

NOTE TO: Rick Rough  
Les Barnett

DATE: June 10, 2002

FROM: Joel Dorfman 

THRU: Sandi Park

SUBJECT: MODIFICATION 2 TO DOE ADVANCED GAS REACTOR TECHNOLOGY  
REIMBURSABLE AGREEMENT

DPBA has received for concurrence the attached Modification 2 to our reimbursable agreement with DOE titled, "Advanced Gas Reactor Framework, Technology and Fuel Evaluation." The agreement provides funding for NRC research associated with the Pebble Bed Modular Reactor (PBMR) and other advanced gas reactor technologies. Modification 2 provides NRC with an additional \$500,000.

#### Background

Previous funding for this work was provided as follows:

- Original agreement provided \$20K to fund RES travel to South Africa to evaluate PBMR technology.
- Modification 1, signed in June, 2001, provided \$480K to fund NRC staff costs, travel and contractual support. The Statement of Work (SOW) attached to Modification 1 describes generic research which NRC could also fund using direct appropriations. Therefore, Modification 1 states that reimbursement is 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. OGC agreed with NRC referencing this legal authority.

#### Modification 2

Modification 2 adds \$500K to the agreement to continue the same general SOW. The funds will be used by RES as follows:

\$277K for staff costs (RES and NRR staff time)  
223K for contract support

Modification <sup>it</sup>2 extends the expiration date of the agreement from 12/15/2002 to 9/30/2003. In addition, ~~in~~ increases the total project estimate to \$1.4 million, which is consistent with the total funding expected from DOE that was reported to the Commission in SECY 01-0070, "Plan for Pre-application Activities on the Pebble Bed Modular Reactor (PBMR)", dated April 25, 2001.

#### Recommendation

Concur on the attached routing sheet.

cc: Sandi Park  
Jerome Murphy

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