

FINAL OMB SUPPORTING STATEMENT
FOR
DOE/NRC FORM 741, NUCLEAR MATERIAL TRANSACTION REPORT
AND
NUREG/BR-0006, REVISION 7
"INSTRUCTIONS FOR COMPLETING NUCLEAR MATERIAL TRANSACTION REPORTS,
(DOE/NRC FORMS 741 and 740M)"
(3150-0003)

EXTENSION

Description of the Information Collection.

The U.S. Nuclear Regulatory Commission (NRC) is required to collect nuclear material transaction information for domestic safeguards use and to make it available to the International Atomic Energy Agency (IAEA). One of the forms that NRC uses to collect this information is U.S. Department of Energy (DOE)/NRC Form 741, "Nuclear Material Transaction Report." 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. 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 and 740M)."

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 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.

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 7 (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.

There are no legal obstacles to reducing the burden associated with this information collection. The NRC encourages respondents to use information technology when it would be beneficial to them. NRC issued a regulation on October 10, 2003 (68 FR 58791), consistent with the Government Paperwork Elimination Act, which allows its licensees, vendors, applicants, and members of the public the option to make submissions electronically via CD-ROM, e-mail, special Web-based interface, or other means.

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

It is estimated that 99% of the responses are filed electronically.

4. Effort to Identify Duplication and Use Similar Information.

No sources of similar information are available. There is no duplication of requirements. NRC has in place an ongoing program to examine all information collections with the goal of eliminating all duplication and/or unnecessary information collections. 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. The burden on small licensees represents a small percent of the total burden. Further reduction would not enable NRC to fulfill 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

7. Circumstances which Justify Variation from 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* on November 29, 2010 (75 FR 73133).

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).

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 Nuclear Materials Management and Safeguards System (NMMSS), maintained by an NRC contractor. The information is not compiled or published. The NRC costs for NMMSS operations were approximately \$1,650,000 during fiscal year 2010. This monetary value reflects the use of NMMSS for the collection of NRC Form 741 data, in addition to other data collections and operations.

NRC expects approximately 400 licensees to submit an average of 41 DOE/NRC 741 forms each year, for an estimated annual total of 16,493 reports. This estimate is based on calendar year 2008 data provided by NMMSS staff. 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 20,616 hours (16,493 reports x 1.25 hr/report).

The total annual cost to all respondents to comply with this requirement is estimated to be \$5,339,544 (20,616 hrs x \$259/hr). Cost estimates are calculated at a rate of \$259 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 NMMSS contractor. The data contained in the NMMSS is available to various NRC staff that 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 \$1,650,000 during fiscal year 2010. This monetary value reflects the use of NMMSS for the collection of NRC Form 741 data, in addition to other data collections and operations.

15. Reason for Change in Burden or Cost.

There is no change in the burden for this collection. However, there has been an increase in the cost due to a change in the hourly rate from \$257/hr to \$259/hr.

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.