

Request for OMB Review

~~SECRET~~ PDR Advance Copy
P. Smith

Important

Read instructions before completing form. Do not use the same SF 83 to request both an Executive Order 12291 review and approval under the Paperwork Reduction Act.

Answer all questions in Part I. If this request is for review under E.O. 12291, complete Part II and sign the regulatory certification. If this request is for approval under the Paperwork Reduction Act and 5 CFR 1320, skip Part II, complete Part III and sign the paperwork certification.

Send three copies of this form, the material to be reviewed, and for paperwork—three copies of the supporting statement, to:

Office of Information and Regulatory Affairs
Office of Management and Budget
Attention: Docket Library, Room 3201
Washington, DC 20503

PART I.—Complete This Part for All Requesters.

1. Department/agency and Bureau/office originating request U.S. Nuclear Regulatory Commission	2. Agency code 3 1 5 0
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3. Name of person who can best answer questions regarding this request Roberta Ingram	Telephone number (301) 504-1219
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4. Title of information collection or rulemaking
10 CFR 140, Financial Protection Requirements and Indemnity Agreements

5. Legal authority for information collection or rule (cite United States Code, Public Law, or Executive Order)
42 USC 2201(o) or

6. Affected public (check all that apply)

1 <input type="checkbox"/> Individuals or households	3 <input type="checkbox"/> Farms	5 <input type="checkbox"/> Federal agencies or employees
2 <input type="checkbox"/> State or local governments	4 <input checked="" type="checkbox"/> Businesses or other for-profit	6 <input type="checkbox"/> Non-profit institutions
		7 <input type="checkbox"/> Small businesses or organizations

PART II.—Complete This Part Only if the Request is for OMB Review Under Executive Order 12291

7. Regulation identifier Number (RIN)
_____, or, None assigned

8. Type of submission (check one in each category)		Type of review requested
Classification	Stage of development	
1 <input type="checkbox"/> Major	1 <input type="checkbox"/> Proposed or draft	1 <input type="checkbox"/> Standard
2 <input type="checkbox"/> Nonmajor	2 <input type="checkbox"/> Final or interim final, with prior proposal	2 <input type="checkbox"/> Pending
	3 <input type="checkbox"/> Final or interim final, without prior proposal	3 <input type="checkbox"/> Emergency
		4 <input type="checkbox"/> Statutory or judicial deadline

9. CFR section affected
____ CFR

10. Does this regulation contain reporting or recordkeeping requirements that require OMB approval under the Paperwork Reduction Act and 5 CFR 1320? Yes No

11. If a major rule, is there a regulatory impact analysis attached? Yes No
If "No," did OMB waive the analysis? Yes No

Certification for Regulatory Submissions

In submitting this request for OMB review, the authorized regulatory contact and the program official certify that the requirements of E.O. 12291 and any applicable policy directives have been complied with.

Signature of program official	Date
Signature of authorized regulatory contact	Date

170005

12. (OMB use only)

9403210003 940314
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PDR

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PART III.—Complete This Part Only if the Request is for Approval of a Collection of Information Under the Paperwork Reduction Act and 5 CFR 1320.

13. Abstract—Describe needs, uses and affected public in 50 words or less "Nuclear Power Plants, Indemnity, Financial Protection"

Licensees are required to submit information which allows the NRC to assess the financial protection required of nuclear facilities.

14. Type of information collection (check only one)

Information collections not contained in rules

1 Regular submission

2 Emergency submission (certification attached)

Information collections contained in rules

3 Existing regulation (no change proposed)

6 Final or interim final without prior NPRM

7. Enter date of expected or actual Federal Register publication at this stage of rulemaking (month, day, year): _____

4 Notice of proposed rulemaking (NPRM)

A Regular submission

5 Final. NPRM was previously published

B Emergency submission (certification attached)

15. Type of review requested (check only one)

1 New collection

4 Reinstatement of a previously approved collection for which approval has expired

2 Revision of a currently approved collection

3 Extension of the expiration date of a currently approved collection without any change in the substance or in the method of collection

5 Existing collection in use without an OMB control number

16. Agency report form number(s) (include standard/optional form number(s))

22. Purpose of information collection (check as many as apply)

N/A

1 Application for benefits

2 Program evaluation

3 General purpose statistics

4 Regulatory or compliance

5 Program planning or management

6 Research

7 Audit

17. Annual reporting or disclosure burden

1 Number of respondents	145
2 Number of responses per respondent	1.4
3 Total annual responses (line 1 times line 2)	202
4 Hours per response	4.45
5 Total hours (line 3 times line 4)	899

18. Annual recordkeeping burden

1 Number of recordkeepers	
2 Annual hours per recordkeeper	
3 Total recordkeeping hours (line 1 times line 2)	
4 Recordkeeping retention period	years

23. Frequency of recordkeeping or reporting (check all that apply)

1 Recordkeeping

Reporting

2 On occasion

3 Weekly

4 Monthly

5 Quarterly

6 Semi-annually

7 Annually

8 Biennially

9 Other (describe): _____

19. Total annual burden

1 Requested (line 17-5 plus line 18-3)	899
2 in current OMB inventory	899
3 Difference (line 1 less line 2)	0
Explanation of difference	
4 Program change	
5 Adjustment	

24. Respondents' obligation to comply (check the strongest obligation that applies)

1 Voluntary

2 Required to obtain or retain a benefit

3 Mandatory

20. Current (most recent) OMB control number or comment number

3150-0039

21. Requested expiration date

3 years from approval

25. Are the respondents primarily educational agencies or institutions or is the primary purpose of the collection related to Federal education programs? Yes No

26. Does the agency use sampling to select respondents or does the agency recommend or prescribe the use of sampling or statistical analysis by respondents? Yes No

27. Regulatory authority for the information collection

10 CFR 140 ; or FR ; or Other (specify): _____

Paperwork Certification

In submitting this request for OMB approval, the agency head, the senior official or an authorized representative, certifies that the requirements of 5 CFR 1320, the Privacy Act, statistical standards or directives, and any other applicable information policy directives have been complied with.

Signature of program official

Date

Signature of agency head, the senior official or an authorized representative

Date

Gerald W. Bradford, DSO for Information Resources Management

3/14/94

SUPPORTING STATEMENT
FOR
10 CFR PART 140

"Financial Protection Requirements
and
Indemnity Agreements"

(OMB Clearance No. 3150-0039)

DESCRIPTION OF THE INFORMATION COLLECTION

The regulations in 10 CFR Part 140 provide appropriate procedures and requirements for determining the financial protection required of licensees and for the indemnification and limitation of liability of certain licensees and other persons pursuant to Section 170 of the Atomic Energy Act of 1954, as amended (the Act), and the liability insurance required of uranium enrichment facility licensees pursuant to Section 193 of the Act.

A. JUSTIFICATION

1. Need for and Agency Use of the Collection of Information

Section 140.6(a) requires that licensees submit a report to the NRC in the event of bodily injury or property damage arising out of the possession or use of radioactive material. This information assists NRC in assessing the extent of any damages which may have occurred or are expected to occur so that appropriate action may be taken to initiate the remedies provided by the Price-Anderson Act.

Section 140.7(b) pertains to a situation where a reactor manufacturer (licensee) builds a number of small research reactors (rated at 3 1/3 megawatts or less) and operates them at its site prior to delivery to a buyer. Each such reactor is indemnified under the Price-Anderson system and, because of such indemnification, the manufacturer is liable to pay a fee for each reactor operated. Rather than be billed for each reactor separately, the licensee is required to estimate the maximum number of reactors operating at any one time, and the fee is based on this estimate. If experience shows that more or less than this estimated maximum have operated, the licensee will inform the NRC so that the fee can be adjusted.

Section 140.13 requires that each holder of a construction permit and Part 70 license must maintain \$1 million in financial protection prior to issuance of a Part 50 operating license and submit evidence of fulfilling this requirement, as required by Section 170 of the Act.

Section 140.13a requires that each holder of a Part 70 license to possess and use plutonium at a plutonium processing and fuel fabrication plant must maintain \$200 million of financial protection and submit evidence of fulfilling this requirement, as required by Section 170 of the Act.

Section 140.13b requires proof of liability insurance to be filed with the Commission, pursuant to 140.13, before issuance of a license for a uranium enrichment facility, as required by Section 193 of the Act.

Sections 140.15(a)(1) and (2) require those licensees who choose to maintain financial protection in the form of liability insurance required pursuant to Section 170(b) of the Act to submit proof to the NRC of their financial protection (copies of new policies and copies of endorsements, i.e., amendments to the policies). All liability policies are with the nuclear insurance pools, American Nuclear Insurers (ANI) and Mutual Atomic Energy Liability Underwriters (MAELU).

Sections 140.15(b)(1) and (2) require proof of financial protection for those licensees who choose to maintain financial protection in the form of the licensees' own resources pursuant to Section 170(b) of the Act to be submitted to NRC. Respondents to these requirements must annually submit certified financial statements for the previous three years, and if a statement is older than 90 days, an uncertified statement prepared within the 90-day period. NRC reviews this information to determine whether the licensee has adequate financial protection.

Section 140.15(c) requires any licensee to file with the NRC such additional proof of financial protection or other financial information as the NRC determines to be necessary to determine whether financial protection is being maintained pursuant to 10 CFR 140.

Section 140.15(e) requires licensees to promptly notify the NRC of any material change in financial protection or in other financial information so that NRC can reevaluate these changes.

Sections 140.17(a) and (b) require that licensees submit to NRC proof that insurers are legally authorized to issue liability policies and that at least 30 days prior to the termination of such policies, licensees shall inform the NRC of renewal of such policies pursuant to Section 170(b) of the Act, or shall file other proof of financial protection. With this information, NRC judges the legality and reliability of licensee liability policies.

Section 140.20(c) specifies that licensees who indicate that they will not be paying retrospective premium assessments, immediately submit their financial statements to NRC. Retrospective premiums are required pursuant to Section 170(b) of the Act. As required, subsequent submission of financial statements by such licensees may be requested by NRC. These statements are necessary to determine whether the NRC will be required to pay, on behalf of a licensee, any unpaid retrospective premiums. The Act authorizes the NRC to levy liens to obtain payment from the licensee.

Section 140.21 requires licensees to submit to NRC copies of any one of several financial devices to guarantee a licensee's payment of a retrospective premium assessment as required pursuant to Section 170(b) of the Act. This evidence is required to be submitted at the issuance of the license and annually, on the date on which the indemnity agreement is effective. Copies of these financial devices provide NRC with the assurance that licensees maintain adequate financial protection.

The NRC completes its review of this information within approximately one month after its receipt.

2. Reduction of Burden Through Information Technology

There are no legal obstacles to reducing the burden associated with this information collection. Licensees are encouraged to use modern information technologies to collect, analyze, and store the information required under the provisions of 10 CFR Part 140.

3. Effort to Identify Duplication

The Information Requirements Control Automated System (IRCAS) has been searched. There is no duplication with other collections of information.

4. Effort to Use Similar Information

There is no source for the required information other than licensees and the nuclear insurance pools.

5. Effort to Reduce Small Business Burden

Small business is not affected by 10 CFR 140 information collection requirements.

6. Consequences of Less Frequent Collection

The information is submitted as necessary for NRC to assess (a) the financial protection required of licensees and for the indemnification and limitation of liability of certain licensees and other persons pursuant to Section 170 of the Atomic Energy Act of 1954, as amended (the Act), and (b) the liability insurance required of uranium enrichment facility licensees pursuant to Section 193 of the Act. Collection of this information at less frequent intervals would be deleterious to NRC's mission to protect public health and safety.

7. Circumstances Which Justify Variation from OMB Guidelines

This information collection does not vary from OMB guidelines.

8. Consultations Outside the NRC

On September 16, 1991 (56 FR 46739), the NRC published a proposed rule, which was essentially conforming in nature, to amend 10 CFR Parts 2, 40, 50, 51, 70, 75, 110, 140, 150 and 170 as required to implement section 5 of Public Law 101-575 as it pertains to the licensing of uranium enrichment facilities. The NRC received one comment letter on the proposed rule. This comment was considered prior to final rulemaking.

9. Confidentiality of Information

NRC provides no pledge of confidentiality of this information collection.

10. Justification for Sensitive Questions

Part 140 information collections do not involve sensitive or private information.

11. Estimated Annual Cost to the Federal Government

The annual cost for the staff to review and analyze the data, provide followup, prepare reports and clerical support and typing is \$26,664. This is based on the following:

<u>Part</u>	<u>Number of Licensees</u>	<u>Hours of NRC Effort/Licensee</u>	<u>Total Hours of NRC Review</u>
140.6(a)	145	16 (only in the event of an accident)	N.A.
140.7(b)	None Currently	1	N.A.
140.13	16	1	16
140.13a	5	1	5
140.13b	1	1	1
140.15(a)	94	1	94
140.15(b)	None Currently	4	N.A.
140.15(c)	94	0	0
140.15(e)	None Currently	2	N.A.
140.17(a)&(b)	110	1	N.A.
140.20(c)	None Currently	4	N.A.
140.21	86	1	86
			202 at \$132/hour = \$26,664

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

12. Estimate of Industry Burden and Cost

Section 140.6(a)

Section 140.6(a) applies to about 145 licensees maintaining an indemnity agreement. There is no schedule for imposing the requirements specified in Part 140 since the information is only submitted when an accident occurs.

To date, five reports have been submitted by licensees under this section covering damages alleged to have occurred as a result of NRC-licensed activities. The reports are 3 to 5 pages in length. Approximately 8 to 16 hours of effort are needed to prepare these reports. No reports are anticipated during this clearance period.

Section 140.7(b)

There are no licensees under Section 140.7(b) to which this information collection requirement currently applies. The maximum number of licensees to which the requirement could apply has not and almost certainly will not exceed nine. As described above, an indication of the maximum number of reactors operating at any one time is the only requirement imposed under 140.7(b). Its purpose is to reduce the number of times a licensee is required to notify the NRC when a small reactor needs to be indemnified and, thus, when a fee is due. The

report is due as required by the number of reactors being manufactured at one time. No more than three copies are submitted and are used by NRC's Office of Administration for establishing fees.

This paragraph has rarely been applied and no further use is foreseen. If used, less than four hours per report is estimated to be required. Because only an estimate of number of reactors operating at one time is required, which would be readily available to the licensee, the only cost involved would be for preparing the report itself. The total cost should be less than \$215.

Sections 140.13 and 13a

Section 140.13 applies to about 16 licensees presently, while Section 140.13a applies to five.

Requirements for submitting this information are not placed on the licensees but on the insurance pools providing insurance coverage. Costs are minimal.

Section 140.13b

Three applications are expected during this clearance period from applicants for uranium enrichment facilities.

Two hours are required for evaluating these records and the costs for submitting these records are minimal, consisting of the clerical time and duplicating cost associated with copying the policies and endorsements.

Sections 140.15(a)(1) and (2)

Sections 140.15(a)(1) and (2) apply to about 94 licensees.

Two hours are required for evaluating these records and the costs for submitting these records are minimal, consisting of the clerical time and duplicating cost associated with copying the policies and endorsements.

Sections 140.15(b)(1) and (2)

Sections 140.15(b)(1) and (2) do not currently apply to any licensees.

The required information would be available as part of a firm's standard financial information system and would thus impose no costs other than nominal duplicating and clerical costs. The under-90-day statement would require no more than 8 or 16 staff hours of a professional accountant's time.

Section 140.15(c)

Section 140.15(c) could apply to about 94 licensees. Nominal, if any, burden is anticipated.

Section 140.15(e)

Section 140.15(e) applies to all licensees with whom an indemnity agreement is executed.

Since this section has never been utilized, no respondent time can be estimated.

Sections 140.17(a) and (b)

Sections 140.17(a) and (b) potentially apply to about 110 licensees.

All liability policies are issued by the existing nuclear insurance pools. The provisions of this section would become operable only if and when a new insurance carrier enters that market and would require only nominal reproducing and clerical effort.

Section 140.20(c)

Section 140.20(c) potentially applies to 86 licensees jointly.

This reporting requirement would be used only for those firms which cannot or will not pay the assessed retrospective premium. The required information would be available as part of a firm's standard financial reporting system and would, thus, impose no costs other than nominal duplicating and clerical costs.

Section 140.21

Section 140.21 potentially applies to 86 licensees jointly.

Sections 140.21(a) through (d) would simply require a copy of the appropriate agreement between the licensee and the party providing the financial service. Cost would thus be nominal. Section 140.21(e), the annual certified financial statement, may require information in a format not normally produced by the licensee in the standardized financial reports. However, such information should be readily available from the licensee's internal records and should require no more than one day of effort by the licensee's accounting staff. No licensee who has utilized this method of guarantee (effective August 1, 1977) has indicated any difficulty or undue burden in compiling the needed information.

12a. Summary of Industry Annual Burden

The table below summarizes the estimated annual burden on NRC licensees of preparing reports required under various sections of 10 CFR Part 140. No burden is given for reports required only after accidents.

<u>Part</u>	<u>Number of Licensees</u>	<u>Annual hours of Burden/Licensee</u>	<u>Total hours</u>
140.6(a)	145	8-16 hours when required	-
140.7(b)	None Currently	3 hours/report	-
140.13	16	1 hour*	16
140.13a	5	1 hour*	5
140.13b	1	2 hours	2
140.15(a)	94	2 hours	188
140.15(b)	None Currently	8-16 hours	-
140.15(c)	94	0	-
140.15(e)	None Currently	N.A.	-
140.17(a)&(b)	110	1 hour, when required	-
140.20(c)	86	1 hour, when required	-
<u>140.21</u>	<u>86</u>	<u>8 hours</u>	<u>688</u>
		<u>Total Hours</u>	<u>899</u>

* Burden on Insurers

12b. Summary of Annual Industry Cost

Approximately 202 reports are expected to be submitted annually to NRC. The estimated annual cost is expected to be approximately \$118,668 (899 hours x \$132/hour).

13. Reasons for Change in Burden

The estimated burden has not changed.

14. Publication for Statistical Use

NRC does not publish information submitted in accordance with 10 CFR Part 140 for statistical use.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

Information collection provisions of 10 CFR Part 140 do not require the use of statistical methods.

U.S. NUCLEAR REGULATORY COMMISSION

Documents Containing Reporting or Recordkeeping Requirements
Office of Management and Budget (OMB) Review

AGENCY: U.S. Nuclear Regulatory Commission (NRC)

ACTION: Notice of the OMB review of information collection

SUMMARY: The NRC has recently submitted to the OMB for review the following proposal for the collection of information under the provisions of the Paperwork Reduction Act of 1980 (44 U.S.C. Chapter 35).

1. Type of submission, new, revision or extension: Extension
2. The title of the information collection: 10 CFR Part 140, Financial Protection Requirements and Indemnity Agreements
3. The form number if applicable: N/A
4. How often the collection is required: As necessary in order for NRC to meet its responsibilities called for in Sections 170 and 193 of the Atomic Energy Act of 1954, as amended (the Act)

5. Who will be required or asked to report: Licensees authorized to operate reactor facilities in accordance with 10 CFR Part 50 and licensees authorized to construct and operate a uranium enrichment facility in accordance with 10 CFR Parts 40 and 70
6. An estimate of the number of responses: Approximately 202 annually (approximately 4.45 hours per respondent)
7. An estimate of the total number of hours needed to complete the requirement or request: 899
8. An indication of whether Section 3504(h), Pub. L. 96-511 applies: Not applicable
9. Abstract: 10 CFR Part 140 of the NRC's regulations specifies information required to be submitted by licensees to enable the NRC to assess (a) the financial protection required of licensees and for the indemnification and limitation of liability of certain licensees and other persons pursuant to Section 170 of the Atomic Energy Act of 1954, as amended, and (b) the liability insurance required of uranium enrichment facility licensees pursuant to Section 193 of the Atomic Energy Act of 1954, as amended.

Copies of the submittal may be inspected or obtained for a fee from the NRC Public Document Room, 2120 L Street, NW., Lower Level, Washington, DC 20555.

Comments and questions should be directed to the OMB reviewer:

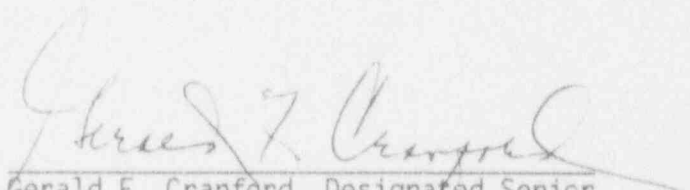
Troy Hillier
Office of Information and Regulatory Affairs (3150-0039)
NEOB-3019
Office of Management and Budget
Washington, DC 20503

Comments can also be submitted by telephone at (202) 395-3084.

The NRC Clearance Officer is Brenda Jo. Shelton, (301) 492-8132.

Dated at Bethesda, Maryland, this *14th* day of *March*, 1994.

For the Nuclear Regulatory Commission


Gerald F. Cranford, Designated Senior
Official for Information Resources Management