

DOCKET NUMBER
PROPOSED RULE **PR-74, 72 et al.**
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DOCKET NUMBER
PROPOSED RULE **PR-Misc Notice**
(Reg Guide)

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VICE PRESIDENT
GENERAL SERVICES

December 20, 1985

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OFFICE OF
DOCKETING & SERVICE
BRANCH

Secretary of the Commission
U. S. Nuclear Regulatory Commission
Washington, D.C. 20555

Attention: Docketing and Service Branch

Re: Comments Regarding: 1) Proposed Changes to Safeguards Reporting Requirements, 10 CFR, Parts 70, 72, 73, and 74 Published August 27, 1985, and
2) Proposed Revision 1 to Regulatory Guide 5.62 - "Reporting of Physical Security Events," Task Number SG-901, Published November 1, 1985

Gentlemen:

Baltimore Gas and Electric Company is pleased to submit its comments regarding the proposed revisions to the Safeguards Reporting Requirements. We commend the Commission for attempting to reduce and clarify these reporting requirements and support this position. However, we believe, as published, some of the proposed changes do not reduce, but increase, both the costs and the administrative burden on the licensee. Additionally, while the reporting requirements are somewhat clarified by these changes, we believe they can be further improved.

In particular, the requirement to establish and submit quarterly a separate log, which records events not reported to the NRC, greatly increases the administrative burden on the licensee. Presently, the NRC reviews existing records (e.g. Maintenance Requests) as part of their routine on-site inspections and is given copies of any relevant documents. BG&E cannot find any benefits which justify the costs associated with the start-up and maintenance of a system that duplicates the existing documentation. Additionally, we believe this new requirement will also be burdensome for the Commission because it will result in a deluge of new and unnecessary Safeguards Information (10 CFR 73.21) which must be reviewed, correlated, analyzed, and stored.

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Secondly, some of the items requiring a one hour report are not as explicit or easily determined as the theft of nuclear material. For example, the discovery of an unaccounted card key or a fire of unknown origin both require time, which could be longer than one hour, to investigate and gather sufficient information to establish their probable cause (e.g., equipment malfunction). The NRC itself in Information Notice 85-80, has recognized the importance of ensuring that the personnel making such reports are "sufficiently knowledgeable of the event to report it correctly." It is our belief that allowing the licensee time to investigate and establish a reasonable belief that a credible threat exists prior to making a report, will not impede reporting of clear cut events, such as on-site intrusion within one hour. It will, however, reduce the number of unnecessary or cursory reports which could be made under the proposed wording of this rule.

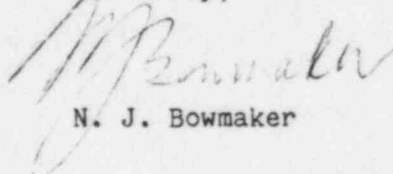
A third area of concern pertains to the use of a Licensee Event Report (LER) for Physical Security Events. Since the LER is a public document, it may be difficult for licensees to adequately and accurately report the confidential and sensitive information often contained in Security reports. Additionally, we are concerned that this information may be inadvertently released to the public. For these reasons, we are opposed to the use of LER's and favor the use of letters for reporting physical security events.

Finally, we have made comments regarding the sections of the proposed rule and associated regulatory guide which address the interruption of normal operation. While we understand this terminology was added to ensure the rule conforms with the Atomic Energy Act, we believe the intent of this requirement involves an interruption of operation caused by malicious acts. However, the wording in the proposed rule does not imply this or make it clear. Since an LER is prepared anytime the safety system is challenged (eg. reactor trip) and duplicate reporting will be deleted, we believe the wording can be modified to better clarify and define the types of acts that should be reported.

BG&E has enclosed comparative texts of both the rule (Enclosure 1) and the Regulatory Guide (Enclosure 2) which are consistent with our general comments. We believe the adoption of these comments will reduce and clarify the reporting requirements as well as ensure the NRC is involved in any situation that compromises the security of our facility.

My staff and I are available to discuss any comments you may have on this subject.

Sincerely,



N. J. Bowmaker

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ENCLOSURE 1

COMPARATIVE TEXT COMMENTS ON 73.71

Sec. 73.71 Reports of unaccounted for shipments, suspected thefts, or unlawful diversions and other safeguards events.

(a)(1) Each licensee subject to the provisions of Sections 73.25, 73.26, 73.27(c), 73.37, 73.67(e), or 73.67(g) shall notify the NRC Operations Center within one hour after discovery of the loss of any shipment of SNM or spent fuel, and within one hour after recovery of or accountability for such lost shipment.

(2) This notification must be made to the NRC Operations Center listed in appendix A of Part 73 of this chapter via the Emergency Notification System, if the licensee is party to that system. If the Emergency Notification System is inoperative or unavailable, the licensee shall make the required notification via commercial telephonic service or other dedicated telephonic systems or any other method that will ensure that a report is received by the NRC Operations Center within one hour. The exemption of Section 73.21(g)(3) applies to all telephonic reports required by this section.

(3) The licensee shall, upon request of the NRC, maintain an open and continuous communications channel with the NRC Operations Center.

(4) The initial telephonic notification must be followed within a period of thirty (30) days by a written report submitted to the U.S. Nuclear Regulatory Commission, Document Control Desk, Washington, D.C. 20555. The licensee shall also submit one copy each to the appropriate NRC Regional Office listed in Appendix A to this part and if applicable the appropriate NRC Resident Inspector.

(5) Significant supplemental information which becomes available after the initial telephonic notification ~~to the NRC Operations Center or after the submission of the written report~~ must be telephonically reported to the NRC Operations Center listed in Appendix A of Part 73 of this chapter. and also submitted If a written report has been submitted and supplemental information becomes available or an error has been discovered in that report a revised written report must be sent to the Regional Office, the Document Control Desk and if applicable the appropriate Resident Inspector. ~~Errors are discovered in a the original written report must be corrected in a revised report.~~ The revised report must ~~replace the previous report, therefore, the update must be a complete entity and not~~ contain only supplementary or revised information. Each licensee shall maintain a copy of the written report of an event submitted under this section as a record for a period of three years from the date of the report.

(b)(1) Each licensee subject to the provisions of Sections 73.20, 73.37, 73.50, 73.55, 73.60 and 73.67 shall notify the NRC Operations Center listed in appendix A of Part 73 of this chapter within one hour of discovery and establishment of a reasonable belief that the event poses a credible threat to the facility the safeguards events described in paragraph I.(a)(1) of Appendix G to this part. Licensees subject to the provisions of Sections 73.20, 73.37, 73.55, 73.60 and each licensee possessing strategic special nuclear material (SSNM) and subject to Sections 73.67(d) and (c) shall notify the NRC Operations Center within one hour after discovery and establishment of a reasonable belief that the event poses a credible threat to the facility the safeguards events described in paragraphs I.(a)(2), (3), (b), and (c) of Appendix G to this part.

(2) This notification must be made in accordance with the requirements of paragraphs (a)(2), (3), (4), and (5) of this section.

(c)(1) Each licensee subject to the provisions of Sections 73.20, 73.37, 73.50, 73.55, 73.60, and each licensee possessing SSNM and subject to Sections 73.67(d), and 73.67(e) shall ~~maintain a current log and~~ record the safeguards events described in paragraphs II.(a) and (b) of Appendix G to this part within 24 hours of discovery by a licensee's ~~employee or member of the licensee's contract security organization~~ security organization to include the licensee's contract security base if applicable. The licensee shall retain the ~~log of events~~ record ~~recorded under this section as a record for three~~ one years. ~~after the last entry is made in each log.~~

(2) ~~Every three months, each licensee shall submit to the NRC copies of all safeguards event log entries not previously submitted. Each licensee shall submit one copy of each of its log entries to the U.S. Nuclear Regulatory Commission, Document Control Desk, Washington, D.C. 20555, and if applicable the appropriate NRC Resident Inspector.~~

(d) Each licensee shall submit to the Commission the 30-day written reports ~~and copies of the safeguards event log entries~~ required under the provisions of this section that are of a quality which will permit legible reproduction and micrographic processing. ~~If the facility is subject to Section 50.73 of this chapter, the licensee shall prepare the written report on NRC Forms 366 and 366A. If the facility is not subject to Section 50.73 of this chapter, The licensee shall not use these forms but shall prepare the written report in letter form. In either case the report~~ which must include sufficient information for NRC analysis and evaluation.

(e) Duplicate reports are not required for events that are also reportable in accordance with Sections 50.72 and 50.73 of this chapter.

4. A new Appendix G is added to read as follows:

Appendix G - Reportable Safeguards Events

Pursuant to the provisions of 10 CFR Section 73.71(b) and (c), licensees subject to the provisions of 10 CFR Sections 73.20, 73.37, 73.50, 73.55, 73.60, and 73.67 shall report or record, as appropriate, the following safeguards events.

I. ~~Events to be reported within one hour of discovery,~~ Upon discovery
and the establishment of a reasonable belief that the event poses
a credible threat to the facility, the following events must be reported
within one hour, followed by a written report within thirty days

(a) Any event in which there is reason to believe that a person has committed or caused, or attempted to commit or cause, or has made a credible threat to commit or cause:

- (1) A theft or unlawful diversion of special nuclear material; or
- (2) Intentional ~~significant~~ physical damage to any facility possessing SSNM or its equipment or carrier equipment transporting nuclear fuel or spent nuclear fuel, or to the nuclear fuel or spent nuclear fuel a facility or carrier possesses; or whereby the public health and safety could be endangered by exposure to radiation;
- (3) ~~Interruption of normal operation of~~ Malicious tampering with a
licensed nuclear power reactor ~~through the unauthorized use of or~~
~~tampering with~~ or its machinery, components, or controls including the security system.

(b) Any discovered failure of a safeguards system ~~or discovered~~
~~noninherent vulnerability in a system that could allow unauthorized or~~
~~undetected~~ which persists beyond without proper compensation for 10 minutes
~~without proper compensation and beyond~~ after the establishment of a reasonable

belief that it could be exploited by unauthorized persons to gain undetected access to a protected area, material access area, controlled access area, vital area or transport for which proper compensatory measures have not been established. A ~~"proper compensatory measure"~~ "Proper compensation" for a particular safeguards event as used in this Appendix means a measure includes but is not limited to measures that is are specified in a security or contingency plan or security procedure. ~~If the particular safeguards event is not described in a plan or procedure, then a "proper compensatory measure" means a measure implemented within 10 minutes of an event's discovery that provides a level of security essentially equivalent to that existing before the event.~~

(c) Any ~~unauthorized~~ entries of unauthorized persons through a required barrier ~~whether or not~~ when the event is not properly compensated.

II. Events to be recorded within 24 hours. and submitted in quarterly log.

(a) Any failure of a safeguards system or discovered vulnerability in a system that could be exploited by unauthorized personnel to gain undetected access to a protected area, material access area, controlled access area, vital area, or transport for which proper compensatory measures have been established.

(b) ~~Any other failure of a safeguards system not included in paragraph II.(a) of this appendix if the failure degrades the effectiveness of the system.~~

ENCLOSURE 2

REGULATORY GUIDE 5.62, REV. 1

REPORTING OF PHYSICAL SECURITY EVENTS

A. INTRODUCTION

In 10 CFR Part 73, "Physical Protection of Plants and Materials," paragraphs 73.71(a)-(c) require licensees to report to the Operations Center of the Nuclear Regulatory Commission or record ~~for quarterly transmittal to the NRC~~, certain safeguards events. These events are those which threaten nuclear activities or lessen the effectiveness of a security system as established by safeguards regulations or an approved security and/or contingency plan.

This regulatory guide provides an approach acceptable to the NRC staff for determining when and how an event should be reported. Examples are provided that represent the types of events that should be reported. These examples are not intended to be all-inclusive. The applicability of events may vary from site to site depending on the site layout.

B. DISCUSSION

The NRC requires the information reportable under Section 73.71 to keep the NRC informed of events with potential to endanger public health and safety or national security ~~and to monitor trends in safeguards systems effectiveness.~~

Because certain significant safeguards events warrant immediate involvement by the NRC and possibly other government agencies, such as the FBI, these reports must be telephonically reported to the NRC within one hour of occurrence and establishment of a reasonable belief that it poses a credible threat to the facility followed by a written, detailed report within

thirty (30) days.

Certain other safeguards events which could not allow unauthorized or undetected access to a facility, either due to their nature or because they have been properly compensated, are required to be recorded. ~~in a log and copies of the recorded log submitted to the NRC every three months.~~

A chart of reportable events and reporting times is included as Table 1, to this guide.

For the purposes of this guide the following definitions apply:

Safeguards system: The equipment, personnel, and procedures that comprise the physical protection program necessary to meet the performance objectives of Sections 73.20(a), 73.37(a), 73.50, 73.55(a), 73.60 or 73.67.

Safeguards events: Any incident representing an attempted, threatened, or actual breach of the safeguards system or a reduction in the operational effectiveness of the system.

Properly Compensated: ~~Establishing~~ Established measures for particular safeguards events as included but not limited to measures that are specified in a security or contingency plan or security procedures. ~~If the safeguards event is not described in these plans, then "properly compensated" means measures implemented within 10 minutes of an event's discovery that provide a level of security essentially equivalent to that existing before the event.~~ Guidance on acceptable compensatory measures may be found in NUREG 1045. Guidance on the Application of Compensatory Safeguards Measures for Power Reactor Licensees.

C. REGULATORY POSITION

Reports of events are required to be legible and reproducible. ~~Licensees subject to the provisions Section 50.73 of 10 CFR 50 should prepare their written reports on NRC Forms 366 and 366A. Licensees not subject to these~~

~~provisions~~ should ~~not use these forms but~~ prepare their reports using a letter format. ~~In both cases,~~ The information requested in the Appendix to this guide is considered sufficient for NRC analysis and evaluation and should be included as a minimum.

Events of a dual nature, i.e., having both safety and safeguards implications and, therefore, subject to the requirements of Sections 50.73 and 73.71, do not require duplicate reports. However, the licensee should indicate in the written report under what requirement the report is being made, i.e., Section 50.73, Section 73.71, or Sections 50.73 and 73.71.

1. Safeguards Events Reportable Under Section 73.71(a)

Events reportable under Section 73.71(a) involve incidents in which a theft, loss, or diversion of a shipment of special nuclear material (SNM) or spent fuel has occurred or is believed to have occurred. When a licensee or licensee agent discovers an actual or suspected theft, loss, or diversion, a telephonic notification to the NRC Operations Center listed in Appendix A to Part 73 should be made within one hour of the discovery. Telephone notification should be made via the Emergency Notification System (ENS) if the licensee is party to that system. If the ENS is inoperative or unavailable, commercial telephone should first be used to ensure that the required notification is received by the NRC Operations Center ~~within one hour of~~

Table I. Summary Reporting Requirements

REQUIRED REPORTS	DESCRIPTION OF SAFEGUARDS EVENT
One hour telephonic report followed by a written report within thrity days.	<p>(1) Lost, unaccounted for, or recovered shipments of SNM or spent fuel. (Required by Section 73.71(a).)</p> <p>(2) Acts, attempts, or threats to commit (a) theft or diversion of SNM or spent fuel, (b) damage to facility, transport, or fuel, or (c) interruption of normal operation of <u>malicious tampering with a licensed power reactor due to</u> tampering. (Required by Section 73.71(b)/Appendix G to 10 CFR Part 73.)</p> <p>(3) <u>Uncompensated</u> safeguards system failures that could allow unauthorized or undetected access into PA's, MAA's, CAA's, or VA's or a transport. (Required by Section 73.71(b)/Appendix G to 10 CFR Part 73.)</p> <p>(4) Any <u>unauthorized entry of an unauthorized person</u> through a required barrier. (Required by Section 73.71(b)/Appendix G to 10 CFR 73.)</p>
Safeguards event log, submitted every three months <u>record</u>	<p>(1) Properly compensated safeguards systems failures that if uncompensated could allow unauthorized or undetected access into PA's, MAA's, CAA's or VA's, or a transport. (Required by Section 73.71(c)/Appendix G to 10 CFR 73.)</p> <p>(2) Safeguards systems failures that degrade the effectiveness of the system but could not allow unauthorized or undetected access, whether compensated or not. (Required by Section 73.71(c)/Appendix G to 10 CFR Part 73.)</p>

~~discovery of the event.~~ Commercial telephone numbers that may be used to contact the NRC Operations Center are: (202) 951-0550, (301) 427-4056, (301) 427-4259 and (301) 492-8893. Other methods that may be used to ensure notification ~~within one hour~~ if commercial telephone is not available include telegram, mailgram, or facsimile. Telegrams and mailgrams should be hand delivered to the Operations Officer at the NRC Operations Center, Maryland National Bank Building, 7735 Old Georgetown Road, Bethesda, Maryland. For information concerning facsimiles, contact the NRC Operations Center at (301) 492-8893.

The licensee (or agent) should also provide the NRC Operations Center with telephonic notification within one hour of the recovery of or accountability for the shipment, i.e., information such as: material located, discovery of reason for loss, etc.

Telephonic reports made pursuant to Paragraph 73.71(a) may be transmitted over unprotected lines as permitted by the exemption in Paragraph 73.21(g)(3). A follow-up written report must be submitted within 30 days of a telephonic report. Licensees ~~not subject to the provisions of 50.73 of 10 CFR~~ ~~50~~ should use letter format in preparing their reports and include all the information described in the Appendix to this guide within their reports. ~~They These licensees~~ should submit one copy each of their written report to the U.S. Nuclear Regulatory Commission, Document Control Desk, Washington, D.C. 20555, the appropriate Regional Office listed in Appendix A to 10 CFR Part 73, and, if applicable, the appropriate NRC Resident Inspector. If pertinent information or errors are uncovered after the initial telephone report ~~or the written report is submitted~~, the licensee should telephonically notify the NRC Operations Center of the information. If the information or error is uncovered after written report submittal, the licensee should submit

a complete revised written reports to the Document Control Desk, the Regional Office and the NRC Resident Inspector, if applicable. The revised report ~~should be a complete entity and not contain only~~ the supplementary or revised information.

All written reports must indicate the requirement under which the report is submitted, i.e., Section 50.73, Section 73.71, or both Sections 50.72 and 73.71.

2. Safeguards Event Reportable Under Paragraph 73.71(b)

As required by Paragraph 73.71(b) and described in Appendix G the following safeguards events must be reported within 1 hour after discovery and establishment of a reasonable belief that the event poses a credible threat to ~~the facility~~ (1) ~~any~~ attempts, or threats to commit: (a) theft or unlawful diversion of SNM or spent fuel, (b) significant physical damage to a licensed facility possessing SSNM or carrier transporting nuclear fuel or spent nuclear fuel, or (c) ~~interruption of normal operation of~~ malicious tampering with a licensed nuclear power plant ~~through unauthorized use of or tampering with~~ or its machinery, components, or controls; (2) any uncompensated failure or ~~discovered vulnerability~~ of the safeguards system that could be exploited to allow unauthorized or undetected access to an area to which access is controlled by licensees possessing or transporting nuclear fuel, spent fuel, or strategic special nuclear material in quantities greater than 1000 grams of uranium-235 (contained in uranium enriched to 20 percent or more in the U-235 isotopes) or more than 500 grams of uranium-233 or plutonium, or in a combination quantity of more than 1000 grams where computed by the equation, $\text{grams} = (\text{grams contained U-235}) + 2 (\text{grams U-233} + \text{grams plutonium})$, and (3) all ~~unauthorized~~ entries of unauthorized persons through a required barrier when ~~whether~~ the event is not properly compensated or not. All of the events

described above should be reported telephonically to the NRC Operations Center listed in Appendix A to 10 CFR Part 73 within 1 hour ~~of the event~~ of its discovery and establishment of a reasonable belief that the event poses a credible threat to the facility of the event, followed by a written report within 30 days. Reports made pursuant to Paragraph 73.71(b) can be transmitted over unprotected telephone lines as permitted by the exemption in Paragraph 73.21(g)(3). The written reports required under Paragraph 73.71(b) as described in Appendix G to 10 CFR Part 73 should be submitted ~~on NRC Forms 366 and 366A if the licensee is subject to the requirements of 10 CFR 50.73. All other licensees should submit their reports~~ in letter format. All reports should include the information described in the Appendix to this guide. Licensees should submit one copy each of reports to the U.S. Nuclear Regulatory Commission, Document Control Desk, Washington, D.C. 20555, the appropriate Regional Office listed in Appendix A to 10 CFR Part 73 and the appropriate NRC Resident Inspector, if applicable.

As stated previously, pertinent information or errors uncovered after initial telephone notification ~~or written report submittal~~ should be telephonically transmitted to the NRC Operations Center. If the information or error is uncovered after written report submittal, a ~~complete~~ revised reports should be submitted to the Regional Office, the NRC Headquarter's Document Control Desk and the appropriate NRC Resident Inspector, if applicable.

If the written report contains restricted data, e.g., unclassified Safeguards Information, the report must be appropriately marked. ~~If NRC Forms 366 and 366A are used, protected data may be indicated only in the text section of the forms (Item 17). Protected data should not be included in the abstract section (Item 16) or any other section of the forms other than the text~~

~~section. In addition, the text should clearly indicate the information that is protected.~~ Finally, The requirements of Section 73.21(g) must be met when transmitting written proprietary information.

All written reports should indicate the requirements under which the report is submitted, i.e. Section 50.73, Section 73.71, or both Sections 50.73 and 73.71.

2.1. Guidelines for Reasonable Belief

For all events ~~that have been "threatened,"~~ the licensee should establish reasonable belief that an act of theft, damage or tampering has occurred or will be attempted. Reasonable belief is established under the following circumstances: (1) when physical evidence exists that such an act has or may occur, or (2) when information exists that supports a belief that an act of theft, tampering, or damage has been or might be attempted.

2.2. Acts, Attempts and Threats of Theft or Unlawful Diversion

Acts of theft or unlawful diversion reportable under Paragraph 73.71(b) include any incident in which an individual has attempted, threatened, or succeeded in stealing or unlawfully diverting SNM or spent fuel.

2.3. Acts, Attempts, and Threats of Physical Damage

Significant acts of damage to a licensed facility or carrier include any incident in which a person has attempted, threatened, or succeeded in destroying some part of a licensed facility or carrier ~~whether or not~~ if the action would result in a release exceeding the limits of 100.11 of 10 CFR Part 100. Minor incidents which would not have resulted in a release in excess of the limits of 10 CFR Part 100.11 should only be reported if they ~~This may include minor incidents of damage when such acts are believed to be indicative of a problem that may result in more significant events.~~

2.4. Interruption of Normal Operations at Nuclear Power Plants

Nuclear power reactor licensees should report all events in which an individual has attempted, threatened, or succeeded in ~~interrupting the normal operations~~ malicious tampering of a licensed nuclear power plant ~~through the tampering or unauthorized use~~ of its machinery, components, or controls. Reports should be made ~~whether or not~~ if the action could result in a release exceeding the limits of Section 100.11. Minor incidents should be reported if they are believed to be indicative of a problem that could result in more significant events.

2.5. Safeguards System Failures and Vulnerabilities

Required by Paragraph 73.71(b) and included in proposed Appendix G to Part 73 as events that must be reported within one hour after discovery and establishment of a reasonable belief that a credible threat exists are uncompensated safeguards system failures or discovered vulnerabilities that could permit unauthorized and undetected access to an area to which access is controlled by licensees possessing or transporting nuclear fuel, spent nuclear fuel, or strategic special nuclear material in quantities greater than 1000 grams of uranium-235 (contained in uranium enriched to 20 percent or more in the U-235 isotope) or more than 500 grams of uranium-233 or plutonium, or in a combination quantity of more than 1000 grams where computed by the equation, $\text{grams} = (\text{grams contained U-235}) + 2 (\text{grams U-233} + \text{grams plutonium})$. Safeguards systems failures include not only mechanical or electrical system failures but also improper personnel procedures which could result in any one of the above conditions. ~~Discovered vulnerabilities include incidents where the security system has not failed; however, some flaw in the security system which had existed without being noticed has been discovered. For example, if a barrier has been designed with an opening to a vital area exceeding the 96~~

~~square inch criterion and this flaw is suddenly discovered, it must be immediately compensated, and logged in licensee records. If proper compensatory measures are not implemented within 10 minutes the vulnerability should be reported within 1 hour. The licensee should proceed with corrective measures.~~

Also required by Paragraph 73.71(b) and included in Appendix G as events that must be reported within 1 hour and establishment of a reasonable belief that a credible threat to the facility exists are ~~unauthorized~~ entries of unauthorized personnel through a required barrier ~~whether when or not~~ the breach is properly not compensated.

2.6. Examples of Safeguards Events That Should be Reported Within One Hour

The following list provides examples of events to be reported to the NRC within 1 hour of discovery and establishment of a reasonable belief that the event poses a credible threat to the facility because of their potential to endanger public health and safety or national security. (This list should not be considered all-inclusive.)

(1) Purposefully attempted or confirmed intrusions into protected areas, material access areas, controlled access areas or vital areas. ~~This includes tailgating by employees/contractors to gain access to an area to which they are not authorized.~~ (Note: Any ~~unauthorized~~ entry of an unauthorized person through a required barrier must always be reported within one hour and establishment of a reasonable belief that a credible threat to the facility exists whether or not when the breach has not been properly compensated.)

(2) Discovery of the actual or attempted introduction into or possession within the protected areas, material access areas, controlled access areas or vital areas of unauthorized weapons, explosives, or incendiary devices.

(3) ~~Substantiated~~ bomb or extortion threats. In addition a telephonic

follow-up report of the results of a bomb search should be made within one hour of completion. ~~Unsubstantiated bomb threats need not be immediately reported unless a specific organization or group claims responsibility; in this case the threat must be reported within one hour.~~

(4) Uncompensated suspension of safeguards controls during emergency conditions which could allow undetected or unauthorized access. (Note: Events reportable under 10 CFR 50.72 do not require duplicate reports under 10 CFR 73.71.)

(5) Discovery of an ~~a criminal~~ act involving licensee personnel or contractors with the potential to impact facility operation ~~or an individual's trustworthiness or reliability in the nuclear setting~~ (i.e., felonious acts, discovery of a conspiracy to bomb the facility or disturb its vital components, ~~falsification of background screening certificates~~, vandalism of vital equipment, etc.).

(6) Discovery of intentionally falsified identification badges or key cards.

(7) Discovery of uncompensated and unaccounted for, lost, or stolen key cards, ID card blanks, keys, or any access device that could allow unauthorized or undetected access to protected areas, material access areas, controlled access areas, or vital area if use of ~~NRC approved~~ facility procedures cannot account for the loss.

(8) Compromise of safeguards information (including loss or theft) which would significantly assist an individual in an act of radiological sabotage or theft of special nuclear material.

(9) Theft or loss of classified documents pertaining to facility or transport safeguards. (Note: Also reportable under Section 95.57 of 10 CFR Part 95).

(10) Fire or explosion of suspicious ~~or unknown~~ origin within the isolation zone, protected area, material access area, controlled access area, or vital area. (Note: Events reportable under Section 50.72 do not require duplicate reports under Section 73.71.)

(11) Discovery of a suspicious vehicle following a licensed carrier transporting SSNM.

(12) Mechanical breakdown of transport vehicle carrying SSNM.

(13) Uncompensated loss of both central and secondary alarm station ability to monitor or remotely assess alarms, or communicate with off-site sources.

(14) ~~Unavailability of minimum number of security personnel or~~ an actual or imminent strike by the security force.

(15) Uncompensated loss of all electrical power supply to security systems that would allow unauthorized or undetected access.

(16) Complete loss of off-site communications. The licensee should report the complete loss of off-site communications within one hour if possible or immediately after restoration of communications. If off-site communications are lost and cannot be restored within an hour, then the licensee should use communications located off-site to notify the NRC.

(17) Uncompensated inability to detect within a single intrusion detection system zone.

(18) ~~Member of security force found asleep at post.~~

(19) Mass demonstration at plant site that may pose a threat to the facility.

(20) Civil disturbance within one mile of plant site that may pose a threat to the facility.

(21) Confirmed security equipment tampering of suspicious origin.

3. Safeguards Events Under Paragraph 73.71(c)

The safeguards events reportable under Paragraph 73.71(c) need only be ~~logged~~ recorded within 24 hours of their occurrence. ~~Licenseses should submit one copy each of their log entries to the U.S. Nuclear Regulatory Commission, Document Control Desk, Washington, D.C. 20555, and if applicable the appropriate NRC Resident Inspector. Only those log entries not previously submitted should be provided. The log maintained by licensees must be retained for three years after the last entry is made in each log.~~

Events reportable under Section 73.71(c) may be divided into two categories. The first contains any properly compensated failure ~~or discovered vulnerability~~ of the safeguards system that if left uncompensated could be exploited to allow unauthorized or undetected access to an area to which access is controlled by licensees possessing or transporting nuclear fuel, spent nuclear fuel, or strategic special nuclear material in quantities greater than 1000 grams of uranium-235 (contained in uranium enriched to 20 percent or more in the U-235 isotope) or more than 500 grams of uranium-233 or plutonium, or in a combination quantity of more than 1000 grams where, computer by the equation, $\text{grams} = (\text{grams contained U-235}) + 2 (\text{grams U-233} + \text{grams plutonium})$. Preplanned situations that require compensatory measures, such as special outage work, equipment relocation, exercises and drills, and other situations that are not the result of a safeguards system failure, do not require ~~logging~~ reporting.

The other category that needs only to be ~~logged~~ recorded contains safeguards events involving safeguards systems failures that could not be exploited to allow unauthorized or undetected access, but do reduce the effectiveness of the safeguards system. Improper personnel procedures that result in safeguards systems failures as described in Section 73.71(c) should

be recorded ~~in the log~~. (See examples below.)

3.1. Safeguards Event Log Records

~~In maintaining the log required pursuant to Section 73.71, it is recommended that the licensee log the information as received and then summarize and update the log entry when the event terminates. However, Licensees are required to record log entries within 24 hours of the discovery of the event and establishment of a reasonable belief that the event poses a threat to the facility as required in Paragraph 73.71(c). Log entries~~ The record should include as a minimum: date and time (specify duration in military time) of event, brief (one-line) description of event, brief (one-line) description of compensatory or corrective actions taken.

~~Every three months, the licensee is required to submit to the NRC Headquarters, and if applicable the appropriate Resident Inspector, one copy each of all log entries not previously submitted.~~

~~Events of similar nature logged and submitted to the NRC under Paragraph 73.71(c) may be consolidated into a single log entry if they occur repeatedly within the quarterly submittal period. Each date and time of the event must be specified for each occurrence. For example, if there is a repeated occurrence of a compensated computer failure and each failure is the result of the same problem, then only one log entry need be made. However, with each occurrence, the date, time, and duration of the event must be recorded in the log.~~

~~As stated previously, the log must be retained for a period of three years after the last entry to each log.~~

3.2. Examples of Events Required to Be Recorded In by the Licensee's log

(1) Properly compensated security computer failures or security computer failures that do not assist in allowing unescorted or undetected access.

- (2) Properly compensated card reader failures.
- (3) Properly compensated alarm failures.
- (4) Loss of capability to monitor or remotely assess alarms by a single alarm station but dual off-site communication capability remains.
- (5) CCTV camera failure in a single zone if intrusion detection system remains operational.
- (6) Failure of a single perimeter lighting zone if intrusion detection system remains operational.
- (7) Properly compensated loss of a single intrusion detection system zone.
- ~~(8) Tailgating by licensee employee/contractor to gain access to an area that he or she is authorized to be in.~~
- (9) Loss of intra-convoy communications ability.
- (10) Properly compensated accidental removal off-site or loss of badge by employee, i.e., badge is promptly cancelled, or use of ~~NRC~~ approved procedures account for the loss.
- (11) Properly compensated loss of all electrical power supply to security system that if uncompensated would allow unauthorized or undetected access.
- (12) ~~Unsubstantiated bomb or extortion threats received from individuals.~~
- (13) Confirmed security equipment tampering of non-suspicious origin.
- (14) Theft of security weapon at the site.

4. Events Not Required to be Logged or Reported Recorded

Certain failures of the safeguards system that do not and could not reduce the effectiveness of the system have little or no safeguards significance. Events having little or no safeguards significance need not be

reported or logged. The following are examples of events not required to be ~~logged or~~ reported. (This list should not be considered all inclusive.)

(1) Burned out alarm signal bulb that has a functioning audible annunciator alarm.

(2) If prior approval, coordination with security and proper compensatory measures have been established, openings made by authorized maintenance personnel through a vital area barrier for a legitimate reason; e.g., to install pipe.

(3) Child attempting to climb protected area fence.

Appendix
Procedures for Preparing Written Safeguards Reports

- ~~1. If the facility is subject to 10 CFR 50.73, use of Form NRC 366 and 366A are required (see NUREG 1022, "Licensee Event Report System," and Supplement 1 to NUREG 1022, for additional information on the use of these forms). Facilities not subject to Section 50.73 should not use these forms but should submit their information in a letter format.~~
2. For all events include, as a minimum, the following information in the report. ~~If the facility is subject to Section 50.73, this information should be provided in the text area to Form NRC-366A. Multiple sheets of Form NRC 366A may be used.~~
 - a. Date and time of event, (start and end in military time).
 - b. Event occurred or was threatened to occur in PA, MAA, CAA, VA, or other - (specify).
 - c. For power reactors, state whether fresh fuel present on site or not.
 - d. Safety systems affected or threatened directly or indirectly, if applicable.
 - ~~e. Type of security force on site, proprietary and/or or contract.~~
 - f. Number and type of personnel involved, i.e., contractors, security, visitors, NRC personnel, other (specify).
 - g. Method of discovery of incident, e.g., routine inspection, test, maintenance, alarm, chance, informant, communicated threat, unusual circumstances (give details).
 - h. Procedural errors involved, if applicable.
 - i. Immediate action(s) taken in response to event.
 - j. Corrective action(s) taken or planned.
 - k. Local, state, or federal agencies contacted, if applicable.
 - l. Description of media interest and/or press release, if applicable.
 - m. Indication of previous similar events.
 - n. Knowledgeable contact.
3. For security system failures provide the following in addition to Items 2.1. through n.
 - ~~o. Description of failed or malfunctioned equipment (including manufacturer and model number).~~
 - p. Apparent cause of each component/system failure. (For security computers list specific components affected, e.g., central processors, peripheral/terminal equipment, software).
 - q. Status of equipment prior to event, e.g., operating, being maintained, secure mode, compensatory measures in place.
 - r. Secondary functions affected (for multiple function components).
 - s. Effect on plant safety.
 - t. Unusual conditions that may have contributed to failure, e.g., environmental extremes.

4. For threat related incidents, provide the following in addition to Items 2.a. through n.

- u. Number of perpetrators.
- v. Type of threat, e.g., bomb, extortion, etc.
- w. Means of communication, e.g., letter, telephone, etc.
- x. Text of threat.
- y. Apparent method of operation (i.e., m.o. of perpetrators.)