

FINAL SUPPORTING STATEMENT
FOR
NRC FORMS 366, 366A, and 366B, "LICENSEE EVENT REPORT"
10 CFR Part 50.73

(3150-0104)
Extension

Description of the Information Collection

Part of the Nuclear Regulatory Commission's (NRC) function is to license and regulate the operation of commercial nuclear power plants to ensure protection of public health and safety and the environment in accordance with the Atomic Energy Act of 1954 (the Act) as amended. The holder of an operating license under this part or a combined license under part 52 of this chapter (after the Commission has made the finding under § 52.103(g) of this chapter) for a nuclear power plant (licensee) shall submit a Licensee Event Report (LER) for any event of the type described in 10 CFR 50.73, "Licensee event report system" within 60 days after the discovery of the event using NRC Forms 366, 366A, and 366B, "Licensee Event Report" for the NRC to determine what actions, if any, are warranted to ensure protection of public health and safety and the environment. Additionally, this information is needed for the NRC to carry out its responsibility to inform Congress of those events constituting "abnormal occurrences."

A. JUSTIFICATION

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

10 CFR 50.73 requires licensees to use NRC Form 366, "Licensee Event Report" to report specified events and problems that are believed to be significant and useful to the NRC in its effort to identify and resolve threats to public safety. Form 366A, "Licensee Event Report, Continuation" provides a continuation page for licensees to provide a narrative of the event. Form 366B, "Licensee Event Report, Failure Continuation" is a continuation page used to document the specific component failures involved in the event. The forms are designed to provide the information necessary for engineering studies of operational anomalies and trends and patterns analysis of operational occurrences. The same information can be used for other analytic procedures that will aid in identifying accident precursors.

73.71(d) requires each licensee subject to Sec. 50.73 to submit safeguards event reports about the loss of any shipment of SNM or spent fuel within 60 days of the event on NRC Form 366.

Section 73.77(d) requires licensees making an initial telephonic notification of cyber security events to the NRC according to the provisions of 10 CFR 73.77(a)(1), (a)(2)(i), and (a)(2)(iii) to also submit a written security follow-up report to the NRC within 60 days of the telephonic notification using NRC Form 366, Licensee Event Report. Under section 73.77(d)(12), licensees also must maintain a copy of the written security follow-up report of an event submitted

under section 73.77 as a record for a period of three years from the date of the report or until the Commission terminates the license for which the records were developed, whichever comes first.

On October 25, 2000, the NRC published a final rule in the Federal Register which modified the event reporting requirements in 10 CFR 50.73 (65 FR 63769). The final rule better aligned event reporting requirements with the types of information the NRC needs to carry out its safety mission, including revising reporting requirements based on importance to risk and extending the required reporting times consistent with the time that information is needed for prompt NRC action. NRC Forms 366, 366A, and 366B reflect requirements contained in 10 CFR 50.73.

2. Agency Use of Information

The information reported on NRC Forms 366, 366A, and 366B is used by the NRC in determining whether action is needed to resolve a potential threat to public health and safety or the environment. This includes confirming licensing bases, studying potentially generic safety problems, assessing trends and patterns of operating experience, monitoring performance, identifying precursors of more significant events, and providing operating experience feedback to the industry. In addition the NRC uses the information obtained to inform Congress of those events constituting "abnormal occurrences."

The reported events are assessed both individually and collectively to determine their safety significance and their generic implications and to identify any safety concerns with the potential to seriously impact the public health and/or safety. The evaluation of these events provides valuable insights on improving reactor safety.

The information required includes detailed event descriptions, plant conditions at the onset of the events, root cause(s) of the occurrences, an assessment of safety consequences and implications, data on operator actions and personnel errors, and the corrective actions taken by the licensee to prevent recurrences.

The assessment and feedback of operating experience is a vital and integral prerequisite to improving reactor safety. Within the NRC, a formal and systematic program has been established for the collection, assessment, and feedback of operating experience gained from the Licensee Event Reports (LERs). This program has proven effective and resulted in an improved understanding of reactor performance, identification of important safety issues, and initiation of appropriate actions such as the issuance of generic letters, bulletins and information notices.

In addition, formal and informal methods have been developed to efficiently compare and self-assess the NRC's evaluation of operating experience with the industry's Institute of Nuclear Power Operations (INPO) by exchanging information on events in accordance with a Memorandum of Agreement between the two organizations. Furthermore, the NRC cooperates with various other

nations, the Nuclear Energy Agency (NEA) and the International Atomic Energy Agency (IAEA) Incident Reporting System (IRS) by exchanging information about operating events. The worldwide sharing of nuclear operating experience provides value, particularly in the interest of incorporation of lessons learned, event reduction and accident prevention.

Elimination of data collection would seriously degrade the NRC's ability to assess operating experience, feedback the lessons learned in a timely manner, including corrective actions to prevent recurrences and monitor industry performance. Additionally, LER's are available to the public and provide more detailed information concerning relatively significant events, thereby increasing public confidence in the regulatory process.

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

4. Efforts to Identify Duplication and Use Similar Information

No sources of similar information are available. There is no duplication of requirements.

5. Effort to Reduce Small Business Burden

The information collection affects only licensees of nuclear power plants. These licensees do not fall within the scope of the definition of "small entities" as given in the Regulatory Flexibility Act or the Small Business Size Standards in regulations issued by the Small Business Administration at 13 CFR Part 121.

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

Not collecting the information, or collecting it less frequently, would degrade the NRC's ability to determine in a timely manner what actions, if any, may be needed to resolve potential threats to public health and safety or the environment and inform Congress of those events constituting "abnormal occurrences."

7. Circumstances Which Justify Variation from OMB Guidelines

Not applicable

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 July 27, 2016, (81 FR 49280). Additionally, we contacted via email reactor owner/operator

licensees from Exelon Generation; Arizona Public Service Company; Florida Power & Light Company and Entergy Nuclear Operations Inc. No comments were received.

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

No sensitive information is requested.

12. Estimated Burden and Burden Hour Cost

Approximately 442 NRC Forms 366, 366A and 366B are expected to be submitted annually during the next three years, based on data from recent LER submittals and trends, as well as NRC staff knowledge about the number of licensees and potential future submissions. This estimate includes 92 forms that NRC staff anticipate will be submitted in response to reporting requirements for cyber security events.¹

The total annual estimated burden for submissions is 28,000 hours calculated as follows:

Total Reporting Burden = 442 submissions x 64 hours = 28,288hours
Total Recordkeeping = 442 submissions x 16 hours = 7,072 hours
Total Burden = 28,288 + 7,072 = 35,360hours
Responses = 542 (442 reporting responses + 100 recordkeepers)
Total annual cost to industry = 35,360 hours x \$268/hour = \$ 9,476,480

13. Estimate of other Additional costs

The NRC has determined that the quantity of records to be maintained is roughly proportional to the recordkeeping burden. Based on the number of pages maintained for a typical clearance the records storage cost has been determined to be .0004 times the recordkeeping burden cost. Therefore, the storage cost for this clearance is determined to be \$758 (7,072 hours x \$268/hour x .0004).

14. Estimated Annualized Cost to the Federal Government

¹ Cyber security event notification reporting requirements are associated with the Cyber Security Event Notifications final rule and were approved by OMB on July 25, 2016.

Information submitted by licensees in Form 366 is used by multiple offices within the NRC. The NRC spends on average about \$900K per year in contract costs for coding LERs, inputting event data into a LER database, and maintaining the LER database and search capabilities. The contractor also provides input into NRC programs, including:

- Accident Sequence Precursor Program
- Industry Trends Program
- Operating Experience Program

The NRC also expends about 200 hours per year in managing the LER database and analysis contract.

The Office of Nuclear Reactor Regulation (NRR) reviews LERs for specific issues pertaining to reactor operating experience related to safety and generic concerns. It is estimated that the resources expended in the operating experience review of LERs are about one hour per LER. Therefore with one hours of effort per LER and 350 LERs per year (1 hours per LER X 350 LERs), it is estimated that 350 hours of effort is needed per year for NRR.

The Office of Nuclear Regulatory Research (RES) reviews LERs for the Accident Sequencer Precursor (ASP) Program. The RES ASP program staff reviews approximately 50 of the most significant LERs per year for about one hour per LER (50 LERs X 1 hour). It is estimated that 50 hours of RES effort is needed per year for the ASP program.

Finally, the NRC Regional Offices are responsible for implementing NRC's inspection program. It is estimated that LER reviews called out by Inspection Procedure (IP) IP 71153, "Event Follow-up" will take a maximum of 8 hours per LER. Therefore, with 8 hours of effort per LER, and 350 LERs submitted per year (8 hours per LER X 350 LERs), it is estimated that the Regional Offices will expend approximately 2,800 hours of effort on LER disposition per year.

The total NRC effort is therefore estimated to be 3,400 hours (2,800 regional inspection hours + 350 NRR hours + 200 NRC database contract hours + 50 RES ASP program staff hours).

The total estimated annual cost for the government is \$1,811,200 (\$268 x 3,400 hours + \$900K for LER database and analysis contract).

15. Reasons for Change in Burden or Cost

The NRC reviewed the number of LERs submitted over the past two clearance cycles. Based on this information as well as NRC staff knowledge about the number of licensees and potential future submissions, staff estimates the annual average will remain constant for the licensees reporting using NRC Forms 366, 366A and 366B in the future; therefore there is no significant change in burden from the 442 annual forms previously estimated. Note that the current burden estimate is for 442.1 form submissions annually. In order to simplify estimates,

the current submission rounds this estimate to 442 forms annually, resulting in a decrease of 8 hours in estimated burden. This estimate includes submission of cyber security event notifications on the NRC Form 366.

The number of responses increased due to inclusion of all recordkeeping responses in the total. Previously, only 65 of the recordkeeping responses were included in the total. The current submission accounts for all 100 recordkeepers, resulting in an increase of 35 recordkeeping responses.

There was a slight decrease in the fee rate from \$274/hr to \$268/hr for this clearance cycle.

16. Publication for Statistical Use

Not applicable.

17. Reason for Not Displaying the Expiration Date

The expiration date is displayed.

18. Exceptions to the Certification Statement

If a means used to impose 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. Exceptions to this statement are not being applied.

B. Collection of Information Employing Statistical Methods

The collection of information does not employ statistical methods.