

FINAL SUPPORTING
STATEMENT FOR
NRC FORM 7, "APPLICATION FOR NRC EXPORT/IMPORT
LICENSE, AMENDMENT, RENEWAL OR CONSENT REQUEST(S)"
(3150-0027)

EXTENSION

Description of the Information Collection

The United States (U.S.) Nuclear Regulatory Commission (NRC), under the Atomic Energy Act of 1954, as amended, (AEA) and Title II of the Energy Reorganization Act of 1974, as amended, has authority for exercising export and import controls over nuclear equipment and material. All persons who wish to export or import nuclear equipment and material as specified in 10 CFR Part 110, Sections 110.8, 110.9, and 110.9a must provide certain information to enable the NRC and the Executive Branch to make required export and import licensing determinations to ensure compliance with NRC regulations and to satisfy statutory requirements of the AEA.

"NRC Form 7, Application For NRC Export/Import License, Amendment, Renewal, Or Consent Request(s)," is used to collect the information needed for compliance with the requirements in the AEA.

A. JUSTIFICATION

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

Pursuant to the Atomic Energy Act of 1954, as amended, the NRC uses NRC Form 7 as a multipurpose license application form designed to allow persons to provide the minimum amount of information necessary for NRC to fulfill the statutory and regulatory requirements governing exports and imports of nuclear material and equipment under the NRC's authority. The form is clear, concise, easy to understand, and simple to prepare.

Completion of the NRC Form 7 is required to obtain an authorization to import or export nuclear equipment and material under NRC jurisdiction. The form supports an agency reporting requirement from the public to provide information to the NRC for its review and consideration in granting authorization to import or export nuclear equipment and material.

2. Agency Use and Practical Utility of Information

Data collected on the NRC Form 7 provides the Commission with the information needed to describe the materials proposed for import or export, identifies the country(ies) receiving the materials, names any other parties to the transaction, and provides multiple means to contact the applicant if the Commission has additional questions. With this information, the Commission and the Executive Branch are able to

easily review the license application and make the required licensing determinations to ensure compliance with regulations. If all the applicable statutory, regulatory, and policy considerations are satisfied, the NRC will issue a license.

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. 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. NRC Form 7 has electronic signature capability and licensees can submit by email. The NRC staff estimates the 90% of submissions are electronic. Some licensees (approximately 10%) choose to submit a paper copy rather than an electronic submission.

4. Effort 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 requirements specified in 10 CFR §§ 110.20, 110.31, and 110.32 are the same for large and small businesses, because the nuclear proliferation, security and policy concerns are the same; therefore, all businesses must provide the same data. To reduce the burden to small businesses, the NRC has established general licenses which exempt from new controls many of the shipments that were of particular concern to small businesses. Further, the NRC allows small businesses to apply for broad, long-term licenses to export materials to reduce burdens associated with paperwork expenses, license application fees, and uncertainties in delivery.

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

The information requested in 10 CFR §§ 110.20-110.23 cannot be collected on a less frequent basis because it reflects the International Atomic Energy Agency Code of Practice on the International Transboundary Movement of Radioactive Waste to help ensure that radioactive waste coming into or leaving the U.S. is subject to U.S. Government approval and consent of other involved parties.

The information requested in 10 CFR §§ 110.31-32 is submitted only when deemed necessary by respondents and is keyed to the decision criteria that guides the NRC in approving or denying applications. It specifically incorporates the requirements of the Atomic Energy Act of 1954, as amended. Therefore, if the collection is not conducted or is conducted on a less frequent basis, a person who wishes to export under NRC's export authority would be unable to do so because the NRC could not make the necessary determination on whether a license should be issued

7. Circumstances which Justify Variation from OMB Guidelines

None.

8. Consultations Outside the Nuclear Regulatory Commission

Opportunity for public comment on the information collection requirements for this clearance package was published in the *Federal Register* on April 26, 2018 (82 FR 18356). No comments were received. In addition, OIP sent the following survey to nine stakeholders in the public who were required to complete a NRC Form 7. Four of those stakeholders responded; SPEC, AOS, Framatome, and International Isotopes, Inc.

The following responses were received.

Question 1: Is the proposed collection of information necessary for the NRC to properly perform its functions? Does the information have practical utility?

SPEC: I don't really know, I assume that you need it to properly assess the license request.

AOS: Yes. The form provides an easy step by step process to enter the required information

Framatome: Yes and Yes

International Isotopes, Inc.: Yes. This information is required by §110.32.

NRC staff response: No comment.

Question 2: Is the estimate of the burden of the information collection accurate?

SPEC: I think so yes, it varies.

AOS: I have found collecting and confirming information will take anywhere between 2-3 weeks – see #4

Framatome: I think 8 hours is a better estimate due to the many customer interactions, internal reviews, and NRC interactions.

International Isotopes, Inc.: This time can vary. In some cases, it may require more time to obtain copies of recipients' authorizations and licenses to provide with the NRC Form 7 for Category 1 exports.

NRC Staff Response: The average time per application can vary widely, depending on the degree of automation a company employs in its sales order processes, but 2.4 hours to provide the necessary data is reasonable over all application submissions.

Question 3: Is there a way to enhance the quality, utility, and clarity of the information to be collected?

SPEC: Yes, it would be nice to have an automated way to sign the application.

AOS: Not that I can see.

Framatome: The instructions for Block 11 and Block 16 Foreign Obligations could be improved.

There are several issues: The Form 7 section and the instructions both refer to “country” but foreign obligations are not tracked by country they are tracked by NMMSS obligation codes. Not every country requires foreign obligations and some obligations codes (LES for example) are not a country. I suggest that you ask for “obligation codes” and provide a reference to the official NMMSS list in the instructions. The instructions state to provide a breakdown by country and percentage of total volume. This would be better worded as percentage of total export/import as not all exports/imports are measured by volume. It is not always possible to identify the percentage of each foreign obligation. The percentage should be marked “where known” or something similar. In my experience, the percentages do not show up on the final license which makes me wonder why they are requested on the application. Also, it would be nice if the different application blocks were color coded or something to illustrate which portions become public knowledge and which ones do not.

International Isotopes, Inc.: The NRC Form 7 covers a lot of application. It could be re-designed to an NRC Form 7 a., b., and c. Form 7a. could be for export applications/amendments and renewals, 7b. could be for import applications/amendments and renewals, and 7c. could be for consent requests. All 3 forms could be shortened to include only those blocks applicable to the specific action. I make this recommendation from a source manufacturer’s point of view. I request an export license to cover a number of countries where we have potential business. The ultimate end use and total activity will vary, and for an export license it really isn’t important. It is important for the consent request. Another option to the above suggestion is to just remove the consent request from Form 7 and have a separate Form just for consent requests.

NRC staff response: The NRC Form 7 currently has electronic signing capability and can be submitted by email. Regarding the use of NMMSS codes instead of country names, the respondent is incorrect when they state “foreign obligations are not tracked by country they are tracked by NMMSS obligation codes.” NMMSS obligation codes are only used in the U.S. For exports of special nuclear material, NRC must obtain government to government assurances, and do not provided U.S. obligation codes as part of this process. Any time obligations are indicated on an application, the NRC works with the international partner(s) to ensure the proper assurances are provided as per the administrative arrangements. The NRC disagrees that making separate forms would make filing an application easier. The NRC Form 7 is a multi-purpose form that is used for 11 different types of authorizations. Persons with questions can find the NRC website,

get the correct office telephone number from the operator, where their call is routed to the best person to answer their question about how to complete the Form 7. Once the person learns how to file an application for their commodity, the process doesn't change.

Question 4: How can the burden of the information collection on respondents be minimized, including the use of automated collection techniques or other forms of information technology?

SPEC: Provide for automated signatures, and perhaps a way to populate the form based upon previous applications.

AOS: If the information in Item 7 "Names / Addresses of Suppliers and/or Parties to Export" could be changed to replace physical addresses with just Radioactive Materials License (RML) Numbers. Often times the information listed in the "Authorized Use Location" on the parties RML can change. This is can be as simple as a name change or zip code update. When this happens, the Export license needs to be amended even though the RML is the same. Plus obtaining or confirming the right information on the New RML can take weeks.

Framatome: Eliminate request of percentage of foreign obligations as described above. Just ask for list of foreign obligations. Online payment using a credit card would be simpler and more secure than having to write out credit card information.

International Isotopes, Inc.: I think a web-based system would be an improvement, but it might be difficult to justify the cost given the number of users of the form.

NRC Staff Response: The NRC Form 7 is currently submitted electronically by email, with an electronic signature, eliminating the need to submit applications by overnight courier. Furthermore, the NRC has eliminated the processing fee for applications. The NRC is developing a web-based licensing system for the submission of the NRC Form 7. The system is being implemented using a phased approach. The first (current) phase involves the development of the system and appropriate data entry fields. Currently the system is being populated by NRC staff. When an application is received, a licensing assistant manually keys the data into the system. In later phases, licensees will each have an account and a password and will be able to access their own data. Ultimately, licensees will be able to submit NRC Form 7 license applications online using the web-based system. NRC must have the latest version of the address of Suppliers and/or Parties to Export printed on the export license. If it is out of date, it might result in radioactive byproduct material being delivered to an address other than the one authorized. Without the export license address and possession license address matching, the shipment will most likely be seized by U.S. Customs until the correct address of delivery is determined.

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

There are no sensitive questions.

12. Estimated Burden and Burden Hour Cost

The NRC estimates 85 applications will be filed annually on NRC Form 7. Using an average cost of \$263 per hour for reactor licenses and material licensees, the annual cost required to prepare the NRC Form 7 is estimated as follows:

Annual Reporting or Disclosure Burden for NRC Form 7:

<u>Annual Number of Respondents</u>	<u>Annual Number of Responses per Respondent</u>	<u>Hours per Response</u>	<u>Total Hours</u>	<u>Cost</u>
85	1	2.4	204	\$53,652

The total annual burden is estimated to cost \$53,652 (204 x \$263).

The \$263 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 2017 (82 FR 30682; June 30, 2017).

13. Estimate of Other Additional Costs

There are no additional cost.

14. Estimated Annualized Cost to the Federal Government

The collection of information under the NRC Form 7 is estimated to require a total of 2,080 hours annually. This is based on license processing fee data collected during the agency's most recent Biennial Fee Review conducted in August, 2016. This is based on an average of 26 hours to process each of the estimated 80 annual responses processed annually (26 x 85 = 2,210). Therefore, the revised total annual cost to the Federal Government, at \$263 per hour for licenses, is \$581,230 (2,210 professional staff hours x \$263).

15. Reasons for Changes in Burden or Cost

The overall burden decreased by 48 hours, from 252 to 204 in response to a reduction in the number of respondents from 105 to 85. Fewer applications are expected due to

the licensees of byproduct material now being able to receive licenses with longer validity periods than in earlier review cycles.

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

Not applicable.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

Statistical methods are not used in the collection of information.SUBJECT: