

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

(3150-0104)  
Extension Renewal With Burden Adjustment

Description of the Information Collection

Holders of operating licenses for commercial nuclear power plants are required to report specified events in writing using NRC Forms 366, 366A, and 366B, "Licensee Event Report."

A. JUSTIFICATION

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

Part of the NRC's 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 (AEA) as amended. In order for the NRC to carry out these responsibilities, licensees must report significant events so that the NRC can evaluate the events to determine what actions, if any, are warranted to ensure protection of public health and safety or the environment. In addition, this information is needed for the NRC to carry out its responsibility to inform Congress of those events constituting "abnormal occurrences."

Section 10 CFR 50.73, requires reporting, on NRC Forms 366, 366A, and 366B, the types of reactor 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. It is 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.

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 requirements were modified to reduce or eliminate the unnecessary reporting burden associated with events of little or no safety significance. The final rule also better aligned event reporting requirements with the type of information 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 were modified to reflect changes in 10 CFR 50.73. Also, NUREG-1022, Revision 2, "Event Reporting Guidelines, 10 CFR 50.72 and 50.73," was made available concurrently with the final rule.

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 operational experience, monitoring performance, identifying precursors of more significant events, and providing operational 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 operational 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 corrective or remedial actions such as issuing generic letters, bulletins and information notices.

In addition, formal and informal methods have been developed to couple the NRC's program with the industry's programs. The NRC cooperates with the industry's Institute of Nuclear Power Operations (INPO) by exchanging information on operational events. 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 operational events. The worldwide sharing of nuclear operating experience has proven valuable, particularly for accident prevention.

Elimination of data collection would seriously degrade the NRC's ability to assess operating experience, feed back 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

The NRC has implemented an electronic document management and reporting program, known as the Agency-wide Document Access and Management System (ADAMS), that will in general provide for electronic submission of many types of reports, including those required by 10 CFR 50.73. Pending such electronic submission, LERs are currently entered into ADAMS upon receipt by the NRC and are available to interested persons via the Internet. LERs are also downloaded by the Idaho National Engineering and Environmental Laboratory for input into the Integrated Data Collection and Coding System (IDCCS) operational experience database and made available to the NRC staff and contractors. Previously the LERs were entered into ADAMS upon receipt and electronically transferred to the Oak Ridge National Laboratory for input into the Sequence Coding Search System (SCSS) operational experience database which is being phased out by the end of March 2004 and replaced with the IDCCS system. Currently no LERs are submitted electronically.

There are no legal obstacles to reducing the burden associated with this information collection through the use of electronic media.

4. Efforts to Identify Duplication and Use Similar Information

There is no similar information available to the NRC. The Information Requirements Control Automated System (IRCAS) was searched, and no duplication was found.

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 to comment on this information collection was published in the Federal Register on March 9, 2004 (69 FR 11045). The following comments were received from Progress Energy dated May 10, 2004:

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

Progress Energy's comments:

The information collected through the LER process may not be necessary for the NRC to perform properly its functions, since the information regarding significant events is available more quickly through other means (e.g., the Resident Inspections, 50.72 reports, etc). The information does have practical utility to the nuclear industry as a useful source of information on operating experience and for trending purposes.

NRC response to Progress Energy's comments:

The information contained in LERs typically provides a thorough evaluation and documentation of necessary information that is not necessarily available at the time a 50.72 immediate notification is given. The NRC also considers LERs as a useful source of information for various activities. One example pertains to obtaining valuable operating experience insights and applying this information toward regulatory activities, i.e., issuance of generic communications. LERs also serve as a useful source of information for various research or trend studies that NRC undertakes.

**2. Is the burden estimate accurate?**

Progress Energy's comments:

The burden estimate is accurate for just the LER response portion. However, it is low for total effort involved. For example, the time spent on a root cause investigation, associated with an issue subject to an LER, is as much as or more than the time spent on the actual LER.

NRC response to Progress Energy's comments:

The "burden estimate" is intended to assess the resources applied toward LER preparation only and not toward any preparatory or related tasks, i.e., root cause investigation. Any effort toward analyzing root cause is covered under the clearance for 10 CFR Part 50 (3150-0011), Section 15, Quality Assurance Records, Appendix B.

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

Progress Energy's comments:

Quality, utility, and clarity might be enhanced if the NRC identified characteristics that result in better LERs or periodically identified "Good Example" LERs. Perhaps the NRC could collaborate with an industry group, such as the Nuclear Energy Institute, to achieve this.

NRC response to Progress Energy's comments:

We recognize that there is always room for improvement in quality, utility, and clarity of the information to be collected. Periodically identifying "good example" LERs and collaborating with an industry group could be beneficial to serve this purpose. We will take these suggestions under consideration in our continuing effort to make improvements. However, we believe that in general the LERs currently submitted meet the NRC's requirements.

**4. How can the burden of the information collection be minimized, including the use of automated collection techniques or other forms of information technology?**

Progress Energy's comments:

No comment.

NRC response to Progress Energy's comments:

No response needed

9. Payment or Gift to Respondents

Not Applicable

10. Confidentiality of Information

NRC provides no pledge of confidentiality for this collection of information.

11. Justification for Sensitive Questions

No sensitive information is requested.

12. Estimated Burden and Burden Hour Cost

Previously (i.e., three years ago) in connection with a periodic renewal of this information collection, it was estimated that licensees would annually submit approximately 1,130 LERs. At 50 hours per LER, this resulted in an estimated burden of 56,500 hours.

However, as a result of a decreasing trend in the number of reportable events and the final rule in the Federal Register which amended the event reporting requirements in 10 CFR 50.73 (65 FR 63769), effective January 23, 2001, licensees have submitted a maximum of about 400 LERs per year (initial LERs, Supplemental LERs and LER retractions) in recent years (a reduction of about 730 LERs per year).

Accordingly, licensees are expected to continue to submit a maximum of about 400 written LERs per year using NRC Forms 366, 366A, and 366B. As in past years, it is estimated that licensees expend 50 hours per written LER. This yields an estimated recurring annual burden of about 20,000 hours per year industry-wide (a reduction of about 36,500 hours per year), or about 192 hours per reactor per year for 104 operating reactors (a reduction of about 351 hours per reactor per year).

At \$156 per hour, this amounts to about \$3.12M per year industry-wide ( $\$156 \times 20,000$ ) or about \$30K per year per reactor for 104 operating reactors ( $\$3.12M \div 104$ ).

13. Estimate of other Additional costs

There are no additional costs.

14. Estimated Annualized Cost to the Federal Government

Previously (i.e., three years ago) in connection with a periodic renewal of this information collection, it was estimated that in connection with the rule change that revised this information collection, effective January 23, 2001, the NRC would expend about 14,100 hours of effort and approximately \$600K for a database contract to compile, review and follow up LERs that are submitted using NRC Forms 366, 366A, and 366B.

The inspection program, implemented by the regions, has three Inspection Procedures (IPs) that concern LERs: 71153, Event Follow-up; 71111.14, Personnel Performance During Nonroutine Plant Evolutions; and IP 71152, Identification and Resolution of Problems. These IPs allow for up to 8 hours of inspection time per LER. It is estimated that each inspection will take a maximum of 8 hours per LER and it is anticipated that there will be a maximum of 400 LERs submitted per year (including supplementals, revisions, and retractions). Therefore, with 8 hours of effort per LER and 400 LERs (8 hours per LER X 400 LERs), it is estimated that the Regions expend approximately 3,200 hours of effort per year.

NRR reviews LERs for specific issues and generic concerns and it is estimated that the resources expended are about two hours per LER. It is anticipated that there will be a maximum of 400 LERs submitted per year (including supplementals, revisions, and retractions). Therefore with 2 hours of effort per LER and 400 LERs (2 hours per LER X 400 LERs), it is estimated that 800 hours of effort is needed per year for NRR.

The NRC Office of Research (RES) also reviews LERs for the Accident Sequencer Precursor (ASP) Program and maintains the agency's LER database. ASP program staff review approximately 50 of the most significant LERs per year for about one hour per LER (50 LERs X 1 hour), therefore it is estimated that 50 hours of effort is needed, per year for RES for this program. The ASP program contract costs relative to LERs are estimated to be \$97K per year. RES also expects to spend about \$600K per year in contract costs for coding events, inputting data to the LER database, and maintaining the LER database. Currently the contract is budgeted for \$675K (FY04) and \$625K (FY05), but this includes initial system development costs. Ultimately, it is expected that it will cost \$600K per year to maintain the database. Finally, the RES expends about 200 hours per year in managing the contract (a reduction of 1800 hours per year from the previous submission).

The total effort is estimated to be 4,250 hours (3,200 regional inspection hours + 800 NRR hours + 200 RES database contract hours + 50 RES ASP program staff hours). This is a reduction of approximately 10,000 hours of effort since the last OMB Clearance Extension Request.

At \$156 per hour, this amounts to a total of about \$1.36M per year (\$156 x 4,250 hours + \$600K for database contract + \$97K for ASP program contract = \$1.36M).

These costs are fully recovered through fee assessments to the NRC licensees pursuant to 10 CFR Parts 170 and/or 171. Cost is based on the fee rate assessed to licensees.

15. Reasons for Change in Burden or Cost

It was estimated during the last OMB Clearance Extension Request that the licensees would submit approximately 1,130 LERs per year and expend about 50 hours per LER. Based on the review of reports over the last three years, licensees have submitted a maximum of 400 LERs per year and expended about 50 hours per LER which results in an annual burden of 20,000 hours.

The final rule amending the event reporting requirements of 10 CFR 50.73 (65 FR 63769), effective January 23, 2001, estimated a significant burden decrease (-13,000 hrs annually) because only significant events will be reported. Although the July 2001 clearance renewal estimated a pro-rated burden decrease (-9,927 hrs annually) based on the revised rule, 3 years of additional experience has shown that the LER reduction is greater than originally estimated. We currently project an estimated recurring annual burden of about 20,000 hours per year industry-wide, or about 192 hours per reactor per year for 104 operating reactors (a reduction of about 36,500 hours or 351 hours annually per reactor) based on the reduction in responses. There is no change in burden per response.

At \$156 per hour, this amounts to about \$3.12M per year industry-wide (\$156 x 20,000) or about \$30K per year per reactor for 104 operating reactors (\$3.12M ÷ 104).

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. Collection of Information Employing Statistical Methods

The collection of information does not employ statistical methods.

**CONSULTATIONS OUTSIDE THE NRC**

**Item #8 of the Supporting Statement**

**OMB Clearance 3150-0104**

**NRC Forms 366, 366A, 366B, "Licensee Event Report"**

The following question was asked of the facilities:

"On an average, what is the estimated number of hours that you (the licensee) spend to prepare a Licensee Event Report (only for writing and submitting the report)?"

|    | PERSON NRR SPOKE WITH  | ACTUAL ESTIMATE OF RESPONSE TIME |
|----|--|----------------------------------|
| 1. | George Madden (Licensee: Florida Power and Light, Plant: St. Lucie )                     | 50 hours                         |
| 2. | John Caves (Licensee: Carolina Power & Light Company, Plant: Shearon Harris)             | 40 hours                         |
| 3. | Gary Miller (Licensee: Virginia Electric & Power Company, Plants: Surrey and North Anna) | 60 hours                         |

Based on the above data, the estimated average number of hours that a licensee spends to prepare a Licensee Event Report is about 50 hours.