

STANDARD ORDER FOR DOE WORK (SOEW)

NRC-07-02-421
DATE OF ISSUANCE
05/06/2002

This agreement is entered into pursuant to the authority of the Energy Reorganization Act of 1974, as amended (42 U.S.C. 5801 et seq.). This work will be performed in accordance with the NRC/DOE Memorandum of Understanding dated November 24, 1998. To the best of our knowledge, the work requested will not place the DOE and its contractor in direct competition with the domestic private sector.

RQNSR02300

ISSUED TO: (DOE OFFICE)

Oak Ridge Operations Office

ISSUED BY: (NRC OFFICE)

For Division of Contract and Property Mgmt.
Office of Nuclear Security and Incident Response

ACCOUNTING CITATION

APPROPRIATION SYMBOL

31X0200

B&R NUMBER

27Z-15-550-398

JOB CODE

H7052

BOC

253D

PROJECT PERFORM. PERIOD

BEGIN

END

05/06/2002

05/06/2003

THIS FY FUNDING PERIOD

FROM 5/6/02

TO 5/6/03

05/01/2002 09/30/2002

PERFORMING ORGANIZATION

Oak Ridge Operations

DISTRIBUTION OF OUTGOING (NRC SIGNED):

DISTRIBUTION OF INCOMING (DOE SIGNED):

JOB CODE TITLE

Interagency Agreement Between
DOE/ORO and NRC Regarding FOCI
Determinations Associated With Certain
NRC Licensees

OBLIGATION AVAILABILITY PROVIDED BY:

A. THIS ORDER

\$ 200,000.00

B. TOTAL OF ORDERS PLACED PRIOR TO THIS ORDER WITH THE PERFORMING ORGANIZATION UNDER THIS JOB CODE FOR THIS FISCAL YEAR.

\$ 0.00

C. TOTAL ORDERS TO DATE FOR THIS JOB CODE FOR THIS FISCAL YEAR.

(TOTAL A & B)

\$ 200,000.00

STANDARD TERMS AND CONDITIONS ARE PART OF THIS ORDER UNLESS OTHERWISE NOTED (See NRC Management Directive 11.7).

ATTACHMENTS

THE FOLLOWING ATTACHMENTS ARE HEREBY MADE A PART OF THIS ORDER

- STATEMENT OF WORK
- ADDITIONAL TERMS AND CONDITIONS
- OTHER (Specify)

SECURITY

WORK ON THIS ORDER INVOLVES CLASSIFIED INFORMATION. NRC FORM 187 IS ATTACHED.

WORK ON THIS ORDER INVOLVES SENSITIVE UNCLASSIFIED, UNCLASSIFIED SAFEGUARDS INFORMATION, OR UNESCORTED ACCESS TO PROTECTED AND VITAL AREAS OF NUCLEAR POWER PLANTS. NRC FORM 187 IS ATTACHED.

FEE BILLABLE UNDER 10 CFR PART 170

YES NO PARTIAL

WORK ON THIS ORDER IS UNCLASSIFIED AND NOT SENSITIVE.

REMARKS: (At a minimum, reference the approved proposal (NRC Form 189) by number and date. See further instructions on the reverse side.)

Reference NRC Form 189 dated May 3, 2002.

This work order provides FY 2002 funds in the amount of \$200,000 for DOE/ORO to commence work on the Interagency Agreement with NRC concerning FOCI determinations associated with certain NRC licensees.

CERTIFICATION OF FUNDS

This certifies that funds in the amount cited in Block A are available in the current Fiscal Year allotment for work authorized by this SOEW.

FUNDS CERTIFICATION OFFICIAL (Typed Name)

Virginia S. Bolding

SIGNATURE

Certified on NRC Form 400 - separate form

DATE

SIGNATURES

NRC ISSUING AUTHORITY (Typed Name and Title)

Stephen M. Pool, Contracting Officer

SIGNATURE

SIGNATURE

DATE

DATE

DOE ACCEPTING ORGANIZATION (Typed Name and Title)

JAMES A. REAGAN, Director

SIGNATURE

SIGNATURE

DATE

DATE

TEMPLATE_ADM001

ADM02

STATEMENT OF WORK FOR THE INTERAGENCY AGREEMENT
BETWEEN THE
U.S. DEPARTMENT OF ENERGY OAK RIDGE OPERATIONS
AND THE
U.S. NUCLEAR REGULATORY COMMISSION
CONCERNING
FOREIGN OWNERSHIP, CONTROL, OR INFLUENCE DETERMINATIONS
ASSOCIATED WITH CERTAIN NRC LICENSEES

1. INTRODUCTION

Section 205(c) of the Energy Reorganization Act of 1974 authorizes the U.S. Nuclear Regulatory Commission (NRC) to utilize the research facilities and services of the U.S. Department of Energy (DOE) and other federal agencies to assist the NRC in the conduct of its regulatory mission. On February 24, 1978, the NRC and DOE executed a Memorandum of Understanding (MOU) which established overall management policy for an interagency relationship in the conduct of NRC programs. The MOU was revised and renewed by the NRC and the DOE on November 24, 1998.

2. PURPOSE

This Interagency Agreement (IA) defines Foreign Ownership, Control, or Influence (FOCI) analysis functions that the Department of Energy Oak Ridge Operations Office (ORO) will perform for the NRC on NRC licensees that require access to classified information. The intent of this IA is to reflect the fact that ORO will be reimbursed by the NRC for FOCI services performed. ORO will do FOCI processing on NRC licensees for the NRC and provide information sufficient for the NRC to render independent FOCI determinations.

3. BACKGROUND

Currently, ORO performs FOCI analysis functions for the NRC regarding classified facilities associated with the U.S. Enrichment Corporation ("Memorandum of Understanding between the U.S. Department of Energy and the U.S. Nuclear Regulatory Commission Concerning Foreign Ownership, Control or Influence Determinations Associated with the United States Enrichment Corporation," May 21, 1999). Because ORO has an established FOCI program in place and is already doing FOCI analysis work for the NRC, it was appropriate to negotiate with ORO regarding FOCI analysis for additional NRC licensees. NRC, as the cognizant security agency (CSA) for its licensees, will make all final FOCI determinations.

4. SCOPE

- A. Nothing in this IA is intended to restrict or expand the authority of ORO or to affect or otherwise alter the terms of any other agreement between DOE and NRC.
- B. Nothing in this IA is intended to restrict or otherwise limit the authority of the NRC to exercise its full regulatory authority over its licensees in accordance with Title II of the Atomic Energy Act of 1954, as amended.

5. NRC AND DOE SECURITY RESPONSIBILITIES UNDER THIS IA

- A. NRC will serve as the CSA for all NRC-licensed facilities that require a facility clearance for access to classified information. The CSA is responsible for approving non-possessing security plans, granting FOCI approvals, and issuing facility clearances.
- B. ORO will conduct all FOCI investigative reviews of designated NRC licensees and submit each completed FOCI action to the NRC for final determination. ORO will also recommend mitigation methods to the NRC.
- C. NRC will take the necessary steps to ensure that annual FOCI certifications are obtained and that 5-year FOCI updates are initiated. Any significant changes to a FOCI submission and FOCI 5-year redeterminations will be forwarded by NRC to ORO for evaluation.
- D. NRC will be responsible for maintaining the facility approval records of all NRC-licensed facilities that require a facility clearance.
- E. When it is advised of or becomes aware of any circumstances that could invalidate a previous FOCI analysis or determination, ORO agrees to notify the NRC.
- F. ORO will perform work pursuant to this IA on a best efforts basis and the NRC acknowledges that DOE work performed by ORO will take priority over any work performed pursuant to this IA.

6. CONTACTS

- A. The principal senior management contacts for this IA will be the Director, Division of Facilities and Security, Office of Administration, NRC and the Director, Office of Safeguards and Security, ORO.
- B. Identification of these contacts is not intended to restrict communication between NRC and DOE staff members on security and other day-to-day activities.

7. FUNDING

- A. All work by ORO will be performed on a full cost recovery basis. NRC will ensure prompt payment to ORO including Federal Administrative Charges and Veteran's Administration contract charges, if applicable.
- B. All billings, collections, and payments related to work performed under this IA will be recorded through the U.S. Department of Intra-governmental Payment and Collection (IPAC) System.
- C. The NRC will include its agency location code on all funding authorizations forwarded to ORO. In addition, the Treasury appropriation account symbol must be included on any funding authorization along with the obligational expiration date and the date the appropriation closes for payment.
- D. Work to be performed pursuant to this IA shall be fully funded for the current fiscal year plus the first 3 months of the following fiscal year.

8. SEPARABILITY

If any provision(s) of this IA, or the application of any provision(s) to any person or circumstances is held invalid, the remainder of this IA and the application of such provisions to other persons or circumstances shall not be affected.