

FINAL OMB SUPPORTING STATEMENT FOR
NRC FORM 7, APPLICATION FOR LICENSE TO
EXPORT NUCLEAR MATERIAL AND EQUIPMENT
(3150-0027)
EXTENSION REQUEST

DESCRIPTION OF THE INFORMATION COLLECTION

The Nuclear Regulatory Commission (NRC), under the Atomic Energy Act of 1954, as amended, and Title II of the Energy Reorganization Act of 1974, as amended, has authority for exercising export controls over nuclear equipment and material. All persons who wish to export or import nuclear equipment and material as specified in 10 CFR 110 Sections 110.8, 110.9, and 110.9a must provide certain information collection elements 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 Atomic Energy Act of 1954, as amended.

Section 110.19(b), Types of Licenses, requires that a person using a general license under this part as authority to export incidental radioactive material that is contained in or a contaminant of a shipment that exceeds 100 kilograms in total weight shall file a completed NRC Form 7 before export takes place.

Section 110.20(a)(1), General License Information, requires that a person using a general license as authority to export incidental radioactive material contained in or a contaminant of a shipment exceeding 100 kilograms in total weight file an NRC Form 7 before the export takes place.

Section 110.21(e), General License for the Export of Special Nuclear Material, requires that a person using the general licenses in paragraphs (a), (b), or (c) as authority to export special nuclear material as incidental radioactive material contained in or a contaminant of a shipment exceeding 100 kilograms in total weight shall file a completed NRC Form 7 before the export takes place.

Section 110.22(g), General License for the Export of Source Material, requires that a person using the general licenses in paragraphs (a),(b),(c) or (d) as authority to export source material as incidental radioactive material contained in or a contaminant of a shipment exceeding 100 kilograms in total weight shall file an NRC Form 7 before the export takes place.

Section 110.23(c), General License for the Export of Byproduct Material, requires that a person using the general licenses in paragraph(a)of this section as authority to export byproduct material as incidental radioactive material contained in or a contaminant of a shipment exceeding 100 kilograms in total weight shall file a completed NRC Form 7 before the export takes place.

Section 110.31, Application for a Specific License requires that a person file an application for a license to export or import nuclear material or equipment requiring specific authorization, with appropriate fee in accordance with 10 CFR 170. Applications should be filed on NRC Form 7, except that applications for import of material, export of a production or utilization facility, license renewal or license amendment should be filed by letter in accordance with §110.51

(OMB has approved this collection under 3150-0036). A person is required to provide the information specified in § 110.32 and the NRC may require more information. An application shall be withdrawn when not needed.

Section 110.32, Information Required in an Application for a Specific License/NRC Form 7, states that the following information is required on an application: name and address of applicant, supplier, intermediate and ultimate consignees; foreign obligations by country and percentage; shipment dates; and description of export and end use. Applications for import and export of radioactive waste and for export of incidental radioactive material require the volume, classification, physical and chemical characteristics, route of transit, and ultimate disposition.

A. JUSTIFICATION

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

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

2. Agency Use of Information

The Commission and the Executive Branch review the license applications submitted on NRC Form 7 to make required export licensing determinations to ensure compliance with regulations. If applicable statutory, regulatory, and policy considerations are satisfied, the NRC will issue a license authorizing the export.

The Commission reviews exports of incidental radioactive material filed on NRC Form 7 before the export takes place to help assure that the NRC is informed before the fact of these kinds of shipments and allows us to inform other interested parties, as appropriate, including import control authorities in interested foreign countries.

3. Reduction of Burden through Information Technology

There are no legal obstacles to reducing the burden associated with this information collection. Licensees and applicants will be able to utilize information technology if they so desire. NRC Form 7 and the corresponding regulations at 10 CFR Part 110 are already downloadable from the NRC website at <http://www.nrc.gov/reading-rm/doc-collections/forms/nrc7.pdf>. Advance copies of completed forms may be sent to the NRC by e-mail or facsimile. Electronic signature will be available in the future for those who wish to use it by following the instructions on the NRC website at www.nrc.gov.

4. Effort to Identify Duplication and Use Similar Information

The Information Requirements Control Automated System (IRCAS) was searched to determine agency duplication. None was found.

5. Effort to Reduce Small Business Burden

The requirements specified in §§ 110.20, 110.31, and 110.32 are the same for large and small businesses, because the proliferation and policy concerns are the same; therefore, all businesses must provide the same data. To reduce small business burden, 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 §§ 110.20-110.23 cannot be collected less frequently because it reflects the International Atomic Energy Agency (IAEA) 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 (USG) approval and consent of other involved parties.

The information requested in §§ 110.31-32 with respect to exports is submitted only when deemed necessary by exporters 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, for export. Therefore, if the collection is not conducted or is conducted less frequently, 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 an export license should be issued.

7. Circumstances Which Justify Variation From OMB Guidelines

None.

8. Consultations Outside the NRC

The opportunity for public comment was published in the Federal Register on October 29, 2002 (67 Federal Register 66004). The NRC received one comment from Virginia Electric and Power Company (Dominion) and Dominion Nuclear Connecticut (Dominion). Dominion's comments are addressed as follows.

a. On whether the information collected in NRC Form 7 is necessary for the NRC to properly perform its functions and whether it has practical utility, Dominion commented, "yes."

b. On whether the burden estimate is accurate, Dominion commented "this burden is "seriously underestimated for both licensee and NRC representatives. There may be some overlap in document completion if multiple shipments of the same type made."

Through the staff's daily interaction with applicants and based on the average length of time experienced applicants or respondents spend to complete Form 7, the NRC believes that the burden estimate of 2.4 hours per form for each respondent is indeed

accurate. However, the burden estimate for NRC staff time has been revised upward to reflect a correction in methodology employed to calculate it as indicated in item 15 of this Final Supporting Statement.

c. Dominion commented that in question 4.(c) of the First Federal Register Notice that "it is unclear how much material is considered or defined as a contaminant, and what material and how much needs to be reported."

The information on how much material is considered as a contaminant, the type of material and the amount to be reported is contained in 10 CFR Part 110, which provides for the use of NRC Form 7. Section 110.2 defines "incidental radioactive material. It includes all radioactive material that is contained in any non-radioactive material that is being exported or imported for recycle or resource recovery of the non-radioactive component, if the total weight of the shipment exceeds 100 kilograms.

d. On minimizing the burden of information collection through the use of automated collection techniques or other forms of information technology, Dominion commented that "significant burden can be minimized if reported electronically and automated collection techniques are used."

Licensees and applicants are able to utilize information technology, if they so desire. NRC Form 7 and the corresponding regulations at 10 CFR Part 110 are already downloadable from the NRC website at <http://www.nrc.gov/reading-rm/doc-collections/forms/nrc7.pdf>. Advance copies of completed forms may be sent to the NRC by e-mail or facsimile. Electronic signature will be available in the future for those who wish to use it by following the instructions on the NRC website at www.nrc.gov.

9. Payment or Gift to Respondents

Not applicable.

10. Confidentiality of the Information

Normally none of the information referred to in §§ 110.31-32 is considered confidential or proprietary. However, when the exporter specifically requests the NRC to keep the information confidential, the NRC will treat the information as "Company Proprietary" as in accordance with 10 CFR Section 2.790.

11. Justification for Sensitive Questions

There are no sensitive questions.

12. Estimated Burden and Burden Hour Cost

All licensees comply equally with the export requirements of §§ 110.19, 110.20, 110.21, 110.22, 110.23 and §§ 110.31 and 110.32. Based upon our experience, for the collection in § 110.31, we estimate 70 applications will be filed on NRC Form 7 annually and another 70 applications will be filed annually by letter which is approved under control number 3150-0036. Using an average cost of \$154 per hour for reactor 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>
67	1	2.4	160.8	\$24,763
(incidental radioactive material export filings under §§ 110.19(b), 110.20(a)(1), 110.21(e), 110.22(f), 110.23(e); nuclear material and equipment export submissions under §§ 110.31-110.32, except radioactive waste)				
3	1	10	30	\$4,620
(radioactive waste export submissions under § 110.31-110.32)				
Total	70		190.8	

Total annual burden is estimated at 190.8 rounded to 191 hours at a cost of \$29,414 (190.8 x \$152).

13. Estimate of Other Additional Costs

For licensees subject to the requirements of NRC Form 7, it is most likely that purchase of equipment and services were made before October 1, 1995, to achieve regulatory compliance with requirements no associated with this information collection, for reasons other than to provide information or keep records for the government, or as part of customary and usual business or private practices.

NRC has determined that the storage and equipment costs per foot are approximately \$45. 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 equal to .0004 percent of the recordkeeping burden cost. Therefore, the storage cost for this clearance is estimated to be insignificant at approximately \$5.17 (84 X \$154/hr. X .0004).

14. Estimated Annualized Cost to the Federal Government

The collection of information under Form 7 requires approximately 3,000 NRC professional staff hours per year to investigate, review and take action on the information received on NRC Form 7 under 10 CFR Part 110 associated with the collections referred to in §§ 110.19-110.23, and §§ 110.31-110.32 as well as respond to public inquiries and to maintain and store the files. The annual cost to the Federal Government at an average of \$154 for reactor and materials licensees is \$462,000 (3,000 professional staff hours x \$154). This is a subset of the annual labor cost approved by OMB for the costs associated with 10 CFR Part 110 (see OMB 3150-0036). The cost of NRC Form 7 is recovered through fee assessments to NRC licensees pursuant to 10 CFR Parts 170 and 171.

15. Reasons for Changes in Burden or Cost

Burden and Cost for Respondents:

There is no change in burden for respondents. The increase in the number of respondents was inadvertently omitted in the change worksheet which implemented the

final rule for 10 CFR Part 110, which was approved by OMB on 12/01/2000. The final rule increased the number of respondents from 63 to 70, based on current licensing experience, as well as the burden from 150 to 191 hours. The change in cost reflects an increase in the annual labor cost to the Federal Government from \$140 to an average of \$154 per staff hour for reactor and materials licensees.

Some of the information on NRC Form 7 is being revised since the last OMB submittal, but there is no change in burden per response. This is because the information requested previously in items 22, "Country of Origin -- Source Material," and 23, "Country of Origin -- SNM Where Enriched or Produced," is being consolidated under a new item 22 as "Foreign Obligations by Country and Percentage." Also, the need for the NRC to collect the information requested in item 24, "Countries Which Attach Safeguards (if known)," is obsolete, so it is being deleted. The last two items on Form 7, items 26 and 27, are being moved up and re-numbered as items 24 and 25. The net result of the changes to Form 7 is two fewer items to complete, but no change in burden per response because the time needed to complete the revised item 22 has increased due to increasing U.S. Government reporting commitments for bilateral agreements for cooperation in the peaceful uses of nuclear energy pursuant to Section 123 of the Atomic Energy Act of 1954.

Burden and Cost for the Federal Government:

The burden for the Federal Government for OMB 3150-0027 has increased from a total of 1,000 hours to 3,000 hours since the last renewal. The increase reflects a correction in the methodology used to calculate burden and a re-estimate of required professional staff hours. The re-estimation was based on five professional staff to complete the analysis and review of incoming forms, to answer questions, to take licensing action, and to maintain files on the information collected in NRC Form 7. (This burden is a subset of the 6,000 hour burden approved under OMB 3150-0036, 10 CFR Part 110, Export and Import of Nuclear Equipment and Material, which includes the 70 written applications). The change in cost reflects an increase in the annual labor cost to the Federal Government from \$140 to an average of \$154 per staff hour for reactor and materials licensees.

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

There are no exceptions.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

Not applicable.