



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D.C. 20555-0001

RECEIVED  
CENTER FOR NUCLEAR WASTE  
REGULATORY ANALYSES

000818 DEC 22 8

December 19, 2003

SUBJECT CODE \_\_\_\_\_  
PROJECT NO. \_\_\_\_\_

Wesley C. Patrick, President  
Center for Nuclear Waste  
Regulatory Analyses  
6220 Culebra Road  
PO Drawer 28510  
San Antonio, TX 78228-0510

Subject: Task Order No. 1 Entitled, "Geotechnical Engineering Review of Sequoyah  
Fuels Corporation Reclamation Plan", Under Contract NRC-02-04-001

Dear Dr. Patrick:

In accordance with the task order procedures of the subject contract, this letter definitizes Task Order No. 1. This effort shall be performed in accordance with the enclosed Statement of Work, and the Contractor's technical proposal dated October 29, 2003 as revised on November 13, 2003 and December 1, 2003. Task Order No. 1 shall be in effect from December 19, 2003, through December 18, 2004 with a cost ceiling of \$98,352. The amount of \$90,106 represents the total estimated reimbursable costs, the amount of \$1,038 represents the cost of facility capital, and the amount of \$7,208 represents the fixed fee for this task order.

Accounting Data for Task Order No. 1 is as follows:

Transfer Obligation from Basic Contract to Task Order:

B&R No.: 45015201212  
JC No.: J5480  
BOC: 252A  
Appn. No.: 31X0200.460  
Amount transferred by this action: \$98,352

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.

Your contacts during the course of this task order are:

Technical Matters: Barbara Stehlin  
Project Officer  
(301) 415-6996

Contractual Matters:

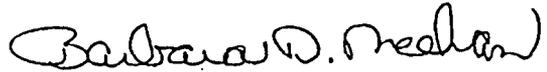
Barbara Meehan  
Contract Specialist  
(301) 415-6730

The issuance of Task Order No. 1 does not change any terms and conditions of the subject contract.

Please indicate your acceptance of Task Order No. 1 by having an official authorized to bind your organization, execute three (3) copies of this document in the space provided and return two (2) copies to the U.S. Nuclear Regulatory Commission, Attn: Mrs. Barbara Meehan, ADM/DC/CMC1, Mail Stop T-712, Washington, DC 20555. You should retain the third copy for your records.

If you have any questions regarding this matter, please call me on (301) 415-6730.

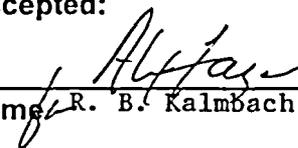
Sincerely,



Barbara D. Meehan, Contracting Officer  
Contract Management Center No. 1  
Division of Contracts  
Office of Administration

Enclosure: As stated

Accepted:

  
Name R. B. Kalmbach

Director, Contracts

Title

December 30, 2003

Date

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STATEMENT OF WORK  
Task Order #1

TASK TITLE:	GEOTECHNICAL ENGINEERING REVIEW OF SEQUOYAH FUELS CORP. RECLAMATION PLAN
JOB CODE	J5480
NRC ISSUING OFFICE	NMSS
NRC PROJECT MANAGER	BARBARA A. STEHLIN, 415-6996
NRC TECHNICAL MONITOR	MYRON FLIEGEL, 415-6629
FEE RECOVERABLE:	YES

1.0 Background

The Nuclear Regulatory Commission (NRC) is currently reviewing Sequoyah Fuels Corporation's (SFC's) reclamation plan for its conversion facility near Gore, Oklahoma and needs assistance in geotechnical engineering aspects of the review. SFC had originally prepared a decommissioning plan in compliance with 10 CFR Part 20, Subpart E. In January 2001, SFC requested that NRC determine if the waste material from the solvent extraction process at the facility could be classified as byproduct material, as defined in section 11e.(2) of the Atomic Energy Act, which would allow decommissioning under 10 CFR Part 40, Appendix A. In July 2002, the Commission concluded that some of the waste at the SFC site could be properly classified as 11e.(2) byproduct material. In January 2003, SFC submitted a reclamation plan addressing the requirements Appendix A to Part 40. By letter dated March 24, 2003, NRC found the reclamation plan acceptable for review.

2.0 Objective

The objective of this task is to provide technical assistance and review of the geotechnical engineering aspects of SFC's reclamation plan. The review is to be performed in accordance with chapter 2 of NUREG-1620, "Standard Review Plan for the Review of a Reclamation Plan for Mill Tailings Sites Under Title II of the Uranium Mill Tailings Radiation Control Act."

3.0 Level of Effort

The estimated level of effort for this task, excluding work for adjudicatory hearings, is approximately 0.4 FTE.

4.0 Period of Performance

The period of performance of this task, excluding work for adjudicatory hearings, shall be one year from date of task order award.

5.0 Scope of Work

The Center for Nuclear Waste Regulatory Analysis (CNWRA) staff will use 10 CFR Part 40 and other applicable Parts of 10 CFR, NUREG-1620, and available NRC uranium recovery policy and directive guidance. The CNWRA staff will perform a site visit, generate comments and Requests for Additional Information (RAIs), perform detailed reviews of the application, and

prepare the geotechnical engineering section of the draft and final Technical Evaluation Report (TER). If challenged in an adjudicatory hearing, CNWRA staff may prepare affidavits, and assistant NRC staff and attorneys in preparing filings.

- Subtask 1: CNWRA staff shall review background information and visit the SFC site to develop an understanding of the site and the reclamation plan.
- Subtask 2: CNWRA staff shall coordinate and discuss the work with the NRC technical monitor. Discussion with the NRC technical monitor should be initiated by CNWRA at major points during the task and also on a regular schedule, agreed to by CNWRA and the NRC technical monitor.
- Subtask 3: CNWRA shall review the SFC reclamation plan, using the guidance in chapter 2 of NUREG-1620.
- Subtask 4: CNWRA shall prepare RAIs to obtain further information from the licensee, where needed.
- Subtask 5: CNWRA shall review SFC's responses to the RAIs. Based on the SFC reclamation Plan and the RAI responses, CNWRA shall prepare input to the draft TER, following the guidance in chapter 2 of NUREG-1620.
- Subtask 6: CNWRA shall review licensee revisions to the reclamation plan in response to the draft TER and shall prepare input to the final TER, following the guidance in chapter 2 of NUREG-1620.
- Subtask 7: In the event of an adjudicatory hearing, CNWRA may be requested to assist NRC staff by reviewing filings from interveners and the licensee, and prepare affidavits or other material to be included in staff filings.

#### 6.0 Meeting and Travel

NRC records, which cannot be readily provided, may have to be researched. A trip to search NRC records and to consult with NRC staff may be necessary. It is estimated that a 1- person trip of 3-day duration to Washington D.C. may be required.

CNWRA staff will visit the SFC site near Gore, Oklahoma to obtain first-hand knowledge of the site and waste materials. A 1-person trip of 3-days duration will be required.

Additionally, CNWRA staff will travel to Washington, D.C. in order to coordinate the review process with NRC staff. It is estimated that 2-one person trips of 2 days duration may be necessary to support this activity.

#### 7.0 Contractor Acquired Material

The contractor will obtain specialty subcontractors as necessary.

## 8.0 Schedule/Deliverables

The following schedule of the staff time required is based on estimates of time intervals to accomplish this task.

<u>Calendar Time To Accomplish Task</u>	<u>Elapsed Time</u>
Review background information and visit site	3 weeks from task initiation
Prepare draft RAIs	6 weeks from task initiation
Discuss draft RAIs with NRC and prepare final RAIs	8 weeks from task initiation
Review RAI responses and prepare draft TER input	4 weeks from response receipt
Discuss draft TER input with NRC and finalize	6 weeks from response receipt
Review licensee responses and prepare final TER input	4 weeks from response receipt
Discuss draft TER input with NRC and finalize	6 weeks from response receipt
Assist with hearing filings	TBD

## 9.0 Technical Direction

Myron Fliegel is designated as the NMSS Technical Project Manager (TPM) for this task. Barbara A. Stehlin is designated as the NRC Technical Assistance Project Manager (TAPM). The NMSS TPM is responsible for providing technical guidance to the performing organization regarding staff interpretations of technical aspects of regulatory requirements along with relevant documents when requested by the performing organization. All work products must be reviewed and approved by the NMSS TPM before they are submitted as final documents. All technical direction given to the performing organization must be consistent with the work scope and schedule. The NMSS TPM is not authorized to unilaterally make changes to the approved work scope or schedule or give the performing organization any direction that would increase costs over approved levels.

## 10.0 Performance Requirements

<u>Requirement</u>	<u>Standard</u>	<u>QA Method</u>	<u>Deduction Schedule</u>
Performance of Statement of Work	At least a satisfactory rating for performance of each requirement	Survey	Full payment of fixed fee if rated satisfactory or above. 25% reduction of fee if rated less than satisfactory on each element