

SUPPORTING STATEMENT
U.S. Department of Commerce Bureau of Industry and Security
The Effect of Imports of Uranium on the National Security
OMB Control No. 0694-0120

A. Justification

1. Explain the circumstances that make the collection of information necessary.

On July 18, 2018, the Secretary of Commerce initiated an investigation to determine the effects on the national security of imports of uranium. As part of the investigation, the Bureau of Industry and Security (BIS), Office of Technology Evaluation (OTE), is conducting surveys of both the U.S. front-end nuclear fuel cycle (including uranium mining, milling, conversion, enrichment, and fuel fabrication sectors) and the uranium end-user sector (U.S. nuclear power operators). The resulting data will be used to support this investigation conducted under Section 232 of the Trade Expansion Act of 1962, as amended. The investigation was initiated by the U.S. Department of Commerce, based on a petition filed by two U.S. uranium mining companies.

The principal goal of this survey effort is to assist BIS in determining whether uranium is being imported into the United States in such quantities or under such circumstances as to threaten to impair the national security. The surveys will also assist in determining the overall health and competitiveness of the front-end nuclear fuel cycle and the uranium end-user sectors in the United States to assess their capabilities to support the national defense.

Information collected will include organizational data, mergers & acquisitions, facility information, production & inventory, financial information, capital expenditures, research & development, imports & exports, customers, suppliers & contracts, employment, competition, and demand trends. The resulting aggregate data will provide BIS detailed uranium industry information that is otherwise not available and is needed to effectively conduct its analysis.

During the design and development of the survey instrument, BIS gathered input from other U.S. agencies, industry, and government experts.

BIS has authority under Section 705 of the Defense Production Act of 1950, as amended (DPA), and Section 232 of the Trade Expansion Act of 1962, as amended, to conduct assessments and collect information on the capabilities and capacity of the U.S. industrial base and domestic industries to support the national defense. These assessments are normally undertaken in partnership with the U.S. Department of Defense and other U.S. federal agencies and typically focus on manufacturing capability, workforce, financial performance, foreign sourcing and dependencies, and economic issues affecting key industrial sectors or critical technologies.

The attached survey questionnaire, which primarily covers a five-year period, is the key source of information needed for a national security analysis of this type.

Pursuant to the abovementioned statutes and relevant delegations thereunder, BIS is the focal point for national security investigations and assessments among civilian federal agencies. This includes mandatory data collection authority to carry out these responsibilities.

2. Explain how, by whom, how frequently, and for what purpose the information will be used. If the information collected will be disseminated to the public or used to support information that will be disseminated to the public, then explain how the collection complies with all applicable Information Quality Guidelines.

BIS intends to survey the 65 organizations (35 front-end and 30 nuclear power operators) with facilities in the United States.

The surveys are a one-time only request. Quantitative data obtained from the survey responses will be compiled into a database for analysis, with public publication consisting only of aggregate, nonproprietary results with no business confidential information. This data is needed to assess the status of the organizations involved in the full nuclear fuel cycle including end-users, and how U.S. national security, including the national defense, may be threatened by imports of uranium products. Qualitative questions are used in some limited cases to complement the statistical data. Through analysis of the aggregated survey results, the overall goal is to enable BIS to determine whether to recommend further actions that may need to be taken by the President to adjust uranium imports if they are found to threaten to impair the national security.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological techniques or other forms of information technology.

To lessen the burden on respondents, BIS is asking organizations to provide electronic submissions. Each respondent will receive a personalized letter and overview fact sheet which outline the requirements of the survey and scope of information required. The letter will contain directions to the dedicated Bureau of Industry and Security website where the respondent can gain access to the Excel survey instrument and corresponding PDF materials. This approach was used successfully for the 2018 Automotive, 2017 NASA Propulsion, and 2016 Textiles, Apparel, and Footwear surveys. All four survey instruments were reviewed and approved by OMB.

The statistical information requested in the survey tracks closely with categories adopted in the industry. Almost all responding organizations will have the necessary information stored electronically and will be able to retrieve it in the form requested. Other limited questions will require thought and perhaps discussion among several individuals for proper responses. These particular questions do not lend themselves to computer automation. However, such questions only require brief responses in the text boxes provided.

4. Describe efforts to identify duplication.

The information sought in the survey is unique and not available from any other source, either public or private. Only basic organization data requested by BIS is submitted to the U.S. Census Bureau. However, by law, the Census Bureau may only use such data for Census purposes and may not disclose the individual organization data for any other purpose.

5. If the collection of information involves small businesses or other small entities, describe the methods used to minimize burden.

Target companies for this survey are a part of the front-end nuclear fuel cycle (including uranium mining, milling, conversion, enrichment, and fuel fabrication sectors), and the U.S. nuclear power operators (uranium end-user sector). The survey instruments were designed to minimize the burden on all respondents. If for any reason the respondent cannot complete the survey in Excel format, BIS will work closely with the respondent to facilitate an alternate form of survey submission. Based on previous survey instruments, BIS expects almost all organizations to respond electronically.

6. Describe the consequences to the Federal program or policy activities if the collection is not conducted or is conducted less frequently.

For the assessment of the U.S. front-end nuclear fuel cycle sectors and the U.S. nuclear power operators, a mandatory survey is the only method available for BIS to carry out its responsibilities under the Defense Production Act of 1950, as amended. Without the survey instrument, BIS could not obtain company specific information on: organization profile, mergers & acquisitions, facility information, production & inventory, financial information, capital expenditures, research & development, imports & exports, customers, suppliers, contracts, employment, permits, supply chain, competition, and demand trends. The resulting database will allow BIS to benchmark industry performance, identify impacts of imports on the uranium supply chain, as well as determine the resulting impact on the national security. Furthermore, if not surveyed in such detail, the Section 232 investigation process would not be thorough enough to determine the effect of uranium imports on the national security.

7. Explain any special circumstances that require the collection to be conducted in a manner inconsistent with OMB guidelines.

Not applicable.

8. Provide information of the PRA Federal Register notice that solicited public comments on the information collection prior to this submission. Summarize the public comments received in response to that notice and describe the actions taken by the agency in response to those comments. Describe the efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

The Federal Register notice requirement is not applicable to this collection because this collection falls within the scope of the BIS generic authority entitled, "Request for Investigation Under Section 232 of the Trade Expansion Act," as approved under OMB Control No. 0694-0120. This authority is renewed by OMB every three years (and was renewed by OMB on June 29, 2018, expiring on June 30, 2021) to support ongoing BIS national security investigation needs.

BIS personnel developed the surveys in consultation with industry and government experts over a period of several months. The following is a partial list of those individuals who provided input and advice:

U. S. Government

Anna Cochrane, Federal Energy Regulatory Commission, 202-502-6700
Audrey Beldio, National Nuclear Security Administration, 202-769-7963
Devin Horne, Department of Commerce, International Trade Administration, 202-482-0775
Glenn McGrath, U.S. Energy Information Administration, 202-674-2234
Janice Owens, Nuclear Regulatory Commission, 301-287-9096
Kelly Lefler, Department of Energy, 202-586-6231
Sally Gannon, Department of Commerce, International Trade Administration, 202-482-0162

Industry

Daniel Lipman, Nuclear Energy Institute, 202-739-8115
Dennis Stover, enCore Energy, 405-306-3491
Douglas Tisdell, PSEG Nuclear LLC, 856-339-1538
Jeanne Shobert, Exelon, 630-657-2140
Jeffrey Horton, Dominion Energy Services, 804-273-3200
Jeffery Masnick, Global Nuclear Fuel – Americas, LLC, 910-819-3434
John Cash, UR Energy, 307-265-2375
Robert Buechel, Westinghouse Electric Company, 803-647-1826
Robert Freeman, Framatome, 434-832-5268
Theann Sandos, ConverDyn, 303-932-2978
William Paul Goranson, Energy Fuels Resources (USA) Inc., 303-389-4168

9. Explain any decisions to provide payments or gifts to respondents, other than remuneration of contractors or grantees.

This survey will not involve any payment or gifts to respondents.

10. Describe any assurance of confidentiality provided to respondents and the basis for assurance in statute, regulation, or agency policy.

The survey, cover letter, and fact sheet provide assurance to the respondents that the information collected through the survey will be deemed business confidential and will be treated in accordance with Section 705 of the Defense Production Act of 1950, as amended (50 U.S.C. Sec. 4555). This section prohibits the publication or disclosure of such information unless the President determines that withholding it is contrary to the interest of the national defense. The survey will be administered and the data collected via a secure U.S. Department of Commerce portal. Information submitted will not be shared with any non-government entity, other than in aggregate form. The U.S. Department of Commerce will protect the confidentiality of such information pursuant to the appropriate exemptions from disclosure under the Freedom of Information Act (FOIA), should it be the subject of a FOIA request. BIS has a long and successful track record of protecting business confidential information collected under the above statute.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.

This survey will not collect information that could be construed as being of a sensitive nature, such as information concerning sexual behavior and attitudes, religious beliefs, and other matters

that are commonly considered sensitive or private.

12. Provide an estimate in hours of the burden of the collection of information.

BIS estimates that the total burden placed on respondents by this survey on front-end nuclear fuel cycle sectors and the U.S. nuclear power operators will be approximately 910 hours. This estimate is based on distributing surveys to 65 respondents with an average time of 14 hours needed to complete each survey.

This burden estimate is subject to variations among respondents due to discrepancies in the level of participation in the uranium industry, record keeping, company size, and other variables. The estimate is based on BIS's overall past experience, as well as specific feedback from industry participants in information collections such as bare printed circuit boards, textiles and apparel, footwear, strategic materials, microelectronics, the U.S. space sector, magnesium, and others.

The estimated total cost to respondents of this information collection is calculated as \$31,850. This estimate was made by assuming an average hourly respondent work rate of \$35 multiplied by 910 total burden hours.

13. Provide an estimate of the total annual cost burden to the respondents or record-keepers resulting from the collection (excluding the value of the burden hours in Question 12 above).

Not applicable.

14. Provide estimates of annualized cost to the Federal government.

The estimated cost to the Federal Government for the survey is \$244,375 over a 6-month period. A major portion of this cost is related to the survey questionnaire, which includes preparing, collecting, verifying and tabulating the information, and analyzing the data. Other costs will be incurred by summarizing the analysis and findings. The direct employee costs were estimated by assuming the hours spent on the project, about 6-month equivalent, or 26 weeks and taking the annual pay of one GS-15 step 10, one GS-13 step 2, one GS-12 step 1, and one GS-9 step 2. The direct employee costs are \$203,646.

Indirect or overhead costs associated with the project are calculated as 20 percent of the direct employee costs, or \$40,729. A review of BIS budgets from previous years indicates costs for building maintenance, telephone, computers, and space rental charges generally run about 20 percent of total employee costs.

15. Explain the reasons for any program changes or adjustments.

Because the nature of this collection of information falls within BIS's generic authority entitled, "Request for Investigation Under Section 232 of the Trade Expansion Act," (OMB Control No. 0694-0120), there is no increase in burden hours. BIS used this authority in FY2018 for one other Section 232 Investigation: Automobiles (a total of 180 hours out of the 12,260 hours authorized in 2018). An unused balance of 12,080 annual burden hours (12,080 less 910 hours) will remain if the survey instrument is approved under this authority.

16. For collections whose results will be published, outline the plans for tabulation and publication.

All data collected will be aggregated before publishing to protect company confidentiality. The surveys will be provided electronically to the companies in January 2019. The analysis will be started in February 2019 and a draft Section 232 report on the effects on the national security of uranium imports, which will incorporate aggregate data from the analysis, will be prepared in March 2019. The final Section 232 report is planned to go to the President in April 2019. The public version of the report will be available soon after completion of the President's review and final determination of the Section 232 investigation's findings and conclusions.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons why display would be inappropriate.

Not applicable. BIS will display the expiration date of this collection authority on all survey and instructional instruments the public receives.

18. Explain each exception to the certification statement.

Not applicable.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

Not applicable.