

DRAFT OMB SUPPORTING STATEMENT
FOR
DOE/NRC FORM 741, 741A
AND NUREG/BR-0006 Revision 4
(3150-0003)

EXTENSION

Description of the Information Collection.

DOE/NRC Form 741, "Nuclear Material Transaction Report" and its continuation sheet, Form 741A, are used for the collection of information for each International Atomic Energy Agency (IAEA) material balance area showing all changes in the inventory of nuclear material. Forms and instructions are provided to all affected licensees by NRC. Reports are required to be submitted in computer readable format. Reports are required as occasioned by occurrence of specified events, such as the receipt, transfer, or adjustment to inventory of licensed material. Reports are collected on a continuing basis as transactions occur.

A. JUSTIFICATION.

1. Need for and Practical Utility of the Information Collection.

In order for the United States to fulfill its responsibilities as a participant in the US/IAEA Safeguards Agreement and satisfy its domestic safeguards responsibilities, it is necessary for licensees affected by 10 CFR Part 75 and related sections of Parts 40, 50, 70, 72, 74, and 150 to submit accounting reports. The accounting reports for each IAEA material balance area must include inventory change reports showing all changes in the inventory of nuclear material.

NRC regulations (10 CFR 40.64, 70.54, 74.15, 75.31, 75.34, 150.16, and 150.17) require NRC and Agreement State licensees to prepare certain inventory and accounting reports for reporting any special nuclear material (SNM) or source material inventory changes that meet certain criteria. These criteria include: (1) each transfer and receipt of SNM of one gram or more of contained uranium-235, uranium-233, or plutonium, or any combination thereof; or (2) one kilogram or more of foreign origin source material (depleted uranium, natural uranium, or thorium).

DOE/NRC Form 741, "Nuclear Material Transaction Report" and its continuation sheet, Form 741A, are used for the collection of this information. NRC and the Department of Energy (DOE) jointly utilize a Nuclear Materials Management and Safeguards System (NMMSS). Common reporting forms are used to minimize the reporting burden on industry members required to provide regulations or contractual obligations. The licensee is thus able to file one report to meet the requirements of both agencies. Compliance with specific reporting requirements is monitored by the agency for which the specific data are required.

2. Agency Use of Information.

NRC is required to collect nuclear material transaction information for domestic safeguards use and make it available to the IAEA. The use of Forms 741 and 741A, together with NUREG/BR-0006 Revision 4, the instructions for completing the forms, enables NRC to collect, retrieve, analyze as necessary, and submit the data to IAEA to fulfill its reporting responsibilities.

Without these report forms, in ADP format, NRC's ability to collect and provide this data would be severely limited.

3. Reduction of Burden Through Information Technology.

There are no legal obstacles to reducing the burden associated with this information collection. NRC regulations require those licensees using DOE/NRC Form 741 and 741A to submit such reports in computer readable form. This requirement means that hard copy forms need not be submitted and minimizes burden on licensees through the use of current information technology.

4. Effort to Identify Duplication and Use Similar Information.

The Information Requirements Control Automated System (IRCAS) was searched to determine NRC duplication. There is a small amount of duplication in that, upon termination of licensed operations by a licensee, NRC requires the licensee to file NRC Form 314, reporting the transfer or other disposition of any remaining licensed radioactive material, and the date of transfer. This small duplication imposes a minimal burden on licensees and is necessary to maintain accountability of licensed material in NMMSS and to permit NRC to make a determination whether the facility has been cleared of radioactive material and is suitable for release for unrestricted use or whether additional decontamination measures may be required.

NRC and the Department of Energy jointly utilize the NMMSS to process and store and subsequently retrieve the information contained on the forms. The licensee is able to file one form to meet the requirements of both agencies. This minimizes the reporting burden on industry members required to provide nuclear material data to both agencies.

5. Effort to Reduce Small Business Burden.

Burden on licensees will vary with the size and types of licensed operation. The burden on small businesses will represent approximately five percent of the total burden. Since the health and safety consequences of improper inventorying and accounting of SNM or source material are the same for large and small entities, it is not possible to reduce the burden on small businesses by less frequent or less complete reporting, recordkeeping, or accounting and control procedures.

6. Consequences to Federal Program or Policy Activities if the Collection is Not Conducted or is Conducted Less Frequently.

Collection of the subject information corresponds to the physical movement or transmutation of special nuclear material or source material covered by the regulation. The information is generally collected from the shipper immediately following dispatch, and from the receiver within 10 days of receipt. Suggestions by reactor operators regarding delay of submittal of receiver's information to allow batch reporting on a monthly basis, for specified receipts, are being investigated to determine its practicality and impact on domestic and international safeguards. NRC and industry continue to jointly examine some industry suggestions to reduce reporting burden.

7. Circumstances which Justify Variation from OMB Guidelines.

There is no variation from OMB guidelines.

8. Consultations Outside NRC.

An opportunity for public comment on the information collection requirements for this clearance package has been published in the Federal Register.

9. Payment or Gift to Respondents.

Not applicable.

10. Confidentiality of Information.

Information on the form that respondents indicate is business or financial confidential may qualify for protection from disclosure under 10 CFR §2.790.

11. Justification for Sensitive Questions.

None.

12. Estimated Burden and Burden Hour Cost.

This reporting requirement affects approximately 1,200 NRC and Agreement State licensees who possess source or special nuclear material at certain types of facilities. The burden for preparation and submission of each report is estimated to be 0.75 hours. It is estimated, based on recent experience, that approximately 800 licensees will not submit a DOE/NRC Form-741 or 741A, approximately 370 licensees will submit between one and fifty reports, approximately eighteen licensees will submit between 51 and 300 forms, approximately five licensees will submit between 301 and 1000 forms, approximately two licensees will submit between 1001 and 5000 forms, and approximately three licensees will submit over 5000 forms, for a total of approximately 36,500 forms. Based on this information, the projected total annual burden for all licensees will be 27,375 hours (36,500 forms x 0.75 hours per report).

The total annual costs to all affected licensees is estimated to be \$3,942,000 (27,375 hours x \$144/yr). Cost estimates are calculated at a rate of \$144 per hour, which is based on NRC's fee recovery rate.

13. Estimate of Other Additional Costs.

There are no additional costs associated with this reporting requirement.

14. Estimated Annualized Cost to Federal Government.

The collected information is not submitted to the NRC. Licensees report directly to the DOE NMMSS contractor. The data contained in the NMMSS is available to various NRC staff who utilize it to perform their assigned job functions, but the individual submissions are not reviewed

by NRC staff. The NRC provides a portion of the funding for operation of the NMMSS on an annual basis. The amount allocated for this purpose for Fiscal Year 2001 is \$1,400,000 for information filed under Forms 740M, 741 and 741A, and 742 and 742C. This amount covers the cost of information collection, overhead for operation of the NMMSS, and providing reports to those NRC staff who require them. These costs are fully recovered through fee assessments to NRC licensees pursuant to 10 CFR Parts 170 and 171, but the fees do not specifically reflect the NMMSS activity.

15. Reason for Change in Burden or Cost.

The overall burden estimate has not changed; however, there has been an increase in the cost as a result of an increase in the rate from \$4,416,500 (\$121/hour times 36,500 responses) to \$5,256,000 (\$144/hour times 36,500 responses).

16. Publication for Statistical Use.

None.

17. Reason for Not Displaying the Expiration Date.

Not applicable.

18. Exceptions to the Certification Statement.

None.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS.

Statistical methods are not used in this collection of information.