

**UNITED STATES NUCLEAR REGULATORY COMMISSION**  
**INDEPENDENT EXTERNAL REVIEW PANEL TO IDENTIFY**  
**VULNERABILITIES IN THE U.S. NUCLEAR REGULATORY COMMISSION'S**  
**MATERIAL LICENSING PROGRAM**

**CHARTER**

**1. Committee's Official Designation:**

Independent External Review Panel to Identify Vulnerabilities in the NRC's Materials Licensing Program

This panel is established pursuant to Section 9 of the Federal Advisory Committee Act (FACA), as amended (5 U.S.C. App.), as an NRC discretionary committee.

**2. Committee's objectives, scope of activities and duties are as follows:**

As stated in the Action Plan to Respond to Recommendations to Improve the U.S. Nuclear Regulatory Commission Materials Program (Action Plan), the principal objective of this panel is to respond to the NRC Office of the Inspector General (OIG) recommendation (OIG-07-A-12), "...that the Executive Director for Operations convene an independent panel of experts external to the agency to identify agency vulnerabilities concerning the NRC's material licensing and tracking programs and validate the agency's ongoing byproduct material security efforts."

The OIG report also stated, "Such an assessment should necessarily include examination of the management, operational, and technical security controls and the extent to which these controls are: (1) implemented correctly, (2) operating as intended, and (3) producing the desired outcome with respect to mitigating security vulnerabilities."

In responding to this recommendation, the panel will include in its review an assessment of the existing and potential security vulnerabilities related to the NRC's specific, import, export, and general license programs.

The panel is to also evaluate the apparent good-faith presumption that pervades the NRC licensing process (See Recommendation S-1 in the Action Plan).

The panel is expected to recommend an agenda and plan for the review; this plan will include, as a minimum, assessment of pre-licensing guidance, licensing procedures, the licensing process, possession limits on licenses, and license reviewer training and oversight. The Director, Office of Federal and State Materials and Environmental Management Programs (FSME), will designate a staff member of FSME to serve as the Designated Federal Officer of the panel consistent with Section 10 of FACA.

The panel will document each significant issue identified and make appropriate recommendations and propose corrective actions.

The panel will establish criteria for identifying vulnerabilities and will rank-order the vulnerabilities identified on a risk-informed basis and the perceived security risk based on the members' knowledge and experience.

The panel will also identify elements of the existing program that are effective in mitigating security vulnerabilities and should, therefore, be preserved.

The panel will provide a project plan to the Director, FSME, for comment within 30 days of initiating work.

The panel will complete and submit a report with recommendations to the Commission by January 31, 2008. In addition to documenting its recommendations and the bases for those recommendations, the panel should be particularly careful to document other options that were considered and the reasons for not adopting them.

3. **Time period (duration of this Committee):**

Approximately 180 days

4. **Official to whom this Committee reports:**

Executive Director for Operations  
U.S. Nuclear Regulatory Commission  
Washington, DC 20555

5. **Agency responsible for providing necessary support to this Committee:**

U.S. Nuclear Regulatory Commission

6. **A description of the duties for which the Committee is responsible, and, if such duties are not solely advisory, a specification of the authority for such functions:**

The duties of the panel are set forth in Item 2 above.

7. **Estimated annual direct cost of this Committee:**

Three panel members will be appointed by the Director, FSME. Some, if not all, will meet the criteria of Special Government Employees (SGEs). The panel will require approximately 1 FTE. It is estimated that \$400,000 will be expended for travel and other expenses of the panel.

8. **Estimated number of meetings per year:**

There will be approximately four to six meetings of the panel, including an initial meeting with the Director, FSME, to provide the charge to the panel, a meeting when the panel presents its plan, and another when it presents its findings. Additional meetings will likely be held to develop recommendations, as well as to prepare an early draft report, interim updates, and a final report.

9. **The Committee's termination date:**

Upon completion of the panel's duties, but no later than two years from the date the panel's charter is filed.

10. **Filing date:**

October 2, 2007

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Andrew L. Bates  
Advisory Committee Management Officer  
Office of the Secretary of the Commission