

FINAL SUPPORTING STATEMENT
FOR
NRC FORM 790
CLASSIFICATION RECORD
(3150-0052)

EXTENSION

Description of the Information Collection

The U.S. Nuclear Regulatory Commission (NRC) Form 790 is completed manually by a licensee, contractor, certificate holder, or the NRC authorized classifier. The submission of the data contained on the NRC Form 790 is required each time an authorized classifier makes a classification determination to classify, declassify, or downgrade a document. This reporting requirement affects approximately 9 NRC licensees and licensees' contractors and two certificate holders that are permitted to use, process, store, and reproduce, transmit, or otherwise handle NRC classified information. The information contained on the completed form includes specific information which identifies the document being classified, declassified, or downgraded, as well as specific information describing the status (e.g, original or derivative classification, the reason for the declassification review, or future action) of the classified document. This information enables NRC to conduct assessments of classification or declassification determinations made by those officials specifically authorized to make such determinations and to prepare accurate feeder data into a report to the President.

In October 2011, the NRC retired the Records Classification Action (RCA) System that was used previously for the purposes of collection and recordation of NRC Form 790 submissions. The RCA System was replaced by the Classification Management Action System (CMAS). The CMAS is a database that was created internally by NRC staff and permits the collection of NRC Form 790 information electronically through the use of a standard personal computer. All NRC Form 790 information is entered manually into the CMAS Database via keyboard data entry by an Information Security Specialist, of the Information Security Branch, Division of Security Operations (DSO), Office of Nuclear Security and Incident Response (NSIR) through paper and electronic submissions from various NRC licensees, contractor and certificate holder sites. It is important to note that the RCA System was retired due to the increased costs associated with the development and implementation of a national "web-based" electronic collection system, as well as compatibility issues with the RCA System software and the licensee and certificate holder(s) computer systems.

The Executive Order (E.O.) 12958 has been revoked and was replaced by E.O. 13526 effective June 25, 2010.

JUSTIFICATION

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

The E.O. 13526 empowers the Director, Information Security Oversight Office (ISOO), to require of each agency those reports, information, and other cooperation that may be necessary to fulfill the Director's responsibility of overseeing NRC's actions and to ensure compliance with the E.O. 13526 and the implementing directives of that Order. The Order requires NRC to report

classification and declassification decisions to ISOO. The NRC Form 790 is the means by which the NRC collects this data from its employees, licensees, contractors, certificate holders, and persons that fall within the scope of 10 CFR Part 95 or NRC Management Directive 12.2, "NRC Classified Information Security Program." Failure to complete this form would preclude NRC from meeting its expected classification and declassification reporting responsibilities prescribed by ISOO and from evaluating classification and declassification actions during appraisals, inspections and audits. Lastly, the burden estimate has increased to approximately 2,500 responses per year. This increase is due to licensees and their contractors increasing activities that require more derivative classification determination to be made. Lastly, new classified enrichment facilities are currently under construction. These facilities will also increase the number of future classification submissions.

2. Agency Use of Information

The completed NRC Form 790 is submitted to NSIR. The data provided on the form is entered into an automated database. The data is then tabulated, stored, and as needed, a report is produced. This report is used by NSIR to keep track of classification and declassification decisions made by authorized officials. Statistical data from this report is provided to ISOO pursuant to their responsibilities under E.O. 13526. This data is used by NRC during inspections, appraisals, and audits of the affected facilities or persons.

3. Reduction of Burden Through Information Technology

There are no legal obstacles to reducing the burden associated with the information collection. The NRC encourages respondents to use information technology when it is 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 e-mail, or by other means. It is estimated that approximately 100 percent of the potential responses are filled electronically.

4. Effort to Identify Duplication and Use 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

None of the licensees, organizations, or persons affected qualify as a small business. The burden associated with this form is minimal. There is no significant burden on a contractor should they qualify as a small business, enterprise or entity.

6. Consequences to Federal Program or Policy Activities if the Collection is not Conducted or is Conducted Less Frequency

The NRC Form 790 is completed manually and may be submitted electronically. A data entry is made when a classification/declassification action occurs. It is not possible to have less frequent collection without eliminating the requirement completely. In that case, NRC would not have the information necessary to evaluate the Information Security Program at the facility, which would negatively impact NRC's responsibility to ensure the proper protection of classified information and compliance with E.O. requirements and statutory requirements.

7. Circumstances Which Justify Variation from OMB Guidelines

Not applicable.

8. Consultations Outside of the NRC

Opportunity for public comment on the information collection requirements for this clearance package was published in the Federal Register on September 21, 2012 (77 FR 58586). No comments were received.

9. Payment or Gift to Respondents

Not applicable.

10. Confidentiality of the Information

Confidential and proprietary information is protected in accordance with NRC Title 10 of the *Code of Federal Regulations* (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

No sensitive information is requested on the NRC Form 790.

12. Estimated Burden and Burden Hour Cost

Approximately, 2,500 responses are anticipated. Of these, 100% are expected to be submitted electronically. The estimated burden is calculated as follows:

2,500 responses per year x 3 minutes (electronic copies) to process each form = 125 hours x \$274 per hour = \$34,250.

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 0 hours, the storage cost for this clearance is \$00.00 (0 hours x 0.0004 x \$274/hour).

14. Estimated Annualized Cost to the Federal Government

The estimated annualized cost to the Federal Government to administer the program and procedures contained in 10 CFR Part 95 or NRC Management Directive 12.2 is \$34,250.

This was computed as follows: 2,500 responses per yr x 3 minutes to process each form x \$274 per hr = \$34,250; therefore, the estimated annual cost to the Government is \$34,250 (125 hrs x \$274).

The total cost to the Government is \$34,250 which equals an increase in cost of \$27,110.

This cost is fully recovered through fee assessments to NRC licensees and its two certificate holders pursuant to 10 CFR Parts 170 and/or 171.

15. Reasons for Changes In Burden or Cost

The overall burden increased by 95 hours from 30 hours to 125 hours due to an increase in the actual number of responses from 450 to 2,500. The responses increased because two of the licensees are generating more classified information. One licensee is now an operating enrichment plant and the other is close to receiving its second license to construct and operate a commercial uranium enrichment plant. In addition, the cost increased due to the increase in the fee rate from \$238 to \$274/hr.

16. Publication for Statistical Use

NRC tabulates and arranges the information contained on the form, and provides it to ISOO, as needed. There is no other publication for statistical use.

17. Reason for Not Displaying the Expiration Date

The expiration date is displayed on NRC Form 790 and is displayed on the electronic NRC Form 790.

18. Exceptions to the Certification Statement

Not applicable.

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

Statistical methods are not used in this collection of information.