

OMB SUPPORTING STATEMENT FOR
NRC FORM 748
“NATIONAL SOURCE TRACKING TRANSACTION REPORT”

(3150-XXXX)

Description of the Information Collection

As a result of the terrorist attacks in the U.S. on September 11, 2001, the U.S. Nuclear Regulatory Commission (NRC) has undertaken a comprehensive review of nuclear material security requirements, with particular focus on radioactive material of concern. Based on the findings of its review, the NRC is proposing to amend its regulations to implement a new program called the National Source Tracking System. Under this program, licensees will be required to report information on the manufacture, transfer, receipt, disassembly, and disposal of nationally tracked sources. This information will be used to maintain the National Source Tracking System and will provide the NRC with a life cycle account for these sources and, thus, improve accountability and controls over them. The transaction information will be collected using new NRC Form 748, “National Source Tracking Transaction Report.” The data elements contained on this form represent the minimum information necessary to track the nationally tracked sources from cradle to grave to ensure that all such sources continue to be accounted for.

A. Justification

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

There is broad U.S. Government and international interest in tracking radioactive sources to improve accountability and control. Currently, there is no single U.S. source of information to verify the authorized users, locations, quantities and movement of these materials. Separate NRC and Agreement State systems track licensees and the maximum amounts of materials they are authorized to possess but do not record actual sources or their movements. National source tracking is part of a comprehensive radioactive source control program for radioactive materials of greatest concern. Although a national source tracking system can not insure the physical protection of sources, it will provide greater source accountability. A national source tracking system in conjunction with other controls will result in improved security for sealed sources. The National Source Tracking will fulfill a U.S. Government commitment to the International Atomic Energy Agency *Code of Conduct on the Safety and Security of Radioactive Sources*. In addition the Energy Policy Act of 2005 requires the NRC to issue regulations establishing a mandatory tracking system for radiation sources in the United States.

2. Agency Use of the Information

The NRC will use the information to identify licensees that possess nationally tracked sources so they can be contacted or inspected, to better understand and monitor the location and movement of high-risk sealed sources, and to promote and maintain the common defense and security.

3. Reduction of Burden Through Information Technology

There are no legal obstacles to reducing the burden associated with this information collection through the use of information technology. In fact, the NRC encourages licensees to use information technology when it would be beneficial to them. NRC issued a regulation on October 10, 2003 (68 FR 58792) consistent with the Government Paperwork Elimination Act, which allows its licensees, vendors, applicants, and members of the public the option to make submissions electronically via CD-ROM, e-mail, special web-based interfaces, or other means.

The rule contains provisions for the submission of nationally tracked source transaction information in electronic format (i.e., through the use of on-line forms or computer-readable format files). It is anticipated that 90 percent of the licensees that possess nationally tracked sources will submit their source transaction information electronically.

4. Effort to Identify Duplication and Use Similar Information

Some information on plutonium and thorium will be collected by both the Nuclear Materials Management Safeguards System (NMMSS) and the National Source Tracking System. The current regulations require reporting transfers, receipts, and inventory to NMMSS for one gram or more of plutonium (Pu) and any thorium (Th) that has foreign obligations. However, because NMMSS does not collect information at the item level, information (e.g., make, model, serial number, source strength) on sealed sources will not be reported to NMMSS. Therefore, the NRC will not be able to extract the information for the National Source Tracking System from NMMSS.

The National Source Tracking System will contain information only on nationally tracked sources and not information on sources that are not considered sealed or on any bulk material that a licensee may possess. Therefore, the NRC will not be able to extract information from the National Source Tracking System to support NMMSS. Neither system will be able collect the needed information for the other system without modifications to the database and the regulations.

In practice, the NRC has found that Pu and Th nationally tracked sources are typically held by licensees for long time periods and are not routinely transferred to other licensees, so incidences of double-reporting are expected to be rare. Only 10 licensees have indicated that they possess Pu or Th sources that will need to be reported to the National Source Tracking System. The NRC does not believe that the limited number of licensees and transactions likely to be affected by this dual reporting requirement will impose an unnecessary burden. The NMMSS and the National Source Tracking System will collect information on these isotopes but in different formats and with different levels of detail as needed by each system.

5. Effort to Reduce Small Business Burden

While some licensees who possess nationally tracked sources are small businesses, the concerns associated with the safe and secure use of nationally

tracked sources are the same for large and small entities. It is not possible to reduce the burden on small businesses by less frequent or less complete reporting or control procedures while maintaining the required level of common defense and security.

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

If the information is not collected, the NRC will have no way to identify licensees that possess nationally tracked sources or monitor the location and movement of the sources.

Required reports will be collected and evaluated on a continuing basis as transactions and events occur. The schedule for collecting the information is the minimum frequency necessary to monitor the location and transfer of nationally tracked sources from a security standpoint and ensure that the information in the National Source Tracking System is accurate and up-to-date.

7. Circumstances Which Justify Variation from OMB Guidelines

Contrary to OMB Guidelines in 5 CFR 1320.5(d)(2), sections 20.2207(a) through (e) and 150.18(a) through (e) require licensees to complete and submit a National Source Tracking Source Transaction Report by the close of the next business day after the transaction. Section 20.2207(f) and 150.18(f) require licensees to correct errors and file reports for any missed transaction within 5 business days. This information collection frequency is necessary to monitor the current location of nationally tracked sources from a security standpoint and ensure that the information in the National Source Tracking System is accurate and up-to-date.

8. Consultations Outside the NRC

Opportunity to comment on the proposed rule's information collection requirements was published in the *Federal Register* on August 8, 2005 (70 FR 45571). No specific comments on the information collection were received. Comments were received on the Regulatory Analysis prepared to support the proposed rule that impact the information collection burden. One commenter stated that regulatory analysis understated the cost and time necessary to comply with the rule, specifically, that approximately 80 hours will be needed to conduct some computer programming, another commenter also indicated that some effort was necessary to develop the process for electronic data downloads, including training and procedure development. The staff agreed that some licensees will need time to develop commuter programs to handle to electronic data download. The 80-hour estimate suggested by the commenter has been used in the regulatory analysis and is reflected in the information collection burden for the new NRC Form 748 transaction report. Most licensees will not need to do any programming but will use the on-line option for providing input. The staff has also added a one-time training cost of 8 hours per licensee to the supporting statement for the proposed rule to cover the time for learning the system.

9. Payment or Gifts to Respondents

Not applicable.

10. Confidentiality of Information

The information reported to the National Source Tracking System will be Official Use Only - Security Related Information, which is a category assigned to NRC unclassified sensitive information. Licensees will only have access to their own information. The information will be withheld from public disclosure.

11. Justification for Sensitive Questions

This information collection does not contain sensitive questions.

12. Estimated Burden and Burden Hour Cost

The estimated annual burden to licensees under NRC Form 748 is estimated to be 5753.6 hours at a cost of \$1,133,459 (5753.6 hours x \$197 per hour). This burden includes a one-time burden of 5,333 hours and an recurring burden of 420.6 hours.

The recurring burden varies by reporting mechanism. For on-line transactions, the burden is estimated to be 302.8 hours (1,781 reports at 0.17 hours per report); for computer-readable formats 53.6 hours (670 reports at 0.08 hours per report); by mail or fax 56 hours (224 reports at 0.25 hours per report); and by telephone 3.6 hours (12 reports at 0.3 hours per report). Additionally, we estimate that 1 percent or 27 of the responses will need to be corrected. The burden estimate for correcting errors on previously filed reports is 4.6 hours (27 reports at 0.17 hours per report).

In addition to the recurring burden reflected above, there is a one-time recordkeeping burden to 200 licensees for programing necessary for the computer batch submittal. The one-time burden is 16,000 hours (80 hours x 200 licenses) or 67 responses (17 NRC licensees, 50 Agreement State Licensees) and 5,333 hours annualized over 3 years.

Total NRC Form 748 Burden

● Total Burden Hours:	5,754	
NRC	1,496	(109 reporting + 1,387 recordkeeping)
Agreement States	4,258	(312 reporting + 3,946 recordkeeping)
● Number of Respondents:	1,350	(350 NRC + 1,000 Agreement States)
Number of Responses:	2,781	
NRC	722	(705 + 17 recordkeepers)
Agreement States	2,059	(2,009 + 50 recordkeepers)

- Total NRC Form 748 Cost: \$1,133,459 (5753.6 hours x \$197 per hour)

13. Estimate of Other Additional Costs

The NRC estimates that licensees will experience an annual cost of about \$471 in faxing, mailing, and telephone call costs.

The NRC considers Internet access to be a standard business practice. Therefore, the cost associated with the purchase of Internet access services is not considered an incremental cost to licensees.

14. Estimated Annualized Cost to the Federal Government

All costs are attributed to operating the National Source Tracking System¹. Estimated operational cost of the system is \$2,800,000 per year. This includes the cost of ADP, record holding, and clerical processing of NRC Form 748.

15. Reasons for Change in Burden

The rule, "National Source Tracking of High-Risk Sealed Sources," establishes a National Source Tracking System to track sources containing radioactive material of concern. The rule establishes a new NRC Form 748 that licensees may use to enter the data. Alternately, a licensee may enter the data on-line.

This information collection adds 5,754 hours burden (1,496 NRC Licensees + 4,258 Agreement State Licensees) and 2,781 responses (722 NRC Licensees + 2,059 Licensees) because this is a new form which had no previous burden. The burden cost per hour has been estimated at \$197/hr.

16. Publication for Statistical Use

The information requested will not be published for statistical use.

17. Reason for Not Displaying the Expiration Date

The clearance expiration date will be displayed on NRC Form 748.

18. Exceptions to the Certification Statement

None.

B. Collection of Information Employing Statistical Methods

Not applicable.

¹Developmental cost for the National Source Tracking System are estimated to be \$6.8 million.