

DRAFT OMB SUPPORTING STATEMENT
FOR
DOE/NRC FORM 741, NUCLEAR MATERIAL TRANSACTION REPORT
AND
NUREG/BR-0006, REVISION 8
"INSTRUCTIONS FOR COMPLETING NUCLEAR MATERIAL TRANSACTION REPORTS
(DOE/NRC FORMS 741)"
(3150-0003)

EXTENSION

Description of the Information Collection

U.S. Nuclear Regulatory Commission (NRC) regulations require licensees who ship, receive, or adjust their physical inventory of source or special nuclear material (SNM) to document and report such activities. The reports are submitted by using U.S. Department of Energy (DOE)/NRC Form 741, "Nuclear Material Transaction Report." Licensees may need to provide additional information on some imports or exports of source or SNM. The additional information is reported using DOE/NRC Form 740M, "Concise Note." In addition to collecting nuclear material transaction information for domestic safeguards use, the NRC is required to make the information available to the International Atomic Energy Agency (IAEA).

DOE/NRC Form 741 is used to document inventory changes for special nuclear material and source material in the Nuclear Materials Management and Safeguards System (NMMSS). The licensees who are primarily affected are any facilities that possess or are licensed to possess source and special nuclear materials within the United States (US). The NRC provides the form and instructions to all affected licensees, who must submit reports in computer readable format. Licensees submit reports on a continuing basis when specified events occur, such as the receipt, transfer, or inventory adjustment of licensed material. The instructions for completing DOE/NRC Form 741 are in NUREG/BR-0006, "Instructions for Completing Nuclear Material Transaction Reports (DOE/NRC Form 741), Revision 8."

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 required by regulations in Title 10 of the Code of Federal Regulations (10 CFR) Parts 74 (Section 74.15) and 75 (Sections 75.12, 75.33 and 75.34) to be collected from the shipper immediately following dispatch and from the receiver within 10 days of receipt.

A. JUSTIFICATION

1. Need for and Practical Utility of the Information Collection

For the United States to fulfill its responsibilities as a participant in the US/IAEA Safeguards Agreements and satisfy its domestic safeguards responsibilities, it is necessary for licensees to submit DOE/NRC Form 741, "Nuclear Material Transaction Report," whenever an inventory change occurs involving source or special nuclear material. This submittal informs NMMSS of the inventory change, so that the facility's inventory will be maintained as up-to-date, within NMMSS.

2. Agency Use of Information

The NRC is required to collect nuclear material transaction information for domestic safeguards use and to make it available to the IAEA. NRC uses DOE/NRC Form 741, together with NUREG/BR-0006, Revision 8 (the instructions for completing the forms), to collect, retrieve, analyze, and maintain relevant inventory data. Without the report form, NRC's ability to collect and maintain these data would be severely limited.

3. Reduction of Burden through Information Technology

The NRC has issued [Guidance for Electronic Submissions to the NRC](#), which provides direction for the electronic transmission and submittal of documents to the NRC. Electronic transmission and submittal of documents can be accomplished via the following avenues: the Electronic Submittals application, which is available from the NRC's "Electronic Submittals" Web page, by Optical Storage Media (OSM) (e.g. CD-ROM, DVD), by facsimile or by e-mail. The Electronic Submittals application allows electronic transmission of information to the NRC pertaining to licensing actions, associated hearings, and other regulatory matters. The application ensures that information sent to the NRC via the Internet is secure and unaltered during transmission. It operates 24 hours a day, except when it is taken down for scheduled maintenance. The application serves as a secure portal that respondents may use to transmit documents to the NRC. It is estimated that approximately 95% of the responses are filed electronically.

DOE/NRC Form 741 is used by both NRC and the DOE. The NRC provides the form and instructions to all affected licensees, who must submit reports in computer readable format. Once submitted by the licensees, information from these forms is saved in the 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.

4. Effort to Identify Duplication and Use Similar Information

No sources of similar information are available. There is no duplication of requirements. In addition, the use of common reporting forms by DOE and NRC minimizes the reporting burden on industry members required to provide nuclear material data to one or both agencies.

5. Effort to Reduce Small Business Burden

The burden on licensees will vary with the size and type of licensed operation. Further burden reductions for small businesses would prevent the NRC from fulfilling its international or domestic responsibilities.

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 required by regulations in Title 10 of the Code of Federal Regulations (10 CFR) Parts 74 (Section 74.15) and 75 (Sections 75.12, 75.33 and 75.34) to be collected from the shipper immediately following dispatch and from the receiver within 10 days of receipt. This is the minimum frequency of collection required to satisfy reporting regulations and as required by the facility's license to possess material.

7. Circumstances which Justify Variation from the Office of Management and Budget (OMB) Guidelines

There is no variation from OMB guidelines.

8. Consultations outside the NRC

Opportunity for public comment on the information collection requirements for this clearance package was published In the *Federal Register*.

9. Payment or Gift to Respondents

Not applicable.

10. Confidentiality of Information

Confidential and proprietary information is protected in accordance with NRC regulations at 10 CFR 9.17(a) and 10 CFR 2.390(b). However, no information normally considered confidential or proprietary is requested.

11. Justification for Sensitive Questions

None.

12. Estimated of Annualized Burden and Burden Hour Cost

Licensees submit reports on a continuing basis when specified events occur, such as the receipt, transfer, or inventory adjustment of licensed material. They must submit the reports in computer readable format. The data are then entered into the NMMSS, maintained by a NRC contractor, and the information is not compiled or published.

The NRC expects approximately 344 licensees to submit an estimated annual average of 11,143 DOE/NRC 741 forms each year. This estimate is based on recent historical data and the NRC anticipates that the number of annual submissions will remain stable during the next 3 years. The burden of preparation and submission of each report is estimated to be 1.25 hours. The total resulting burden for required submissions of the form by all licensees will be 13,928 hours (11,143 reports x 1.25 hours/report).

The total annual cost to all respondents to comply with this requirement is estimated to be \$3,871,984 (13,928 hours x \$278/hour). Cost estimates are calculated at a rate of \$278 per hour, which is based on NRC's fee recovery rate.

The \$278 hourly rate used in the burden estimates is based on the Nuclear

Regulatory Commission's fee for hourly rates as noted in 10 CFR 170.20 "Average cost per professional staff-hour." For more information on the basis of this rate, see the Revision of Fee Schedules; Fee Recovery for Fiscal Year 2019 (84 FR 22331, May 17, 2019).

13. Estimate of Other Additional Costs

There are no additional costs.

14. Estimated Annualized Cost to Federal Government

The collected information is not submitted to the NRC. Licensees report directly to the NMMSS contractor. The data contained in the NMMSS is available to various NRC staff who uses it to perform their assigned job functions; however, the individual submissions are not reviewed by NRC staff. The NRC costs for NMMSS operations were approximately \$1,900,000 during fiscal year 2019. This monetary value reflects the use of NMMSS for the collection of Form 741 data, in addition to other data collections and operations.

The staff has developed estimates of annualized costs to the Federal Government related to the conduct of this collection of information. These estimates are based on staff experience and subject matter expertise and include the burden needed to review, analyze, and process the collected information and any relevant operational expenses

15. Reason for Change in Burden or Cost

The estimated burden for the NRC Form 741 has increased by 1,428 hours, i.e., from 12,500 hours to 13,928 hours. These increases are due to changes to 10 CFR 75 to implement the U.S.-IAEA Caribbean Territories Safeguards Agreement. Specifically, the 6 licensees reporting under the Small Quantities Protocol, as defined in 10 CFR 74.5, must report their physical inventories of special nuclear material (SNM) even if the quantities are below the domestic reporting requirement for SNM (less than 1 gram). The respective reporting requirements are contained in 10 CFR 75.6(e), Nuclear Material Outside Facilities, which provides specific information regarding nuclear material outside facilities in the U.S. Caribbean Territories.

16. Publication for Statistical Use

None.

17. Reason for Not Displaying the Expiration Date

The expiration date is displayed on DOE/NRC Form 741.

18. Exceptions to the Certification Statement

None.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

Statistical methods are not used in this collection of information.