

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 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 of 1954 (the Act) 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."

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. The forms are 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.

Although the above rulemaking reduces the number of events being reported, the number of reportable events during the last 3 years have remain steady at 400 reports annually. However, the burden has increased to complete the forms by 30 hours which resulted from a voluntary survey conducted during this renewal cycle.

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

There are no legal obstacles to reducing the burden associated with this information collection through the use of electronic media. The NRC encourages respondents to use information technology when it would be beneficial to them. The NRC issued a regulation on October 10, 2003 (68 FR 58791), 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 interface, or other means. At the current time, approximately 5% of the responses are submitted electronically.

4. Efforts to Identify Duplication and Use Similar Information

There is no duplication of requirements. The NRC has in place an ongoing program to examine all information collections with the goal of eliminating all duplication and/or unnecessary information collections.

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

The opportunity for public comment on this information collection was published in the Federal Register on February 6, 2007 (72 FR 5455). No comments were received.

NRC consulted with licensees regarding the burden for NRC Forms 366, 366A, and 366B to determine the number of hours licensees need to complete the forms as compared to the number of hours currently estimated for each licensee. Upon review of the results gathered, it was determined that it was necessary to modify the burden estimates to better reflect total burden imposed on licensees. The burden modifications are discussed in Item 15.

Five licensees responded to the survey request. In addition, five other estimates were included, three of them historical estimates from a similar survey completed three years ago, and two from NRC staff members with recent industry experience, resulting in a total of ten estimates. Licensees contacted: Palo Verde, Oyster Creek, ANO, TMI-1 and Dominion.

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

No sensitive information is requested.

12. Estimated Burden and Burden Hour Cost

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 total of about 400 LERs per year (initial LERs, Supplemental LERs, and LER retractions) in recent years (a reduction of about 730 LERs per year from peak years).

Accordingly, licensees are expected to continue to submit a maximum of about 400 written LERs per year using NRC Forms 366, 366A, and 366B. In past years, it was estimated that licensees expend 50 hours per written LER. This yielded an estimated recurring annual burden of about 20,000 hours per year industry-wide. In the Fall of 2006, NRC staff conducted a voluntary survey of licensees. Five licensees responded to the survey request. In addition, five other estimates were included, three of them historical estimates from a similar survey completed three years ago, and two from NRC staff members with recent industry experience, resulting in a total of ten estimates. Upon review of the survey results, the revised burden estimate per LER is now 80 hours, and of this burden approximately 20%, or 16 hours per LER is estimated to involve recordkeeping activity.

Thus, the estimated annual reporting burden is 25,600 hours (400 X 64 hours) at a cost of \$5,555,200 (25,600 X \$217) and the estimated annual recordkeeping burden is 6,400 hours (400 X 16 hours) at a cost of 1,388,800 (6,400 X \$217). The total estimated burden for completing LERs is 32,000 hours (25,600 for reporting and 6,400 hours for recordkeeping), with an annual cost of \$6,944,000 (32,000 X \$217).

13. Estimate of other Additional costs

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 .0004 times the recordkeeping burden cost. Therefore, the storage cost for this clearance is determined to be \$555.52 (6,400 hours x \$217/hour x .0004 = \$555.52).

14. Estimated Annualized Cost to the Federal Government

The inspection program, implemented by the NRC regional offices, 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 Nuclear Regulatory Research (RES) also reviews LERs for the Accident Sequencer Precursor (ASP) Program and maintains an LER database and LER search system, LERSearch. The ASP program staff reviews 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 \$100K per year. RES also expects to spend about \$650K per year in contract costs for coding events, inputting data to the LER database, and maintaining the LER database and LERSearch. Finally, RES expends about 200 hours per year in managing the contract.

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). These values are the same as the estimates provided in the last OMB Clearance Extension Request, so there has been no change in the level of effort in this area.

The total estimated annual cost for the government is \$1,672,250 (\$217 x 4,250 hours + \$650K for database contract + \$100K for ASP program contract).

15. Reasons for Change in Burden or Cost

It was estimated during the last OMB Clearance Extension Request that the licensees would submit approximately 400 LERs per year and expend about 50 hours per LER or about 20,000 hours annually. Over the last three years, licensees have continued to submit nearly 400 LERs per year, but the level of effort required to complete the forms has increased from 50 hours to 80 hours, thereby increasing the overall burden by 12,000 hours from 20,000 to 32,000 hours. This increase is based on NRC staff experience and the results of licensees surveyed indicating a more realistic burden estimate in consideration of the time required for an assessment of the reportability of more events than those that are ultimately reported. Since the last clearance renewal, estimates of the hours required to report and maintain records on LERs have been sharpened by more clear and detailed description of the activities that should be considered in producing what we believe is a somewhat more realistic annual burden estimate of 32,000 hours per year industry-wide, or about 308 hours per reactor year.

Additionally, the cost to industry increased from \$156/hour to \$217/hour.

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 and 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)?" This question was further clarified by the detailed guidance noted below the survey table.

Licensee	Contact Name	Response	Comments
Palo Verde	Ray Buzard	32.5	Ray.Buzard@asp.com ; 623-393-5317
Oyster Creek	Thomas Loomis	32.5	Thomas.Loomis@exceloncorp.com
ANO	Richard Scheide	25	RSCHEID@entergy.com ; Noted that burden varies widely depending upon issue complexity and their submitted estimate maybe less than most other licensees due to ANO having very experienced staff.
TMI-1	Adam Miller	40	Adam.Miller@exeloncorp.com
Dominion	Craig Sly	220	Craig.D.Sly@Dom.com ; Response rec'd after completion of survey.
Historical Data			
St. Lucie	George Madden	50	Surveyed 01/2004
Shearon Harris	John Caves	40	Surveyed 01/2004
Surrey/North Anna	Gary Miller	60	Surveyed 01/2004
Other			
NRC Staff		150	NRC staffer with recent prior experience at licensees.

NRC staff factored inputs into a weighted average calculations using four groups of input sources as shown below:

- (1) four responses from licensees to the initial survey request, averaging 32.5 hours per LER (weighting value of 0.4) = 13 hours.
- (2) three historical estimates from licensees averaging 50 hours per LER (weighting value of 0.3) = 15 hours.

Enclosure

(3) two estimates from NRC staff with recent prior experience at licensees, average of 150 hours per LER (weighting value of 0.2) = 30 hours.

(4) one current burden experience from the last licensee who responded to the survey after the initial group of four licensees, indicating a burden of 220 hours per LER (weighting value 0.1) = 22 hours.

Licensees were provided the following guidance in responding to the voluntary survey with their estimates of the time required to prepare LER's:

"Provide your best estimate of the average total number of work hours required for the licensee to prepare and submit a Licensee Event Report (i.e., the burden involved).

"In estimating this burden, please consider: The total time, effort, and/or financial resources required to generate, maintain, retain, disclose, or provide information, including that to:

- * Read or hear and understand instructions
- * Develop, modify, construct, copy, or assemble any materials or equipment needed solely to respond to the request
- * Develop, acquire, install, or utilize technology and systems for the purpose of collecting, validating, verifying, processing, maintaining, disclosing, or reporting information
- * Compile information from records and/or conduct tests, interviews, inspections, polls, observations, or other activities necessary to obtain the information
- * Train personnel to respond to an information collection
- * Organize the information into the requested format
- * Maintain, disclose, disseminate, or report the information
- * Review the accuracy and appropriateness of the information
- * Respond to any followup request for clarification, further information, or verification

"An information collection conducted or sponsored by a Federal agency that is also conducted or sponsored by a State, local, or tribal government is presumed to impose a Federal burden except to the extent that the agency shows that such State, local, or tribal requirement would be imposed in the absence of a Federal requirement. Burden does not include the time and financial resources necessary to comply with collections of information that would be incurred by persons in the normal course of their activities (e.g., technical requirements, including the installation of equipment or conducting inspections) if it can be demonstrated that these collections are usual and customary. The burden imposed by all third-party collections must be included in the clearance package.

"As an example, the estimated burden should include and account for work hours spent assessing potential reportability of plant conditions and events under 10 CFR 50.73 even though the assessment determines the specific condition or event is not reportable. The estimated total work hours for assessing potential reportability should be included in the average estimated burden for those conditions and events that are determined to be reportable.

"As another example, the estimated burden should not include the work hours spent performing cause determination (e.g., root cause analysis) and corrective action development for reportable conditions and events that the licensee considers conditions adverse to quality or significant conditions adverse to quality because cause determination and corrective action development for such conditions is performed pursuant to requirements of 10 CFR 50 Appendix B, Criterion 16. That is, the work hours involved with evaluating causes and developing corrective actions is incurred in the normal course of activities addressed by 10 CFR 50 Appendix B, Criterion 16. Notwithstanding the above, the work hours spent transferring cause determination and corrective action information to the LER format should be included in the burden estimate."