

NOTE TO: Diane Dandois  
Glenda Jackson

DATE: June 12, 2001

FROM: Joel Dorfman



SUBJECT: REIMBURSABLE AGREEMENT RELATED TO THE PEBBLE BED MODULAR REACTOR

DPBA has received for concurrence the attached Modification 1 to our reimbursable agreement with DOE related to Pebble Bed. The agreement has been re-titled, "Advanced Gas Reactor Framework, Technology and Fuel Evaluation," and provides NRC with \$480,000, for both contract support and NRC staff costs.

Mod 1 to reimbursable agreement was originally drafted in April, 2001. At that time, both DPBA and OGC expressed concerns that the Statement of Work (SOW) defined NRC's activities as developing a regulatory framework for licensing reactors. After discussions with OGC, RES agreed to revise the SOW to focus on NRC performing a technology assessment or generic research (see attached markup which was approved by Brian Kildee, OGC). Rather than the Economy Act, the reimbursement would be authorized under NRC's cooperative research authority. The NRC accepts funds under our cooperative research authority to perform research which falls within NRC's statutory mission.

Please note that RES wishes to charge costs of the June 12-13 meeting with Exelon to the agreement. The meeting activities with Exelon appear to be licensing and regulatory in nature, and not billable to DOE. The agreement is ambiguous regarding charging costs incurred prior to signature.

If possible, I would appreciate any comments on this agreement by June 14.

cc: Sandi Park  
David Drucker

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