

April 20, 2000

Professor Kenneth L. Peddicord
C/O: Texas A&M University System
Department of Nuclear Engineering
129 Zachry Engineering Center
College Station, TX 77843-3133

Dear Prof. Peddicord:

Subject: Contract No. NRC-04-99-054, Notification of Government's Intent
to Exercise Option

You are hereby given preliminary notice that it is the intent of the U.S. Nuclear Regulatory Commission to exercise the option year one under the subject contract in accordance with Section I.2, Option to Extend The Term of The Contract.

This preliminary notice does not constitute an exercise of the option. The exercise of the option will be accomplished by modification to the subject contract.

Further, this preliminary notice does not commit the Government to an extension.

If you have any questions regarding this matter, please contact Contract Specialist, on (301) 415-6565.

Sincerely,

Sharlene McCubbin, Contract Specialist
Contracts Management Branch No. 1
Division of Contracts and
Property Management
Office of Administration

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