

U. S. NUCLEAR REGULATORY COMMISSION

Agency Information Collection Activities: Proposed Collection; Comment request

AGENCY: U. S. Nuclear Regulatory Commission (NRC)

ACTION: Notice of pending NRC action to submit an information collection request to OMB and solicitation of public comment.

SUMMARY: The NRC is preparing a submittal to OMB for review of continued approval of information collections under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35).

Information pertaining to the requirement to be submitted:

1. The title of the information collection: DOE/NRC Form 742, "Material Balance Report;" NUREG/BR-0007, "Instructions for Completing Material Balance Report and Physical Inventory Listing;" and DOE/NRC Form 742C, "Physical Inventory Listing."
2. Current OMB approval number:
DOE/NRC Form 742 and NUREG/BR-0007: 3150-0004
DOE/NRC Form 742C: 3150-0058

DF03

3. How often the collection is required: DOE/NRC Forms 742 and 742C are submitted semiannually following a physical inventory of nuclear materials.

4. Who is required or asked to report: Persons licensed to possess specified quantities of special nuclear or source material.

5. The number of annual respondents:

DOE/NRC Form 742: 200 licensees

DOE/NRC Form 742C: 180 licensees

6. The number of hours needed annually to complete the requirement or request:

DOE/NRC Form 742: 300 hours

DOE/NRC Form 742C: 2,160 hours

7. Abstract: Each licensee authorized to possess special nuclear material totalling more than 350 grams of contained uranium-235, uranium-233, or plutonium, or any combination thereof, and any licensee authorized to possess 1,000 kilograms of source material is required to submit DOE/NRC Form 742. Reactor licensees required to submit DOE/NRC Form 742, and facilities subject to 10 CFR Part 75, are required to submit DOE/NRC Form 742C. The information is used by NRC to fulfill its responsibilities as a participant in US/IAEA Safeguards Agreement and

bilateral agreements with Australia and Canada, and to satisfy its domestic safeguards responsibilities.

Submit, by (insert date 60 days after publication in the Federal Register), comments that address the following questions:


1. Is the proposed collection of information necessary for the NRC to properly perform its functions? Does the information have practical utility?
2. Is the burden estimate accurate?
3. Is there a way to enhance the quality, utility, and clarity of the information to be collected?
4. How can the burden of the information collection be minimized, including the use of automated collection techniques or other forms of information technology?

A copy of the draft supporting statement may be viewed free of charge at the NRC Public Document Room, 2120 L Street NW (lower level), Washington, DC. OMB clearance requests are available at the NRC worldwide web site (<http://www.nrc.gov/NRC/PUBLIC/OMB/index.html>). The document will be available on the NRC home page site for 60 days after the signature date of this notice.

Comments and questions about the information collection requirements may be directed to the NRC Clearance Officer, Brenda Jo. Shelton, U.S. Nuclear Regulatory Commission, T-6 E 6, Washington, DC 20555-0001, by telephone at (301) 415-7233, or by Internet electronic mail at BJS1@NRC.GOV.

Dated at Rockville, Maryland, this 14th day of March, 2000.

For the Nuclear Regulatory Commission.



Brenda Jo. Shelton, NRC Clearance Officer
Office of the Chief Information Officer

Comments and questions about the information collection requirements may be directed to the NRC Clearance Officer, Brenda Jo. Shelton, U.S. Nuclear Regulatory Commission, T-6 E 6, Washington, DC 20555-0001, by telephone at (301) 415-7233, or by Internet electronic mail at BJS1@NRC.GOV.

Dated at Rockville, Maryland, this ____ day of _____, 2000.

For the Nuclear Regulatory Commission.

Brenda Jo. Shelton, NRC Clearance Officer
Office of the Chief Information Officer

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DATE	02/15/00		02/14/00		2/29/00		3/1/4/00

OFFICIAL RECORD COPY

MATERIAL BALANCE REPORT

Estimated burden per response to comply with this mandatory collection request: 45 minutes. Reported lessons learned are incorporated into the licensing process and fed back to industry. Forward comments regarding burden estimate to the Records Management Branch (T-6 F33), U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, and to the Paperwork Reduction Project (3150-0004), Office of Management and Budget, Washington, DC 20503. If an information collection does not display a currently valid OMB control number, the NRC may not conduct or sponsor, and a person is not required to respond to, the information collection.

1. NAME AND ADDRESS	2. LICENSE NUMBER(S)	3. REPORTING IDENTIFICATION SYMBOL (RIS)
	4. REPORT PERIOD (MM/DD/YYYY)	
	FROM	TO
	5. MATERIAL TYPE (Submit separate report for each type)	

SECTION A MATERIAL ACCOUNTABILITY

7. DOE/NRC 740M ATTACHED <input type="checkbox"/> YES <input type="checkbox"/> NO	A. ELEMENT WEIGHT	B. ISOTOPE WEIGHT
8. BEGINNING INVENTORY – DOE OWNED		
9. BEGINNING INVENTORY – NOT DOE OWNED		
11. PROCUREMENT FROM DOE RECEIPTS FROM: _____ RIS		
13. PROCUREMENT – FOR THE ACCOUNT OF DOE		
14. DOD RETURNS – USE A		
15. DOD RETURNS – USE B		
16. DOD RETURNS – OTHER USES		
21. PRODUCTION		
22. FROM OTHER MATERIALS a. ICT b. ICT c. ICT		
30. RECEIPTS REPORTED TO DOE/NRC ON DOE/NRC 741 (not listed elsewhere) FROM: _____ RIS		
34. RECEIPTS – MISC		
37. PROCUREMENT BY OTHERS		
38. DONATED MATERIAL – FROM DOE TO OTHERS		
39. DONATED MATERIAL – FROM OTHERS TO DOE		
40. TOTAL (Lines 8-39) REMOVALS		
41. EXPENDED IN SPACE PROGRAMS		
42. SALES TO DOE RIS TO: _____ RIS TO: _____		
43. SALES TO OTHERS FOR THE ACCOUNT OF DOE RIS TO: _____		
44. DOD – USE A		
45. DOD – USE B		
46. DOD – OTHER USES		
47. EXPENDED IN DOE TESTS		
48. ROUTINE TESTS		
49. SHIPPER – RECEIVER DIFFERENCE		
51. SHIPMENTS REPORTED TO NRC/DOE ON NRC/DOE 741 (not listed elsewhere) TO: _____ RIS		

DRAFT SUPPORTING STATEMENT
FOR
DOE/NRC FORM 742
"MATERIAL BALANCE REPORT"
and NUREG/BR-0007
"INSTRUCTIONS FOR COMPLETING MATERIAL BALANCE REPORT
AND PHYSICAL INVENTORY LISTING"
(3150-0004)

EXTENSION

Description of the Information Collection

NRC regulations require each licensee who is authorized to possess at any one time and location special nuclear material (SNM) in a quantity totaling more than 350 grams of contained uranium-235, uranium-233, or plutonium, or any combination thereof, to prepare and submit reports concerning SNM received, produced, possessed, transferred, consumed, disposed of, or lost. Each NRC licensee who has been selected for the application of International Atomic Energy Agency (IAEA) safeguards under 10 CFR Part 75 is required to complete and submit DOE/NRC Form 742, "Material Balance Report," within thirty days after the start of a physical inventory. In addition, each licensee, Federal or State, who is authorized to possess, at any one time or location, 1,000 kilograms of source material, is required to file with the NRC semiannually a statement of source material inventory. The instructions for completing Form 742 are in NUREG/BR-0007, "Instructions for Completing Material Balance Report and Physical Inventory Listing."

A. JUSTIFICATION

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

In order for the United States to fulfill its responsibilities as a participant in the US/IAEA Safeguards Agreement and to satisfy bilateral agreements with Australia and Canada and its domestic safeguards responsibilities, it is necessary for licensees affected by 10 CFR Part 75 and related sections of Parts 40, 50, 70, and 150 to submit accounting reports. The accounting reports for each IAEA material balance area must include material status reports based on a physical inventory of nuclear materials actually present.

10 CFR 75.35 requires that each licensee identified by the Agreement submit material status reports for each physical inventory taken as part of the material accounting and control procedures. A computer-readable DOE/NRC Form 742 is used for the collection of the information on the material balance of nuclear material.

2. Agency Use of the Information

NRC is required to collect nuclear material transaction information and make it available to the IAEA. The use of DOE/NRC Form 742, together with NUREG/BR-0007, the instructions for completing the form, enables NRC to collect, retrieve, analyze as necessary, and submit the data to IAEA to fulfill its reporting responsibilities. Use of this report form, in ADP format, enhances NRC's ability to collect and provide this data.

This information is needed to provide to the Australian and Canadian Governments a periodic report showing the inventory of all materials in each U.S. facility that is subject to their respective Bilateral Agreements; to satisfy the terms of the US/IAEA Safeguards Agreement; and for the domestic inspection program.

3. Reduction of Burden Through Information Technology

Licensees previously had the option of submitting the required information on a facsimile of the form or transmitting the information electronically. NRC amended its regulations to require licensees using DOE/NRC Forms 741, 741A, 740M, 742, and 742C to submit such reports in a computer-readable format. This change eliminated the need for hard copy forms and reduced the burden on licensees through the use of current information technology.

4. Effort to Identify Duplication and Use Similar Information

In general, information required by NRC in reports or records concerning the transfer, receipt, or change in inventory of source or special nuclear material does not duplicate other Federal information collection requirements and is not available from any source other than applicants or licensees. Portions of the needed information might be contained in other information submittals to NRC or other Federal agencies. However, duplication, if any, is slight, and the collection of this information by use of specified forms and other required reports and records is the most effective and least burdensome means of obtaining the information.

Submission of similar information on the inventory of nuclear material to the Federal government has been minimized by NRC and the Department of Energy (DOE) jointly utilizing the Nuclear Materials Management and Safeguards System (NMMSS). Common reporting forms are used to minimize the reporting burden on industry members required to provide nuclear material data to one or both agencies in accordance with prevailing 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 is required.

5. Effort to Reduce Small Business Burden

This reporting requirement affects approximately 200 persons licensed by the NRC or an Agreement State to possess source or special nuclear material at certain types of facilities, or at any one time and location in amounts greater than specified amounts.

Most of these licensees are large, independent industrial firms, each with an estimated annual gross income of more than \$1 million and a staff of more than 500 people. The NRC has determined that the respondents are not small businesses as that term is used in the Regulatory Flexibility Act.

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

Affected licensees are required to submit reports semiannually. This schedule is reasonable because the submission will coincide with taking a physical inventory. The collection and

recording of data for inventory purposes is a continuing process that the licensee carries out throughout the year for the licensee's internal records. At the specified times for inventory reports, the licensee simply submits the accumulated data from the licensee's records, based either on book inventory or on data from a physical inventory, to NRC on Form 742. The requirement to report within thirty days of the ending date is a reasonable measure to ensure timeliness in receipt of inventory data by NRC in order to maintain material accountability under its statutory responsibility pursuant to the Atomic Energy Act to assure protection of the common defense and security. Moreover, the US/IAEA Safeguards Agreement specifies that reports are to be submitted within 30 days following a physical inventory taking. The Canadian and Australian Bilateral Agreements require that reports be submitted yearly and twice yearly, respectively.

If licensees are not required to submit these reports, NRC will not be able to maintain material accountability under its statutory responsibilities of the Atomic Energy Act.

7. Circumstances which Justify Variation From OMB Guidance

Contrary to OMB guidelines in 5 CFR 1320.5(d), 10 CFR 75.35 requires submission of the report within 30 days or less. This requirement is necessary to satisfy the terms of the US/IAEA Safeguards Agreement (INFCIRC/288).

8. Consultations Outside of NRC

The opportunity for public comment will be published in the Federal Register.

9. Payment or Gift to Respondents

Not applicable.

10. Confidentiality of Information

Some proprietary information may be included when necessary to provide an adequate response. An application to withhold such information from public disclosure may be made in accordance with the provisions of 10 CFR 2.790. If any of this information is of particular sensitivity, a request may be made that such information not be physically transmitted to the IAEA; such a request must refer to, and conform with, 10 CFR 74.12.

11. Justification for Sensitive Questions

This information collection does not involve sensitive questions.

12. Estimated Burden and Burden Hour Cost

The burden for preparation and submission of each DOE/NRC Form 742 is estimated to be 45 minutes (0.75 hours). It is estimated, based on submittals to NRC in recent years, that 200 licensees will each submit two DOE/NRC Form 742 per year, resulting in a total of approximately 400 reports submitted annually. Thus, the total burden for all licensees will be 300 hours.

The cost to licensees is calculated at a rate of \$140 per hour, based on NRC's fully recoverable fee rate. The annual cost to each respondent to comply with this requirement is estimated to be approximately \$210 (2 reports/licensee x 0.75 hours/report x \$140/hour). The total annual cost to all affected licensees is estimated to be approximately \$42,000.

13. Estimate of Other Additional Costs

None.

14. Estimated Annualized Cost to the Federal Government

The collection of information requires an average of 5 minutes/form of NRC staff time. For approximately 400 reports the collection requires 33-1/3 hours per year (5 minutes/report x 400 reports = 33-1/3 hours/year). Annual labor costs at \$140 per staff hour will be \$4,667. These costs are fully recovered through fee assessments to NRC licensees pursuant to 10 CFR Parts 170 and 171. Other costs are attributed to operating the Nuclear Materials Management and Safeguards System (NMMSS).¹

15. Reasons for Change in Burden or Cost

There has been a decrease in the cost for preparing, submitting, and reviewing DOE/NRC Form 742 since the submittal of the previous OMB clearance package. This was due to a decrease in the number of licensees from 300 to 200.

16. Publication for Statistical Use

Results will not be tabulated or published.

17. Reason for Not Displaying the Expiration Date

The expiration date is displayed on DOE/NRC Form 742.

18. Exceptions to the Certification Statement

There are no exceptions.

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

Statistical methods are not used in this collection of information.

¹ NRC and DOE share the cost of operating the Nuclear Materials Management and Safeguards System (NMMSS). Current NRC cost of the system for FY 00 is \$1,336,000. This includes the cost of ADP, record holding, and clerical processing of all forms (DOE/NRC Forms 741, 741A, 740M, 742, and 742C). The cost suballocated to Form 742 is approximately \$22,400.

DRAFT SUPPORTING STATEMENT
FOR
DOE/NRC FORM 742C
"PHYSICAL INVENTORY LISTING"
(3150-0058)

EXTENSION

Description of the Information Collection

NRC regulations in 10 CFR Part 75 establish a system of nuclear material accounting and nuclear material control to implement the Agreement between the United States and the International Atomic Energy Agency (IAEA) for the Application of Safeguards in the United States. Each licensee under this Agreement must establish, maintain, and follow written material accounting and control procedures, including submission of material status reports. The material status report must include a computer-readable DOE/NRC Form 742C, "Physical Inventory Listing," that is used for the semiannual submission of the inventory of nuclear material. The instructions for completing Form 742C are in NUREG/BR-0007, "Instructions for Completing Material Balance Report and Physical Inventory Listing," approved under OMB Clearance No. 3150-0004.

A. JUSTIFICATION

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

In order for the United States to fulfill its responsibilities as a participant in the US/IAEA Safeguards Agreement and to satisfy bilateral agreements with Australia and Canada and its domestic safeguards responsibilities, it is necessary for licensees affected by 10 CFR Part 75 and related sections of Parts 40, 50, 70, and 150 to submit accounting reports. The accounting reports for each IAEA material balance area must include material status reports based on a physical inventory of nuclear materials actually present.

10 CFR 75.35 requires that each licensee identified by the Agreement submit material status reports for each physical inventory taken as part of the material accounting and control procedures. A computer-readable DOE/NRC Form 742C is used for the collection of the information on the physical inventory of nuclear material.

2. Agency Use of the Information

NRC is required to collect nuclear material inventory information and make it available to the IAEA. The use of DOE/NRC Form 742C, together with NUREG/BR-0007, the instructions for completing the form, enables NRC to collect, retrieve, analyze as necessary, and submit the data to IAEA to fulfill its reporting responsibilities. Use of this report form, in ADP format, enhances NRC's ability to collect and provide this data.

This information is needed to provide to the Australian and Canadian Governments a periodic report showing the inventory of all materials in each U.S. facility that is subject to their respective Bilateral Agreements; to satisfy the terms of the US/IAEA Safeguards Agreement; and for the domestic inspection program.

3. Reduction of Burden Through Information Technology

Licensees previously had the option of submitting the required information on a facsimile of the form or transmitting the information electronically. NRC amended its regulations to require licensees using DOE/NRC Forms 741, 741A, 740M, 742, and 742C to submit such reports in a computer-readable format. This change eliminated the need for hard copy forms and reduced the burden on licensees through the use of current information technology.

4. Effort to Identify Duplication and Use Similar Information

In general, information required by NRC in reports or records concerning the transfer, receipt, or change in inventory of source or special nuclear material does not duplicate other Federal information collection requirements and is not available from any source other than applicants or licensees. Portions of the needed information might be contained in other information submittals to NRC or other Federal agencies. However, duplication, if any, is slight, and the collection of this information by use of specified forms and other required reports and records is the most effective and least burdensome means of obtaining the information.

Submission of similar information on the inventory of nuclear material to the Federal government has been minimized by NRC and the Department of Energy (DOE) jointly utilizing the Nuclear Materials Management and Safeguards System (NMMSS). Common reporting forms are used to minimize the reporting burden on industry members required to provide nuclear material data to one or both agencies in accordance with prevailing 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.

5. Effort to Reduce Small Business Burden.

Most of the licensees affected by reporting requirements using this form have an estimated annual gross income of more than \$1 million and a staff of more than 500 people. The NRC has determined that the respondents are not small businesses as that term is used in the Regulatory Flexibility Act.

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

Affected licensees are required to submit reports semiannually. This schedule is reasonable because the submission will coincide with taking a physical inventory. The collection and recording of data for inventory purposes is a continuing process that the licensee carries out throughout the year for the licensee's internal records. At the specified times for inventory reports, the licensee simply submits the accumulated data from the licensee's records, based either on book inventory or on data from a physical inventory, to NRC on Form 742C. The requirement to report within thirty days of the ending date is a reasonable measure to ensure timeliness in receipt of inventory data by NRC in order to maintain material accountability under its statutory responsibility pursuant to the Atomic Energy Act to assure protection of the

common defense and security. Moreover, the US/IAEA Safeguards Agreement specifies that reports are to be submitted within 30 days following the physical inventory. The Canadian and Australian Bilateral Agreements require that reports be submitted yearly and twice yearly, respectively.

If licensees are not required to submit these reports, NRC will not be able to maintain material accountability under its statutory responsibilities of the Atomic Energy Act.

7. Circumstances which Justify Variation From OMB Guidance.

Contrary to OMB guidelines in 5 CFR 1320.5(d), 10 CFR 75.35 requires submission of the report within 30 days or less. This requirement is necessary to satisfy the terms of the US/IAEA Safeguards Agreement (INFCIRC/288).

8. Consultations Outside of NRC

The opportunity for public comment will be published in the Federal Register.

9. Payment or Gift to Respondents

Not applicable.

10. Confidentiality of the Information

Proprietary information must be included when necessary to provide an adequate response. An application to withhold such information from public disclosure may be made in accordance with the provisions of 10 CFR 2.790. If any of this information is of particular sensitivity, a request may be made that such information not be physically transmitted to the IAEA; such a request must refer to, and must conform with, 10 CFR 74.12.

11. Justification for Sensitive Questions

This information collection does not involve sensitive questions.

12. Estimated Burden and Burden Hour Cost

The burden for preparation and submission of each report is estimated to be 6 hours. It is estimated, based on submittals to NRC in recent years, that 180 licensees will each submit two DOE/NRC Form 742C per year, resulting in a total of approximately 360 reports submitted annually. Thus, the total burden for all licensees will be 2,160 hours/year.

The cost to licensees is calculated at a rate of \$140 per hour, based on NRC's fully recoverable fee rate. The annual cost to each respondent to comply with this requirement is estimated to be \$1,680 (6 hrs/report x 2 reports x \$140/hr). The total annual cost to all affected licensees is estimated to be \$302,400.

13. Estimate of Other Additional Costs

None.

14. Estimated Annualized Cost to the Federal Government

The collection of information requires an average of 5 minutes/form of NRC staff time. Therefore, for approximately 180 respondents reporting semiannually, the estimated annualized cost to the Federal government will be 20 hours/year (5 minutes/ report x 360 reports/year = 30 hours/year). Annual labor costs at \$140 per staff hour will be \$4,200. These costs are fully recovered through fee assessments to NRC licensees pursuant to 10 CFR Parts 170 and 171. Other costs are attributed to operating the Nuclear Materials Management and Safeguards System (NMMSS).¹

15. Reasons for Change in Burden or Cost

There has been an increase in the cost for preparing, submitting, and reviewing DOE/NRC Form 742C since the submittal of the previous OMB clearance package. This was due to the increase in professional fees from \$132 to \$140 per hour and an increase in the number of licensees from 120 to 180.

16. Publication for Statistical Use

None.

17. Reason for Not Displaying the Expiration Date

The expiration date is displayed on DOE/NRC Form 742C.

18. Exceptions to the Certification Statement

There are no exceptions.

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

Statistical methods are not used in this collection of information.

¹ NRC and DOE share the cost of operating the Nuclear Materials Management and Safeguards System (NMMSS). Current NRC cost of the system for FY00 is \$1,336,000. This cost is attributable to nuclear materials transaction and accounting report forms. This includes the cost of ADP, record holding, and clerical processing of all forms (DOE/NRC Forms 741, 741A, 740M, 742, and 742C). The suballocated cost to Form 742C is approximately \$9,000.