

FINAL OMB SUPPORTING STATEMENT FOR  
DOE/NRC FORM 740M, CONCISE NOTE AND  
NUREG/BR-0006, REVISION 9  
“INSTRUCTIONS FOR COMPLETING NUCLEAR MATERIAL TRANSACTION  
REPORTS, (DOE/NRC FORMS 740M)”  
(3150-0057)

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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 740M, “Concise Note.” Form 740M is used to provide additional information such as qualifying statements or exceptions to data on any of the other data forms required under the U.S.-IAEA Safeguards Agreements (including DOE/NRC Forms 741, 742, and 742C).

The licensees who are primarily affected are (1) facilities that have been notified by letter from NRC that they are subject to Title 10 of the *Code of Federal Regulations* (10 CFR) Part 75 (sections 75.12, 75.34 and 75.35) and (2) licensees who import or export nuclear materials. However, any facility may use the DOE/NRC Form 740M to provide explanatory information concerning nuclear material transaction if they choose. The 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 740M are in NUREG/BR-0006, “Instructions for Completing Nuclear Material Transaction Reports (DOE/NRC Form 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 U.S.-IAEA Safeguards Agreements and satisfy its domestic safeguards responsibilities, it is necessary for licensees affected by 10 CFR Part 75 and licensees who import or export nuclear material to submit DOE/NRC Form 740M, “Concise Note.” This submittal informs the U.S. or the IAEA of any qualifying statement or exception to any of the data contained in any of the other reporting forms required under the U.S.-IAEA Safeguards Agreements.

2. Agency Use of Information

The NRC is required to collect nuclear material transaction information for domestic safeguards use and to make it available to the IAEA. The NRC uses DOE/NRC Form 740M, together with NUREG/BR-0006, Revision 9 (the instructions for completing the forms), to collect, retrieve, analyze, and submit required data to IAEA. Without the report form, NRC's ability to collect and

provide these data would be severely limited.

3. Reduction of Burden through Information Technology

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. Electronic transmission and submittal of documents can be accomplished via the following avenues: the Electronic Submittals application, which is available from the NRC's "Electronic Submittals" Web page, by Optical Storage Media (OSM) (e.g. CD-ROM, DVD), by facsimile or by e-mail. The Electronic Submittals application allows electronic transmission of information to the NRC pertaining to licensing actions, associated hearings, and other regulatory matters. The application ensures that information sent to the NRC via the Internet is secure and unaltered during transmission. It operates 24 hours a day, except when it is taken down for scheduled maintenance. The application serves as a secure portal that respondents may use to transmit documents to the NRC. It is estimated that 99 percent of the responses are filed electronically.

Form 740M is a common form hosted by the NRC that is also used by the DOE. The NRC provides the form and instructions to all affected NRC licensees who must submit reports in a computer readable format. Once submitted by licensees, information from these forms is saved in a Nuclear Materials Management and Safeguards System (NMMSS). The use of common reporting forms minimizes 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. Currently DOE has no burden hours associated with the use of this form.

4. Effort to Identify Duplication and Use Similar Information

No sources of similar information are available. There is no duplication of requirements. 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. Further burden reductions for small businesses would prevent the NRC from fulfilling 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 regulation. The information is generally collected from the shipper immediately following dispatch and from the receiver within 10 days of receipt. This is the minimum frequency of collection required to satisfy reporting regulations and as required by the facility's license to possess material. A suggestion by

reactor operators regarding delay of submittal of receiver's information to allow batch reporting on a monthly basis was reviewed and deemed to be inconsistent with international treaty commitments. NRC and industry continue to jointly examine some industry suggestions to reduce reporting burden at annual meetings between the U.S. Government and nuclear industry representatives.

7. Circumstances which Justify Variation from the Office of Management and Budget (OMB) Guidelines

There is no variation from OMB guidelines.

8. Consultations outside NRC

Opportunity for public comment on the information collection requirements for this clearance package was published in the Federal Register on April 29, 2020 (85 FR 23870). As part of the consultation process, the NRC staff directly contacted, via email, four fuel cycle licensees. No responses or comments were received as a result of the FRN or the NRC staff's direct solicitation of comment.

9. Payment or Gift to Respondents

Not applicable.

10. Confidentiality of Information

Confidential and proprietary information is protected in accordance with the 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 NMMSS, maintained by an NRC contractor. The information is not compiled or published.

The NRC expects an annual total of 175 reports. The burden of preparation and submission of each report is estimated to be 0.75 hour. The total resulting burden for required submissions of the form by all licensees will be 131 hours (175 reports x 0.75 hours per report).

The total annual cost to all respondents to comply with this requirement is estimated to be \$36,418 (131 hours x \$278/hour).

The \$278 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 2019 (84 FR 22331, May 17, 2019).

13. Estimate of Other Additional Costs

There are no additional costs.

14. Estimated Annualized Cost to Federal Government

The collected information is not submitted to the NRC. Licensees report directly to the DOE 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 are approximately \$1,900,000 per fiscal year. This is the NRC’s contribution for the operations of the NMMSS to support the collection of Forms 740M, 741, 742, and 742C data, in addition to other data collections and operations.

The staff has developed estimates of annualized costs to the Federal Government related to the conduct of this collection of information. These estimates are based on staff experience and subject matter expertise and include the burden needed to review, analyze, and process the collected information and any relevant operational expenses.

15. Reason for Change in Burden or Cost

The number of anticipated responses and associated burden has not changed; however, the cost per hour has increased from \$265 to \$278, based on an increase in the NRC’s fee rate.

16. Publication for Statistical Use

None.

17. Reason for Not Displaying the Expiration Date

The expiration date is displayed on DOE/NRC Form 740M.

18. Exceptions to the Certification Statement

None.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

Statistical methods are not used in this collection of information.