

FINAL SUPPORTING STATEMENT
FOR
48 CFR CHAPTER 20
U.S. NUCLEAR REGULATORY COMMISSION
ACQUISITION REGULATION
(3150-0169)

EXTENSION

Description of the Information Collection

U.S. Nuclear Regulatory Commission (NRC) regulations at 48 *Code of Federal Regulations* (48 CFR) Chapter 20, "NRCAR [Nuclear Regulatory Commission Acquisition Regulation]" implement and supplement the government-wide Federal Acquisition Regulation (FAR) and ensure that the policies governing the procurement of goods and services within the NRC satisfy the needs of the agency. The NRCAR includes policies, procedures, solicitation provisions, and contract clauses needed to ensure effective and efficient evaluation, negotiation, and administration of procurements.

Chapter 20 of 48 CFR provides for the codification and publication of uniform policies and procedures for acquisitions by the NRC. The NRCAR is not, by itself, a complete document. It must be used in conjunction with the FAR (48 CFR Chapter 1). Where material in the FAR requires no agency-specific implementation or supplementation, there is no corresponding numbering in the NRCAR. Therefore, there may be gaps in the NRCAR sequence of numbers where the FAR requires no further implementation.

The FAR and NRCAR apply to all NRC acquisitions of supplies and services which obligate appropriated funds, except as exempted by Sections 31 and 161 of the Atomic Energy Act of 1954, as amended, and Section 205 of the Energy Reorganization Act of 1974, as amended. For procurements made from non-appropriated funds, the Director, Division of Contracts, shall determine the rules and procedures that apply.

The NRCAR guidance is grouped by the following procurement topics:

- Conflict of Interest
- Contractor Personnel
- Cost Issues
- Patents/Copyright
- Reports, Publications, and Drawings
- Responsibility Determinations (Sealed Bid)
- Security
- Technical and Cost Proposals (competitive)
- Technical and Cost Proposals (task order)

A. JUSTIFICATION

1. Need for and Practical Utility of the Information Collection

Section 2009.570-3(b) (1) and (2). This section implements the statute (42 U.S.C. Sec. 2221, Sec. 170A of the Atomic Energy Act of 1954, as amended), which governs conflicts of interest pertaining to contract award. It requires that the offeror or contractor disclose information concerning relationships that may be potential conflicts of interest under certain circumstances which are listed. If there is an indication of a potential for a conflict of interest, the contracting officer may request specific information or may require special clauses. The burden associated with this requirement is covered under §2052.209-71, "Contractor Organizational Conflicts of Interest (representation)." It includes information needed to make conflict of interest determinations on a case-by-case basis.

Section 2009.570-3(c). This section provides conflict of interest policy application guidance. Because the NRC does not predetermine conflict of interest issues before receiving offers, this information helps organizations decide whether to expend bid and proposal costs if there is a possibility of ineligibility for award due to a conflict of interest determination. The burden associated with this requirement is covered under paragraphs (d)(2), (d)(3), and (f) of §2052.209-72, "Contractor Organizational Conflicts of Interest."

Section 2009.570-5(b). This section states that if it is determined from the nature of a proposed contract that an organizational conflict of interest exists, the contracting officer may determine that the conflict can be avoided, or, after obtaining a waiver in accordance with §2009.570-9, neutralized through the use of an appropriate special contract clause which may be negotiated with the offeror. The burden associated with this requirement is minimal.

Section 2009.570-8. This section states that the contracting officer shall require offerors and contractors to submit a representation statement from all subcontractors (other than a supply subcontractor) and consultants performing services in excess of \$10,000 that award of the contract or modification does not involve conflict of interest situations. The burden for this requirement, which flows down from the prime to the subcontractor, is covered under §2052.209-72, "Contractor Organizational Conflicts of Interest."

Section 2014.201-670(b). This section requires all bidders to list previous/current contracts for a period of time specified by the contracting officer in which the bidder was the prime or principle subcontractor. This information will assist the contracting officer to make a determination of responsibility. In some instances where there is little or no procurement history available, information concerning bidder qualifications and past experience enables the contracting officer to query the technical and contracting points of contact identified and ascertain the bidder's performance record, integrity, and business ethics.

The burden for this requirement is covered under §2052.214-71, "Bidder Qualifications and Past Experience."

Section 2027.305-3 (a) and (b). These sections pertain to contractor reporting requirements during contract closeout procedures. Paragraph (a) of this section requires the contractor to report on any patents, copyrights, or royalties attained using any portion of the contract funds. If the contractor did not earn any patents, copyrights or royalties using any portion of contract funds, paragraph (b) of this section requires the contractor to submit a written determination to this effect before final payment and closeout of the contract. The requirements of paragraphs (a) and (b) are necessary to ensure that the contractor has not generated work to which the Federal government might have technical or economic rights and brings the NRCAR into conformance with FAR Part 27.504-3(a). This FAR Part states that, "Agencies shall maintain appropriate procedures to protect the Government's interest and to check that subject inventories are identified and disclosed."

Section 2042.570-1. This section requires the contractor to provide a copy of the NRC Differing Professional Views procedures to all its employees performing under the contract and to all subcontractors, who in turn, shall provide a copy of the procedure to its employees so that all are aware of NRC's policy. NRC's policy is to maintain a working environment that encourages expression of best professional judgments, even though these may differ from prevailing NRC staff view, disagree with a management decision or policy position, or take issue with proposed or established agency practices. The procedures cited under this section allow the contractor a means to express disagreement with the NRC staff. The recordkeeping burden for this section is included under §2052.242-70, "Resolving NRC Contractor Differing Professional Views," and the reporting burden is included under §2052.242-71, "Procedures for Resolving NRC Contractor Differing Professional Views."

Section 2042.803(a) (2) (i). This section states that the contractor may submit a written claim to the contracting officer for reimbursement of a disallowed cost. This procedure allows an alternative to filing a formal claim under the Disputes clause.

Section 2042.803(b). This section states that when audit reports or other notifications question costs or consider them unallowable, the contracting officer shall resolve all cost issues through discussions with the contractor and/or auditor, whenever possible, within 6 months of receipt of the audit report. The resolution process is dependent on a number of inputs including the contractor's. Six months is a realistic time frame based on experience in resolving audit cost issues.

Section 2045.371(b). This section requires contractors to send a copy of each Financial Status Report to the Chief, Property and Acquisition Oversight Branch, whenever the Financial Status Report references acquisition of, or change in status of, contractor-held property purchased with government funds valued at the time of purchase at \$50,000 or more. This amount is the threshold for detailed reporting of capitalized property. Capital property is recorded as an asset in the agency's financial statement. The NRC surveyed several other agencies to determine their reporting requirements for capitalized equipment. As

a result of that survey, the agency determined that the threshold of \$50,000 for detailed reporting of capitalized equipment will maintain the integrity of the contractor's reporting system and preserve, at a meaningful level, NRC's right to recover capitalized equipment. The burden for this requirement is stated under §2052.211-72, "Financial Status Report" and §2052.211-72, "Financial Status Report - Alternate 1."

Section 2052.204-70(b). This section requires the contractor; upon completion or termination of the contract to transmit to the Commission any classified matter in the possession of the contractor or any person under the contractor's control in connection with performance of the contract. If contractor retention of classified material is required after termination of the contract, the contractor must complete a certificate of possession. This certificate must identify the items and types or categories of matter retained, the conditions governing the retention of the matter and their period of retention, if known. In addition to Executive Orders, Statutes and other directives which apply to the security systems of all Federal agencies (including the Department of Defense), NRC's security system is also based on the Atomic Energy Act (AEA) of 1954, as amended. Specifically Chapter 12, Section 145 of the AEA places certain restrictions on the control of NRC information as it relates to contracts. These restrictions/requirements have been incorporated into NRC's security system and must be adhered to by contractors requiring access to classified information. This clause is necessary to ensure that any restricted data and classified information in a contractor's possession during or at the conclusion of contract performance is protected against sabotage, espionage, loss or theft.

Section 2052.204-70(j). This section requires that the contractor insert provisions similar to those found in §2052.204-70(b) through (i) in all subcontracts and purchase orders under the contract, to safeguard classified information. [See statement of need at 2052.204-70(b) above.]

Section 2052.204-70(k). This section requires that the contractor assign classifications to all documents, materials, and equipment originated or generated by the contractor in accordance with the Commission's security requirements to safeguard classified information and that every subcontractor must comply with those agency security requirements. [See statement of need at 2052.204-70(b) above.]

Section 2052.204-71. This section requires that all contractor personnel obtain, display, safeguard, and return identification badges in accordance with agency procedures. Because the NRC is a secure facility with perimeter access control, all NRC employees and contractor employees needing frequent access to the NRC facilities must display current identification badges. All contractors to whom this clause applies must also safeguard classified information and safeguard against unauthorized access to other Government records or data.

Section 2052.209-70. This section requires the offeror to provide identifying information for each case where any current/former NRC employees (including special government employees performing services as experts, advisors,

consultants, or members of advisory committees) have been or will be involved, directly or indirectly, in developing the offer, negotiating on behalf of the offeror, or managing, administering, or performing any contract, consultant agreement or subcontract resulting from the offeror. This requirement assures that conflicts of interests are avoided and fairness is maintained during the selection process.

Section 2052.209-71(a). This section requires the offeror to provide a written description of all relevant factors to be considered by the contracting officer if a contractor represents that a potential organizational conflict of interest may exist. This information is necessary to permit NRC to make a fair analysis of such situations.

Section 2052.209-72(c)(1) and (d)(2). These sections require the contractor to make an immediate and full disclosure in writing to the contracting officer if organizational conflicts of interests are discovered after contract award. Although the basic principles underlying FAR Subpart 9.5, "Organizational Conflicts of Interest," are identical to the NRC rule, this clause is needed because the NRC procedures to implement that policy are substantially different. NRC's procedures are dictated in large part by Section 170A of the Atomic Energy Act, (Section 8 of Public Law 95-601, Section 170A to Public Law 83-703, 68 Stat. 919, as amended (42 U.S.C. Ch. 14)). This section of the Atomic Energy Act requires the NRC to request information from prospective contractors regarding conflict of interests and evaluate the information prior to contract award. It is this active role of requesting and evaluating information concerning conflict of interest situations that makes agency procedures different from those intended by the FAR. This clause puts into effect agency policy of avoiding, eliminating or neutralizing contractor organizational conflict of interests. This objective is achieved by requiring prospective contractors to submit information describing relationships, if any, which may give rise to actual or potential conflict of interests if awarded the contract. Since determinations regarding contractor conflict of interests cannot be made routinely, such contractor supplied information is essential.

Section 2052.209-72(d)(3). This section requires the contractor performing a task-order type contract to disclose all proposed new work involving NRC licensees or applicants which comes within the scope of work of the underlying contract at least 15 days before the proposed award date unless the contractor provides a written justification demonstrating urgency and due diligence to discover and disclose new work. This information is necessary to permit NRC to make a fair analysis and to avoid conflict of interest situations.

Section 2052.209-72(f). This section requires the contractor to include the Contractor Organizational Conflict of Interest clause in subcontracts. The terms "contract," "contractor," and "contracting officer," must be appropriately modified to preserve the Government's rights.

Section 2052.211-70. This section requires that all technical reports and technical progress reports be prepared in accordance with the NRC's Management Directive 3.8, "Unclassified Contractor and Grantee Publications in the NUREG Series." The clause alerts the offeror to the requirements of the

chapter. The prescription at §2011.104-70(a) and the prescription under the clause state that the contracting officer may alter the clause prior to issuance of the solicitation or during competition by solicitation amendment. Insignificant changes to the clause may be made by the contracting officer on a case-by-case basis during negotiations, without a solicitation amendment.

Section 2052.211-71. This section provides the requirements for Technical Progress Reports which the offerors may consider in preparing a proposal and as guidance to the contractor during performance of the contract. This information is necessary to ensure efficiency of the contractor's report preparation and the NRC's review of these reports. The requirements of OMB Circular A-110 are applicable only to certain financial assistance awards, and are not appropriate for NRC contracts. This clause is prescribed by §2011.104-70(b) which emphasizes that the reporting requirements should be set at a meaningful and productive frequency for each contract, considering the size and complexity of the particular project or program. The technical progress reports, normally provided under cost-plus-fixed-fee contracts only, are necessary for staff assessment, surveillance and enforcement of technical performance.

Section 2052.211-72. This section provides the Financial Status Report requirements which the offerors may consider in preparing a proposal and as guidance to the contractor during performance of the contract. As stated in the justification above in §2052.211-71, the requirements of OMB A-110 are applicable only to certain financial assistance awards and are not appropriate for NRC contracts. This section requires the contractor to send a copy of the financial status report, normally provided monthly, to the Chief, Administrative Services Center, Office of Administration whenever it references the acquisition of, or changes in the status of, contractor-held property acquired with government funds valued at the time of purchase at \$50,000 or more. Both the technical progress and financial status reports are due within 15 calendar days after the end of the report period. This due date accommodates the accounting system of most commercial contractors, and educational and other non-profit institutions. If this due date causes a hardship for a contractor, another date is negotiated and agreed upon. This due date also enables the staff to review the report as close to "real time" as can reasonably be required. The financial status report is necessary to provide detailed cost information and is analyzed in concert with the technical progress report to ensure consistence of progress with costs expended. These reports are analyzed by staff to ensure all costs are allocable and allowable and to provide the basis for approving payment of the contractor's monthly invoice.

Section 2052.211-72 Alternate 1. This section is used instead of §2052.211-72 when no contractor spending plan is required. The justification for the clause is addressed above under §2052.211-72.

Section 2052.214-71. This section requires the bidder to provide information on previous and current contracts so that the contracting officer may determine responsibility. Past experience is relevant to determining responsibility prior to award, and timely awards depend on this minimal information to be available.

Determination of responsibility is required by FAR 14.407-2. The bidder would be expected to maintain information on previous and current contracts on the basis of "good business practice," and therefore no burden is included in this submittal for this recordkeeping.

Section 2052.214-72(e). This section requires bidders to submit, on request, statements concerning their ability to meet any of the minimum standards set forth in FAR 9.104, samples of work, and identifying information on clients. This information is necessary to assess whether the bidder is responsible within the meaning of FAR 9.1 and whether the bidder possess qualifications that are conducive to the work under a particular contract. The bidder would be expected on the basis of "good business practice" to maintain samples of his work, information on his clients, and the bidder's ability to meet minimum standards in order to be able to apply for government contracts, and therefore no burden is included in this submittal for this recordkeeping.

Section 2052.214-74 and 2052.215-74. If a bidder or a contractor wants his copies of a bid or proposal returned, he must state that request in a cover letter accompanying these documents. Such advance notice permits the contracting activity to automatically dispose of excess bid or proposal copies of offers in a timely manner.

Section 2052.215-70(b). This section requires that the contractor immediately notify the contracting officer if any key personnel become unavailable for contract work for a continuous period exceeding 30 work days, or are expected to devote substantially less effort to the work than indicated in the contractor's proposal or initially anticipated by the contractor. The contractor shall promptly replace key personnel with personnel of at least substantially equal ability and qualifications subject to the concurrence of the contracting officer. This requirement ensures that the project continues to be managed by competent personnel.

Section 2052.215-70(c). This section requires the contractor to submit a written request to the contracting officer for approval of substitutions for key personnel. This written request must contain a detailed explanation of the circumstances necessitating the proposed substitutions, a complete resume for the proposed substitute and other information requested by the contracting officer to evaluate the proposed substitution. The requirement of this section is to ensure that the project continues to be managed by competent personnel in accordance with the contract.

Section 2052.215-71(f). This section requires the contractor to notify the contracting officer in writing within five days after the receipt of any instruction or technical direction by the project officer that is not within the scope of work, and to request the contracting officer to modify the contract accordingly. This requirement is in the best interest of all parties and serves to avoid delays and expense associated with disputes that occur as a result of an unauthorized action.

Sections 2052.215-75, 2052.215-75, Alternate 1, and 2052.215-75 Alternate 2. These sections provide proposal preparation instructions for Section L of NRC solicitations which inform offerors of technical and cost proposal content, presentation and format required by NRC, and allows streamlined oral presentations in lieu of burdensome written proposal material. These instructions serve as a guide for offerors in preparing technical and cost proposals, establish uniformity and facilitate proposal evaluation. The burden for reading the instructions has been included in the total reporting burden required for preparing the oral report.

Sections 2052.215-77(a) and (d). These sections provide for prior NRC approval of foreign travel and incurred travel expenses for those contracts which require travel but do not set a specific ceiling amount on that travel. Section (a) requires that all foreign travel requests be submitted in advance on NRC Form 445, "Request for Approval of Official Foreign Travel." This form is used to specify the travel purpose, names of travelers, estimated foreign travel costs, and NRC approval of the foreign travel. The NRC assumes no obligation for foreign travel expenses incurred until this form has been signed by the Chairman or Executive Council member (e.g., Office Director, or Regional Administrator). NRC Form 445 is cleared separately under decision number 3150-0193. Section (d) requires the contractor to notify the contracting officer in accordance with the FAR Limitations of Cost clause included in the contract when, at any time, the contractor learns that travel expenses will cause the contractor to exceed the estimated contract costs. This notification serves as a means to help control contract costs in a timely manner.

Sections 2052.215-78(b) and (d). This information collection requirement is used when a total travel expenditure ceiling is specified. Section (b) requires that all foreign travel requests be submitted on NRC Form 445, "Request for Approval of Official Foreign Travel." This form is used to specify the travel purpose, names of travelers, estimated foreign travel costs, and NRC approval of the foreign travel. The NRC assumes no obligation for foreign travel expenses incurred until this form has been signed by the Chairman or Executive Council member (e.g., Office Director, or Regional Administrator). NRC Form 445 is cleared separately under OMB clearance number 3150-0193. Section (d) requires the contractor to notify the contracting officer in accordance with the FAR Limitations of Cost clause included in the contract when, at any time, the contractor learns that travel expenses will cause the contractor to exceed the estimated contract costs. This notification serves as a means to help control contract costs in a timely manner.

Section 2052.216-72. This section allows the contractor to give an oral presentation of his plan to complete the task order requirements instead of submitting a detailed written technical proposal. The requirement for submittal of a contractor spending plan is still required if the task order is in excess of \$100,000. However, the contractor is not required to submit detailed elements of cost. Instead, the contractor is instructed to support cost data to establish the reasonableness of the amount proposed.

Section 2052.227-70. This section provides that all drawings, designs, specifications and other data associated with the contract work are the property of the Government, must be made available for inspection by the Commission, and must be delivered to the Government, or disposed of in accordance with instructions from the contracting officer. This requirement is necessary to assure that classified, highly sensitive, and high priority specifications and other data are secured throughout the life of the contract and after expiration of the contract. The clause is included in all contracts in which drawings, designs, specifications, and other data associated with the contract work are involved, or where other data will be developed.

Section 2052.235-70(c). Prior to publication, the private contractor or university shall submit any proposed document to the contracting officer and project officer for review and approval. This clause alerts the contractor that NRC has 30 days to review the publication and reserves the right to approve or disapprove publication of the document. If the NRC disagrees with the proposed publication, this enables the agency to reserve the right to require that any publication not identify NRC's sponsorship of the work and that any associated publication costs shall be borne by the private contractor or university.

Section 2052.235-71. This section requires the contractor to take all reasonable precautions in the performance of work under a contract to protect the health and safety of its employees and members of the public, including reporting requirements. In the event the contractor fails to comply with this regulation, this clause allows the contracting officer to stop all work.

Section 2052.242-70. This section requires the contractor to provide a copy of "Procedures for Resolving Differing Professional Views" to all employees performing under this contract and to all subcontractors who shall, in turn, provide a copy to their employees so that all employees are aware of NRC's policy. The prescription for this clause is at §2042.570-2. NRC policy is to maintain a working environment that encourages expression of best professional judgments, even though these may differ from prevailing NRC staff view, disagree with a management decision or policy position, or take issue with proposed or established agency practices.

Section 2052.242-71. This section details the procedures that the contractor and the NRC staff follow upon receipt of a contractor's differing professional views submittal. Prior to incurring costs to document a differing professional view, the contractor shall determine if sufficient funds are available and request the NRC contracting officer for additional funding as necessary. The contractor shall submit each differing professional views statement in writing. The differing professional views statement should be brief, and summarize the NRC's view, describe the submitter's views and rationale, and include the consequences should the position not be adopted by the NRC. The prescription for this clause is at §2042.570-2. The procedures cited under this section allow the contractor a means to express disagreement with the NRC staff.

2. Agency Use of Information

This information is necessary to ensure that the agency's acquisition regulations comply with the FAR, and other applicable statutes and to ensure that public funds used for the acquisition of commercial goods and services are expended properly.

3. Reduction of Burden Through Information Technology

There are no legal obstacles to reducing the burden associated with this information collection. The NRC encourages respondents to use information technology when it would be beneficial to them. 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. It is estimated that approximately 100% of the potential responses are filed electronically.

4. Effort to Identify Duplication and Use of Similar Information

No sources of similar information are available. There is no duplication of requirements. 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 is structured to facilitate the effective and efficient evaluation of proposals, reporting and administration of contracts. Efforts have been made to keep the requirements for information to a minimum. The burden applied is minimal, consistent with applicable regulations and prudent business practices.

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

Proposal submission and certification are basically one-time collections associated with specific contract/solicitation situations or requirements. Less frequent reporting of technical progress and financial status would remove an effective mechanism needed to monitor contract performance and initiate appropriate remedial action to protect the interests of the Government.

7. Circumstances Which Justify Variation from OMB Guidelines

The following requirements are not consistent with OMB guidelines:

- Section 2052.211-71 and -72 and Alternate require submittal of financial and technical reports on a monthly basis. The contractor's submittal of these reports more frequently than on a quarterly basis enables the

project officer to analyze the need for technical direction, cost control, and the timely initiation of remedial action. This information is vital to achieve good contract administration.

- Section 2052.214-72(e) requires bidders, on request, to provide statements concerning their ability to meet minimum standards set forth in FAR 9.104. Response is needed in less than 30 days to allow timely award of contracts.
- Section 2052.215-70 requires contractors to immediately notify the contracting officer if any key personnel become unavailable for contract work. Subsequent to contracting officer approval, the contractor must replace such personnel with personnel of equal ability and qualifications. This notification requirement serves as protection for the government from potential delays; or damage resulting from loss of key personnel.
- Section 2052.215-71(f) requires the contractor, within 5 days of receipt of any instruction or technical direction by a project officer, to notify the contracting officer in writing to modify the contract accordingly. This notification serves to avoid delays and expenses associated with disputes that occur as a result of an unauthorized action.

8. Consultations Outside the NRC

Opportunity for public comment on the information collection requirements for this clearance package was published in the Federal Register on July 5, 2011 (76 FR 39132). No comments were received.

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). However, no information normally considered confidential or proprietary is requested.

11. Justification for Sensitive Questions

Not applicable.

12. Estimated Burden and Burden Hour Cost

Tables 1 and 2 provide a breakout of estimated burden and costs to respondents to comply with NRCAR requirements. Cost to respondents is calculated at a rate of \$259 per hour, which is a fully burdened rate. The total burden is 21,579.5 hours (20,484 hours reporting + 1,095.5 hours recordkeeping) at a total cost of \$5,589,090.50 (21,579.5 hours X \$259/hr.)

The agency generated the following reports from its Automated Acquisition Management System (AAMS) to serve as a baseline for the number of applicable contract types, over the last three years (4/2008 thru 4/2011), which included the following contract types:

Research and Development (R&D): 22
Cost Reimbursement: 79 (354-275=79*)
Delivery Orders (DO) and Task Orders (TO): 374
Contracts: 131
Purchase Orders: 331

*To avoid duplication, cost-reimbursement-type contracts and DOs/TOs included under the heading "Cost Reimbursement" were subtracted from 354 and adjusted downward to 79.

The total number of contracts used for this baseline was 937.
(Calculation: 22+79+374+131+331 = 937)

13. Estimate of Other Additional Costs

The NRC has determined that the quantity of records to be maintained is roughly proportional to the recordkeeping burden and, therefore, can be used to calculate approximate records storage costs. Based on the number of pages maintained for a typical clearance, the records storage cost has been determined to be equal to 0.0004 times the recordkeeping burden cost. Because the recordkeeping burden is estimated to be 1,095.5 hours, the storage cost for this clearance is \$113.49 (1,095.5 recordkeeping hours x 0.0004 x \$259/hour).

14. Estimated Annualized Cost to the Federal Government

See Table 3 for breakout of estimated annualized costs. The estimated cost to the agency attributable to the NRCAR's collection requirements is approximately \$2,617,972 (10,108 hours x \$259/hr.) The cost to the Government was derived from the experience of contracting officers and contract specialists in ensuring that offerors comply with the NRCAR instructions and requirements. This cost is fully recovered through license fees to NRC licensees pursuant to 10 CFR Parts 170 and/or 171.

15. Reasons for Change in Burden or Cost

The overall burden has decreased by 4,515.25 hours, from 26,094.75 to 21,579.5 hours (20,484 Reporting and 1,095.5 Recordkeeping hours) because of the staff's re-estimates of burden and responses based on recent history over the past three years. However, the number of responses increased by 1,588 from 3,837 to 5,425 because a new methodology for calculating respondents was employed in 2011. The respondents (equivalent to number of contracts) varied significantly from past years for most NRCAR clauses, and when applied to

existing data, increased the number of responses while showing a decrease in the overall total burdened hours from those reported in 2008.

The reporting burden decreased by 4,978 hours, from 25,462 to 20,484 hours because of:

- NRC Clause 2009.570-5(b) – No change. The annual burden is 4 hours.
- NRC Clause 2052.209-72 (c) (1) & (d) (2) – No change. The annual burden is 60 hours.
- NRC Clause 2009.570-8 decreased by 2 respondents, from 5 to 3 respondents. Since the need to report under this clause is very infrequent, a 5% factor was applied to the number of contracts. [Calculation: $131 \text{ contracts} + 22 \text{ R\&D contracts} = 153/3 \text{ years} = 51 \times .05 = 2.55$ (rounded to 3)] – The annual burden has decreased by 10 hours, from 25 to 15 hours.
- NRC Clause 2027.305-3(a) & (b) decreased by 1 respondent, from 5 to 4 respondents. Since the need to report under this clause (reporting royalties) is rare, a 1% factor was applied to the number of contracts. [Calculation: $174+468+420 = 1062/3 \text{ years} = 354$ (closed contracts) $\times .01 = 3.54$ (rounded to 4)] – The annual burden has decreased by 8 hours, from 40 to 32 hours.
- NRC Clause 2042.803(a)(2)(i) decreased by 5 respondents, from 8 to 3 respondents. Since the need to report under this clause is rare, a 1% factor was applied to the number of contracts. [Calculation: 937 (total contracts)/ $3 = 312 \times .01 = 3$] – The annual burden has decreased by 50 hours, from 80 to 30 hours.
- NRC Clause 2042.803(b) decreased by 5 respondents, from 8 to 3 respondents. Since the need to report under this clause is rare (similar to 2042.803(a)(2)), a 1% factor was applied to the number of contracts. [Calculation: 937 (total contracts)/ $3 = 312 \times .01 = 3$] – The annual burden has decreased by 10 hours, from 16 to 6 hours.
- NRC Clause 2052.214-71 decreased by 5 respondents, from 5 to 0 respondents. This change reflects that the agency has not had any bids over the last three years. [Calculation: Bids 0] – The annual burden has decreased by 3 hours, from 3 to 0 hours.
- NRC Clause 2052.214-72(e) burden decreased by 5 respondents, from 5 to 0 respondents. This change reflects that the agency has not had any bids over the last three years. [Calculation: Bids 0] – The annual burden has decreased by 5 hours, from 5 to 0 hours.
- NRC Clauses 2052.214-74 & 215-74 decreased by 5 respondents, from 5 to 0 respondents. This change reflects that the agency has not had any

bids over the last three years. [Calculation: Bids 0] – The annual burden has decreased by 1.25 hours, from 1.25 to 0 hours.

- NRC Clause 2052.215-71(f) decreased by 7 respondents, from 10 to 3 respondents. Since the need to report under this clause is very infrequent, a 5% factor was applied to the number of contracts. [Calculation: $131 \text{ contracts} + 22 \text{ R\&D} = 153/3 = 51 \cdot .05 = 3$] – The annual burden has decreased by 28 hours, from 40 to 12 hours.
- NRC Clause 2052.215-75, Alt. 1 & 2 decreased by 75 respondents, from 200 to 125 respondents. This change is due to a decrease in the number of applicable contracts. [Calculation: Base: $374 \text{ DO/TO} / 3 \text{ years} = 125$] – The annual reporting burden has decreased by 4,800 hours, from 12,800 to 8,000 hours.
- NRC Clause 2052.216-72 decreased by 14 respondents, from 25 to 11 respondents. This change is due to a decrease in the number of applicable IDIQ contracts. In addition, the responses per respondent were reduced from 6 to 1 since the contractor is only required to insert the applicable clauses into the contract one time upon issuance of a task or delivery order. [Calculation: $34 \text{ IDIQs} / 3 \text{ years} = 11$] – The annual burden has decreased by 3,336 hours, from 3,600 to 264 hours.
- NRC Clause 2052.235-70(c) decreased by 43 respondents, from 50 to 7 respondents. This change is due to a decrease in the number of applicable contracts. [Calculation: Base: $22 \text{ R\&D contracts} / 3 \text{ years} = 7$] – The annual burden has decreased by 21.5 hours, from 25 to 3.5 hours.

Although the burden for the above sections decreased, the burden increased for the following sections:

- NRC Clause 2052.204-70(b) increased by 201 respondents, from 1 to 202 respondents. The new figure is based on consistent methodology as other changes included herein and more accurately represents how many contracts are affected by this reporting requirement. [Calculation: $22 \text{ R\&D} + 79 \text{ cost-reimbursement} + 374 \text{ DO/TO} + 131 \text{ contracts} = 606 / 3 \text{ years} = 202$] – The annual burden has increased by 603 hours, from 3 to 606 hours.
- NRC Clause 2052.204-70(j): The reporting burden affects approximately 312 respondents annually. Since the clause is required in all subcontracts and purchase orders, the total number of contracts was used. [Calculation: $22 \text{ R\&D} + 79 \text{ cost-reimbursement} + 374 \text{ DO/TO} + 131 \text{ contracts} + 331 \text{ purchase orders} = 937 / 3 \text{ years} = 312$] – The reporting burden for this clause was not previously reported. The time required for the contractor to complete this task is estimated at 1 hour to insert sections (a) through (i) of the clause into a subcontract or purchase order. The burden increased by 312 hours.

- NRC Clause 2052.204-70(k) increased by 177 respondents, from 25 to 202 respondents. The new figure is based on consistent methodology as other changes included herein and more accurately represents how many contracts are affected by this reporting requirement. [Calculation: 22 R&D + 79 cost-reimbursement + 374 DO/TO + 131 contracts = 606/3 years = 202] – The annual burden has increased by 354 hours, from 50 to 404 hours.
- NRC Clause 2052.204-71 increased by 182 respondents, from 20 to 202 respondents. The new figure is based on consistent methodology as other changes included herein and more accurately represents how many contracts are affected by this requirement. NRCAR Clause 2052.204-71 includes a requirement for site access badges that the NRC now estimates to take approximately 7 hours to complete, -per application, so this figure was used in lieu of 100 hours. [Calculation: 22 R&D + 79 cost-reimbursement + 374 DO/TO + 131 contracts = 606/3 years = 202] – The annual burden has decreased by 586 hours, from 2,000 to 1,414 hours.
- NRC Clause 2052.209-70 increased by 2 respondents, from 200 to 202 respondents. This change is due to an increase in the number of applicable contracts. [Calculation: 22 R&D + 79 cost-reimbursement + 374 DO/TO + 131 contracts = 606/3 years = 202] – The annual burden has increased by 2 hours, from 200 to 202 hours.
- NRC Clause 2052.209-71(a) increased by 2 respondents, from 200 to 202 respondents. This change is due to an increase in the number of applicable contracts. [Calculation: 22 R&D + 79 cost-reimbursement + 374 DO/TO + 131 contracts = 606/3 years = 202] – The annual burden has increased by .5 hours, from 50 to 50.5 hours.
- NRC Clause 2052.209-72(d) (3) increased by 100 respondents, from 25 to 125 respondents. This change is due to an increase in the number of applicable contracts. [Calculation: 374 DO/TO/ 3 years = 125] – The annual burden has increased by 100 hours, from 25 to 125 hours.
- NRC Clause 2052.209-72(f) increased by 212 respondents, from 100 to 312 respondents. This change is due to an increase in the number of applicable contracts. [Calculation: 937/3 = 312] – The annual burden has increased by 53 hours, from 25 to 78 hours.
- NRC Clause 2052.211.70 increased by 52 respondents, from 150 to 202 respondents. This change is due to an increase in the number of applicable contracts. [Calculation: 22 R&D + 79 cost-reimbursement + 374 DO/TO + 131 contracts = 606/3 years = 202] – The annual burden has increased by 104 hours, from 300 to 404 hours.
- NRC Clause 2052.211-71 increased by 52 respondents, from 150 to 202 respondents. This change is due to an increase in the number of applicable contracts. [Calculation: 22 R&D + 79 cost-reimbursement +

374 DO/TO + 131 contracts = 606/3 years = 202] – The annual burden has increased by 832 hours, from 2,400 to 3,232 hours.

- NRC Clause 2052.211-72 increased by 18 respondents, from 100 to 118 respondents. This change is due to an increase in the number of applicable contracts. [Calculation: 354 cost-reimbursement/ 3 years = 118] – The annual burden has increased by 648 hours, from 3,600 to 4,248 hours.
- NRC Clause 2052.215-70(b) increased by 48 respondents, from 3 to 51 respondents. This change is due to an increase in the number of applicable contracts. [Calculation: 131 contracts + 22 R&D = 153/3 = 51] – The annual burden has increased by 240 hours, from 15 to 255 hours.
- NRC Clause 2052.215-70(c) increased by 44 respondents, from 7 to 51 respondents. This change is due to an increase in the number of applicable contracts. [Calculation: 131 contracts + 22 R&D = 153/3 = 51] – The overall annual reporting burden has increased by 220 hours, from 35 to 255 hours.
- NRC Clause 2052.215-77(d) increased by 117 respondents, from 1 to 118 respondents. The new figure is based on consistent methodology as other changes included herein and more accurately represents how many contracts are affected by this reporting requirement. [Calculation: 354 cost-reimbursement/ 3 years = 118] – The annual burden has increased by 175 hours, from 2 to 177 hours.
- NRC Clause 2052.215-78(d) increased by 117 respondents, from 1 to 118 respondents. The new figure is based on consistent methodology as other changes included herein and more accurately represents how many contracts are affected by this reporting requirement. [Calculation: Base: 354 cost-reimbursement/ 3 years = 118] – The annual burden has increased by 175 hours, from 2 to 177 hours.
- NRC Clause 2052.235.71 increased by 3 respondents, from 4 to 7 respondents. This change is due to an increase in the number of applicable contracts. [Calculation: Base: 22 R&D contracts/ 3 years = 7] – The annual burden has increased by 30 hours, from 40 to 70 hours.
- NRC Clause 2052.242-71 has increased by 4 respondents, from 2 to 6 respondents. Since the need to report under this clause is very infrequent, a 5% factor was applied to the number of contracts. [Calculation: 354 cost-reimbursement/ 3 years = 118 x .05 = 6] – The annual burden has increased by 32 hours, from 16 to 48 hours.

Recordkeeping burden increased by 463 hours, from 632.5 to 1,095.5 hours because of:

- NRC Clause 2052.204-70(k): In the case of recordkeeping, this calculation was limited to R&D contracts (22) and contracts (131), only, since the clause specifically involves retention of records pertaining largely to subcontracting. It is unlikely that this recordkeeping requirement would significantly impact delivery orders, task orders or purchase orders, so they were excluded from this figure. The number of recordkeepers increased by 26, from 25 to 51 recordkeepers. [Calculation: $131 \text{ contracts} + 22 \text{ R\&D} = 153/3 = 51$] – The overall annual recordkeeping burden has increased by 520 hours, from 500 to 1,020 hours.
- NRC Clause 2052.242-70: This estimate was based on R&D contracts (22) and contracts (131), as the clause applies to cost-reimbursement solicitations and contracts for professional services. The number of recordkeepers increased by 36, from 15 to 51 recordkeepers. [Calculation: $131 \text{ contracts} + 22 \text{ R\&D} = 153/3 = 51$] – The overall annual recordkeeping burden has increased by 18 hours, from 7.5 to 25.5 hours.

Although the burden for the above sections increased, the burden decreased for the following section:

- NRC Clause 2052.227-70: The number of annual recordkeepers that must retain drawings, designs and specifications is less than 25 per year. The estimate in future years is more likely to be 10 recordkeepers (or less) per year given that the agency leases much of its building space from the General Services Administration, and intends to consolidate resources in the coming years to meet growing budget constraints. The overall annual recordkeeping burden has decreased by 75 hours, from 125 to 50 hours.

Costs have increased due to an increase in the fee rate from \$238 to \$259.

16. Publication for Statistical Use

This collection of information does not employ statistical methods.

17. Reason for Not Displaying the Expiration Date

Not Applicable.

18. Exceptions to the Certification Statement

None.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

Not applicable.

TABLE 1
ESTIMATED REPORTING REQUIREMENTS

| Section | No. of Respondents | Responses per Respondent | Total Number of Responses | Burden Hours per Response | Total Annual Burden (Hrs) | Total Annual Reporting Cost @\$259/Hr |
|---|--------------------|--------------------------|---------------------------|---------------------------|---------------------------|---------------------------------------|
| 2009.570-3(b)(1) & (2) Burden included under 2052.209-71 | | | | | | |
| 2009.570-3(c) Burden included under 2052.209-72(d)(2), (d)(3) & (f) | | | | | | |
| 2009.570-5(b) | 2 | 1 | 2 | 2 | 4 | \$1,036 |
| 2009.570-8 | 3 | 1 | 3 | 5 | 15 | \$3,885 |
| 2014.201-670(b) Burden included under 2052.214-71 | | | | | | |
| 2027.305-3(a) & (b) | 4 | 1 | 4 | 8 | 32 | \$8,288 |
| 2042.570.1 Burden included under 2052.242-71 | | | | | | |
| 2042.803(a)(2)(i) | 3 | 1 | 3 | 10 | 30 | \$7,770 |
| 2042.803(b) | 3 | 1 | 3 | 2 | 6 | \$1,554 |
| 2045.371(b) Burden included under 2052.211-72 & 2052.211-72, Alt 1 | | | | | | |
| 2052.204-70(b) | 202 | 1 | 202 | 3 | 606 | \$156,954 |
| 2052.204-70(j) | 312 | 1 | 312 | 1 | 312 | \$80,808 |
| 2052.204-70(k) | 202 | 1 | 202 | 2 | 404 | \$104,636 |
| 2052.204-71 | 202 | 1 | 202 | 7 | 1,414 | \$366,226 |
| 2052.209-70 | 202 | 1 | 202 | 1 | 202 | \$52,318 |

| Section | No. of Respondents | Responses per Respondent | Total Number of Responses | Burden Hours per Response | Total Annual Burden (Hrs) | Total Annual Reporting Cost @\$259/Hr |
|---|--------------------|--------------------------|---------------------------|---------------------------|---------------------------|---------------------------------------|
| 2052.209-71(a) | 202 | 1 | 202 | 0.25 | 50.5 | \$13,079.50 |
| 2052.209-72(c)(1) & (d)(2) | 10 | 1 | 10 | 6 | 60 | \$15,540 |
| 2052.209-72(d)(3) | 125 | 1 | 125 | 1 | 125 | \$32,375 |
| 2052.209-72(f) | 312 | 1 | 312 | 0.25 | 78 | \$20,202 |
| 2052.211-70 | 202 | 4 | 808 | 0.5 | 404 | \$104,636 |
| 2052.211-71 | 202 | 4 | 808 | 4 | 3,232 | \$837,088 |
| 2052.211-72 | 118 | 12 | 1,416 | 3 | 4,248 | \$1,100,232 |
| 2052.211-72 Alt, 1 Burden included under 2052.211-72 | | | | | | |
| 2052.214-71 | 0 | 1 | 0 | 0.5 | 0 | \$0 |
| 2052.214-72(e) | 0 | 1 | 0 | 1 | 0 | \$0 |
| 2052.214-74 & 215-74 | 0 | 1 | 0 | 0.25 | 0 | \$0 |
| 2052.215-70(b) | 51 | 1 | 51 | 5 | 255 | \$66,045 |
| 2052.215-70(c) | 51 | 1 | 51 | 5 | 255 | \$66,045 |
| 2052.215-71(f) | 3 | 1 | 3 | 4 | 12 | \$3,108 |
| 2052.215-75, Alt 1 & 2 | 125 | 1 | 125 | 64 | 8,000 | 2,072,000 |
| 2052.215-77(a) Burden is cleared under NRC Form 445 | | | | | | |
| 2052.215-77(d) | 118 | 1 | 118 | 1.5 | 177 | \$45,843 |
| 2052.215-78(b) Burden is cleared under NRC Form 445 | | | | | | |
| 2052.215-78(d) | 118 | 1 | 118 | 1.5 | 177 | \$45,843 |

| Section | No. of Respondents | Responses per Respondent | Total Number of Responses | Burden Hours per Response | Total Annual Burden (Hrs) | Total Annual Reporting Cost @\$259/Hr |
|----------------|--------------------|--------------------------|---------------------------|---------------------------|---------------------------|---------------------------------------|
| 2052.216-72 | 11 | 1 | 11 | 24 | 264 | \$68,376 |
| 2052.235-70(c) | 7 | 1 | 7 | 0.5 | 3.5 | \$906.50 |
| 2052.235-71 | 7 | 1 | 7 | 10 | 70 | \$18,130 |
| 2052.242-71 | 6 | 1 | 6 | 8 | 48 | \$12,432 |
| TOTAL | 2,803 | | 5,313 | | 20,484 | \$5,305,356 |

TABLE 2
ESTIMATED RECORDKEEPING REQUIREMENTS

| Section | No. of Recordkeepers | Hours per Recordkeeper | Total Annual Burden Hours | Total Annual Cost @\$259/Hr. |
|--|----------------------|------------------------|---------------------------|------------------------------|
| 2042.570.1 Burden included under 2052.242-70 | | | | |
| 2052.204-70(k) | 51 | 20 | 1,020 | \$264,180 |
| 2052.227-70 | 10 | 5 | 50 | \$12,950 |
| 2052.242-70 | 51 | .5 | 25.5 | \$6,604.50 |
| TOTAL | 112 | | 1,095.5 | \$283,734.50 |

Number of Respondents: 2,803

Agency records indicate that there were approximately 937 contracts in place during the preceding three year period (2008 – 2011), resulting in 2,803 respondents.

Total Number of Responses: 5,425 (5,313 responses + 112 recordkeepers)

The amounts in Tables 1 and 2 represent the average number of contracts per year applicable to each NRCAR clause, with the exception of NRCAR Clauses 2052.204-70 and 71 which include the number of contractors submitting requests for site badges each year.

Total Burden: 21,579.5 hours (20,484 hrs reporting + 1,095.5 hrs recordkeeping)

Total Cost: \$5,589,090.50 (21,579.5 hrs x \$259/hr)

TABLE 3
NRC ACQUISITION REGULATION GOVERNMENT COST

| Section | Annual Government Staff Hours | Government Cost @\$259/Hr. |
|----------------------------|--|-------------------------------|
| 2009.570-3(b)(1) & (2) | Cost included under 2052.209-71 | |
| 2009.570-3(c) | Cost included under 2052.209-72(d)2,(d)(3) & (f) | |
| 2009.570-5(b) | 175 | \$45,325 |
| 2009.570-8 | 350 | \$90,650 |
| 2014.201-670(b) | Cost included 2052.214-71 | |
| 2027.305-3(a) & (b) | 175 | \$45,325 |
| 2042.570-1(d) | Cost included under 2052.242-70 & 2052.242-71 | |
| 2042.803(a)(2)(i) | 350 | \$90,650 |
| 2042.803(b) | 175 | \$45,325 |
| 2045.371-(b) | Cost included 2052.211-72 & 2052.211-72, Alt 1 | |
| 2052.204-70(b) | 175 | \$45,325 |
| 2052.204-70(j) | 175 | \$45,325 |
| 2052.204-70(k) | 175 | \$45,325 |
| 2052.204-71 | 350 | \$90,650 |
| 2052.209-70 | 175 | \$45,325 |
| 2052.209-71(a) | 175 | \$45,325 |
| 2052.209-72(c)(1) & (d)(2) | 350 | \$90,650 |
| 2052.209-72(d)(3) | 175 | \$45,325 |
| 2052.209-72(f) | 175 | \$45,325 |
| 2052.211-70 | 700 | \$181,300 |
| 2052.211-71 | 700 | \$181,300 |
| 2052.211-72 | 875 | \$226,625 |
| 2052.211-72, Alt 1 | Cost included under 2052.211-72 | |

| Section | Annual Government Staff Hours | Government Cost @\$259/Hr. |
|------------------------|-------------------------------|-------------------------------|
| 2052.214-71 | 175 | \$45,325 |
| 2052.214-72(e) | 175 | \$45,325 |
| 2052.214-74 & 215-74 | 350 | \$90,650 |
| 2052.215-70(b) | 525 | \$135,975 |
| 2052.215-70(c) | 525 | \$135,975 |
| 2052.215-71(f) | 175 | \$45,325 |
| 2052.215-75, Alt 1 & 2 | 700 | \$181,300 |
| 2052.215-77(a) & (d) | 175 | \$45,325 |
| 2052.215-78(b) & (d) | 175 | \$45,325 |
| 2052.216-72 | 700 | \$181,300 |
| 2052.227-70 | 175 | \$45,325 |
| 2052.235-70(c) | 70 | \$18,130 |
| 2052.235-71 | 175 | \$45,325 |
| 2052.242-70 | 70 | \$18,130 |
| 2052.242-71 | 518 | \$134,162 |
| | | |
| TOTAL | 10,108 | \$2,617,972 |