also include a review of existing NRC regulations, policies, and guidance provided to licensees for combating acts of radiological sabotage, including examination of how best to approach inspections of licensee performance. The Commission believes that this special effort is warranted by the events of September 11, 2001, and is necessary to ensure that special and focused attention is given to any necessary adjustments in NRC, licensee, Federal, State, and local responsibilities.

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In view of your concerns about the SPA pilot program, we will advise you of the impact of the assessment on this program when the results of the NRC staff's comprehensive review are available. Thank you for sharing your views on this matter.

Sincerely,

/RA/

Richard A. Meserve