



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

JUL 08 2002

Information Systems Laboratories, Inc.
ATTN: Mr. James F. Meyer
Vice President & Manager
11140 Rockville Pike, Suite 500
Rockville, MD 20852

Subject: TASK ORDER NO. 6, ENTITLED, "INDEPENDENT REVIEW OF ASME PRA
STANDARD" UNDER CONTRACT NO. NRC-04-01-067

In accordance with Section G.4, Task Order Procedures, of the subject contract, this letter definitizes Task Order No. 6. This effort shall be performed in accordance with the enclosed Statement of Work.

Task Order No. 6 shall be in effect from July 8, 2002 through August 1, 2002, with a cost ceiling of \$15,558.00. The amount of \$14,473.00 represents the total estimated reimbursable cost, and the amount of \$1,085.00 represents the fixed fee.

Accounting data for this task order is as follows:

B&R No.: 26015110197
Job Code: Y6406
BOC Code: 252A
APPN No.: 31X0200.260
OBLIGATED AMOUNT: \$15,000.00

The following individuals are considered to be essential to the successful performance of the work hereunder:

[REDACTED]

The Contractor agrees that such personnel shall not be removed from the effort under the task order without compliance with Contract Clause H.1, Key Personnel.

The issuance of this task order does not amend any terms or conditions of the subject contract.

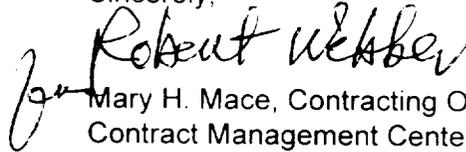
Your contacts during the course of this task are:

Technical Matters: Brad Hardin
Technical Monitor
(301) 415-6561

Contractual Matters: Anita Hughes
Contract Specialist
(301) 415-6526

Please indicate your acceptance of this task order by having an official who is authorized to bind your organization, execute three copies of this document in the spaces provided below and return two copies to the Contract Specialist. You should retain the third copy for your records. If you have any questions regarding the subject modification, please contact Anita Hughes, Contract Specialist on (301) 415-6526.

Sincerely,



Mary H. Mace, Contracting Officer
Contract Management Center No. 1
Division of Contracts
Office of Administration

Enclosure: As stated

ACCEPTED:


NAME
TITLE
DATE

**STATEMENT OF WORK
to Task Order No. 6
Under Contract No. NRC-04-01-067**

TITLE: ASSESS AND IMPROVE REGULATORY EFFECTIVENESS

TASK ORDER 6: INDEPENDENT REVIEW OF ASME PRA STANDARD

Project Manager: Sid Feld, RES (301) 415-6193
Technical Monitor: Brad Hardin, RES (301) 415-6561

SCOPE

The purpose of this task is to perform an independent review of the recently issued ASME PRA standard. The review should be broad-based in scope so as to take advantage of the extensive and/or specialized expertise and knowledge of the contractor(s) in PRA topics.

The review should identify any areas of the standard which appear to be:

- Incomplete
- Confusing
- Inconsistent
- Ambiguous
- Incorrect
- Redundant
- Unnecessary

The Contractor shall pay particular attention to the use of "action" verbs. These are the Section 4 verbs in each supporting requirement that state a requirement and are capitalized. In particular, the Contractor should use their professional judgement and PRA experience to determine if the action verbs appear appropriate in the context in which they are used and are consistently applied.

In addition, also in Section 4, the Contractor shall determine:

1. If the supporting requirement in each Capability Category adequately addresses the bases identified in Table 1.3-1, Bases for Capability Categories, of the standard.
2. If the supporting requirements in each Capability Category are appropriate minimums, and
3. If the supporting requirements across identical elements of the Capability Categories are consistent.

As general guidelines to use in this assessment, the Contractor shall review the PRA standard in light of the guidance contained in:

- The attachment entitled Principles and Objectives for a PRA standard
- The PRA attributes specified in SECY-00-0162, including its attachments

To facilitate in his assessment, the NRC staff will meet with the contractor at the initiation of the work to provide elaboration or clarification as needed.

In those instances where the contractor identifies weaknesses in the standard, the Contractor shall clearly state his concern and provide the detailed rationale for the concern.

LEVEL OF EFFORT

The level of effort for this task order is 95 hours.

PERIOD OF PERFORMANCE

The task order shall commence on July 8, 2002 and expire August 1, 2002.

DELIVERABLES

The Contractor shall submit the following deliverables on the date specified below:

Draft Letter Report	July 29, 2002
Final Letter Report	August 1, 2002

MEETINGS

The Contractor will be required to meet with NRC's Technical Monitor at NRC's Two White Flint North Building at the initiation of the work in order to provide elaboration or clarification as needed. The room number, date, and time of the meeting will be coordinated between NRC's Technical Monitor and the contractor.

NRC FURNISHED MATERIAL

The NRC will furnish the principles and objectives for a PRA standard (see attached).

Principles and Objectives for a PRA Standard

In the risk-informed environment in which NRC and industry are currently operating, PRA results are used as one, but not the only input to a decision-making process. Depending on the specific nature of the application, PRA results can play a more or less significant role. The extent to which the PRA results influence the decision will be impacted by the confidence the decision-makers have in those results. Accordingly, development of a Standard that promotes a consistent determination of the strengths and weaknesses of a PRA will directly impact the ability of decision-makers to efficiently establish a level of confidence in the results. The requirements of such a Standard provide a reference point for determining the strengths and weaknesses and also for evaluating alternative PRA approaches. The Standard should also recognize that in some areas methodology and data enhancements will occur over the next several years.

1. The PRA Standard needs to provide well-defined criteria against which to judge the strengths and weaknesses of the PRA so that decision-makers can determine the degree of reliance that can be placed on the PRA results of interest.
2. The Standard needs to be based on current good practices as reflected in publicly available documents. The needs for the documentation to be publicly available follows from the fact that the Standard may be used to support safety decisions.
3. To facilitate the use of the Standard for a wide range of applications, categories can be defined to aid in determining the applicability of the PRA for various types of applications.
4. The Standard needs to be thorough and complete in defining what is technically required and should, where appropriate, identify one or more acceptable methods.
5. The Standard needs to require a peer review process that identifies and assesses where the technical requirements of the Standard are not met. The Standard needs to assure that the peer review process:
 - a. determines whether methods identified in the Standard have been used appropriately;
 - b. determines that, when acceptable methods are not specified in the Standard or when alternative methods are used in lieu of those identified in the Standard, the methods used are adequate to meet the requirements of the Standard;
 - c. assesses the significance on the results and insights gained from the PRA of not meeting the technical requirements in the Standard;
 - d. highlights assumptions that may significantly impact the results and provides an assessment of the reasonableness of the assumptions;
 - e. is flexible and accommodates alternate peer review approaches; and
 - f. includes a peer review team that is comprised of members who are knowledgeable in the technical elements of a PRA, are familiar with the plant design and operation, and are independent with no conflicts of interest.
6. The Standard needs to address the maintenance and update of the PRA to incorporate changes that can substantially impact the risk profile, so that the PRA adequately represents the current as-built and as-operated plant.
7. The Standard needs to be viewed as a living document. Consequently, it should not impede research but needs to be structured such that when improvements in our state of knowledge occur, the Standard can easily be updated.