

ORDER FOR SUPPLIES OR SERVICES

PAGE OF PAGES
1 3

IMPORTANT: Mark all packages and papers with contract and/or order numbers.

BPA NO.

1. DATE OF ORDER DEC - 6 2006		2. CONTRACT NO. (if any) NRC-02-06-021		6. SHIP TO:	
3. ORDER NO. T001		MODIFICATION NO.		a. NAME OF CONSIGNEE U.S. Nuclear Regulatory Commission	
4. REQUISITION/REFERENCE NO. NMS-06-021/FFS 5006R0119		5. ISSUING OFFICE (Address correspondence to) U.S. Nuclear Regulatory Commission Division of Contracts Two White Flint North - MS T-7-I-2 Contract Management Center No. 3 Washington, DC 20555		b. STREET ADDRESS ATTN: Brenda DuBose, 301-415-6578 Mail Stop: 7J8 11555 Rockville Pike	
7. TO:		c. CITY Rockville Pike		d. STATE MD	e. ZIP CODE 20852
a. NAME OF CONTRACTOR SOUTHWEST RESEARCH INSTITUTE INC		b. COMPANY NAME		f. SHIP VIA	
c. STREET ADDRESS 6220 CULEBRA RD		d. CITY SAN ANTONIO		8. TYPE OF ORDER	
e. STATE TX		f. ZIP CODE 782385100		<input type="checkbox"/> a. PURCHASE <input checked="" type="checkbox"/> b. DELIVERY	
9. ACCOUNTING AND APPROPRIATION DATA TRANSFER FUNDS FROM NRC-02-06-021 TO NRC-02-06-021-T001 B&R:650-15-333-217 JCN:J5590 BOC:252A APP:31X0200 \$15,000		10. REQUISITIONING OFFICE NMS NMSS/PMDA/RASB		REFERENCE YOUR _____ Please furnish the following on the terms and conditions specified on both sides of this order and on the attached sheet, if any, including delivery as indicated. Except for billing instructions on the reverse, this delivery order is subject to instructions contained on this side only of this form and is issued subject to the terms and conditions of the above-numbered contract.	
11. BUSINESS CLASSIFICATION (Check appropriate box(es))		12. F.O.B. POINT Destination			
<input type="checkbox"/> a. SMALL <input type="checkbox"/> d. WOMEN-OWNED		<input checked="" type="checkbox"/> b. OTHER THAN SMALL <input type="checkbox"/> e. HUBZone		<input type="checkbox"/> c. DISADVANTAGED <input type="checkbox"/> f. EMERGING SMALLBUSINESS	
13. PLACE OF		14. GOVERNMENT B/L NO.		15. DELIVER TO F.O.B. POINT ON OR BEFORE (Date)	
a. INSPECTION Rockville, MD 20852		b. ACCEPTANCE Rockville, MD 20852		12/06/06 - 09/30/2007	
				16. DISCOUNT TERMS NET 30	

17. SCHEDULE (See reverse for Rejections)

ITEM NO. (a)	SUPPLIES OR SERVICES (b)	QUANTITY ORDERED (c)	UNIT (d)	UNIT PRICE (e)	AMOUNT (f)	QUANTITY ACCEPTED (g)
	Contractor shall provide services in accordance with the attached Statement of Work entitled "Support for Louisiana Energy Services Gas Centrifuge Enrichment Facility Construction Inspections." TOTAL EST. CEILING (BASE): \$109,825 OPTIONAL TASK (BASE): \$31,358 TOTAL ESTIMATED CEILING (OPTIONAL YEAR): \$85,521 OPTIONAL TASK (OPTIONAL YEAR): \$15,620 SEE ATTACHED PAGES 2 AND 3 FOR DESCRIPTION OF TASK ORDER. NRC PROJECT OFFICER: Brenda DuBose 301-415-6578 NRC TECHNICAL MONITOR: Diana Diaz-Toro 301-415-6640 PERIOD OF PERFORMANCE: 12/06/2006 - 09/30/2007 with one one-year option. DUNS: 007936842					

18. SHIPPING POINT		19. GROSS SHIPPING WEIGHT		20. INVOICE NO.	
21. MAIL INVOICE TO:					
a. NAME U.S. Nuclear Regulatory Commission Payment Team, Mail Stop T-9-H-4					
b. STREET ADDRESS (or P.O. Box) Attn: (NRC-02-06-021, Task 1)					
c. CITY Washington		d. STATE DC	e. ZIP CODE 20555		
22. UNITED STATES OF AMERICA BY (Signature)				23. NAME (Typed) Robert B. Webber Contracting Officer TITLE: CONTRACTING/ORDERING OFFICER	

17(h) TOTAL (Cont. pages)
17(i) GRAND TOTAL

TEMPORARY ADM001

SUNSI REVIEW COMPLETE

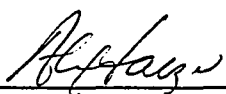
ADM001

List of Attachments

1. Statement of Work

Please indicate your acceptance of this order by having an official who is authorized to bind your organization, execute this document in the space provided below.

ACCEPTED:



Name **R. B. Kalmbach**
Title **Director, Contracts**

December 18, 2006
Date

A. CONSIDERATION AND OBLIGATION --COST PLUS FIXED FEE (JUN 1988)

- (a) The total estimated cost to the Government for full performance of this contract is \$109,825, of which the sum of \$101,819 represents the estimated reimbursable costs, and of which \$8,006 represents the fixed fee.

The total estimated cost of \$109,825 is comprised of Tasks 1 and 2, as follows:

Basic Work:

	<u>Cost</u>	<u>Fee</u>	<u>Total</u>
Task One & Task Two:	\$101,819	\$8,006	\$109,825
 Total Amount:	 \$101,819	 \$8,006	 \$109,825

- (b) There shall be no adjustment in the amount of the Contractor's fixed fee by reason of differences between any estimate of cost for performance of the work under this contract and the actual cost for performance of that work.
- (c) Incremental funds in the amount of \$15,000 are transferred from basic contract NRC-02-06-021. When and if the amount(s) paid and payable to the Contractor hereunder shall equal the obligated amount, the Contractor shall not be obligated to continue performance of the work unless and until the Contracting Officer shall increase the amount obligated with respect to this task order. Any work undertaken by the Contractor in excess of the obligated amount specified above is done so at the Contractor's sole risk.

- (d) In the event that the Government exercises optional work pursuant to FAR Clause 52.217-8 and FAR Clause 52.217-9 incorporated in this delivery order, the total estimated amount of this order will increase as follows:

Optional Work:

	<u>Cost</u>	<u>Fixed Fee</u>	<u>Total</u>
Optional Task 3 FY 2007:	\$29,077	\$2,281	\$31,358
Optional Task 3 FY 2008:	\$14,483	\$1,137	\$15,620
Optional Year FY 2008:	<u>\$79,283</u>	<u>\$6,238</u>	<u>\$85,521</u>
Total Amount:	\$122,842	\$9,656	\$132,499

B. PERIOD OF PERFORMANCE

The period of performance of this order shall be December 6, 2006 - September 30, 2007 with the option to extend the term of the contract through September 30, 2008. The optional subtask is optional during fiscal year 2007 (base) and fiscal year 2008 (optional year).

C. CLAUSES INCORPORATED BY REFERENCE

1. FAR 52.251-1 Government Supply Sources (April 1984)
2. FAR 52.245-5 Government Property (Cost-Reimbursement, Time-and-Materials, or Labor Hour Contracts) Alternate I (May 2004)
3. FAR 52.227-1 Authorization and Consent (July 1995) Alternate I (April 1984)
4. FAR 52.227-11 Patent Rights - Retention by the Contractor (Short Form) (June 1997).

D. FAR 52.217-9, Option to Extend the Term of the Contract (MAR 2000)

- (a) The Government may extend the term of this delivery order by written notice to the delivery order or within 60 days of the expiration date of the delivery order; provided that the Government gives the delivery order or a preliminary written notice of its intent to extend at least 15 days before the delivery order expires. The preliminary notice does not commit the Government to an extension.
- (b) If the Government exercises this option, the extended delivery order shall be considered to include this option clause.
- (c) The total duration for this delivery order, including the exercise of any options under this clause, shall not exceed **September 30, 2008**.

**STATEMENT OF WORK
TASK ORDER NO. 1**

PROJECT TITLE: SUPPORT FOR LOUISIANA ENERGY SERVICES GAS
CENTRIFUGE ENRICHMENT FACILITY
CONSTRUCTION INSPECTIONS

JOB CODE: 5590

NRC PROJECT MANAGER: Brenda J. DuBose (301) 415-6578

NRC TECHNICAL MONITOR: Diana Diaz-Toro (301) 415-6640

DOCKET NUMBER: 70-1303

TAC NUMBER: L32327

1.0 Background

In December 2003, Louisiana Energy Services (LES) submitted to the U.S. Nuclear Regulatory Commission (NRC) a license application for a 3.0 million Separative Work Unit (SWU) gas centrifuge uranium enrichment facility to be located in Lea County, New Mexico. In June 2006, NRC issued a construction and operating license for the proposed plant. NRC staff will regulate the facility under regulations in 10 CFR Parts 30, 40, 51, and 70 and the license issued to LES.

2.0 Objective

The objective of this task order is to provide technical support to the NRC staff for the inspection of the construction of the LES gas centrifuge uranium enrichment facility in the areas of seismic, structural design, and tornado and high wind hazards. The focus of the inspections should be based on license conditions and the commitments made by LES in its Safety Analysis Report and Integrated Safety Analysis Summary.

3.0 Level of Effort

The estimated level of effort for this task order during the base year is 0.38 FTE in FY2007. The estimated level of effort for this task order during the option year (FY2008) is 0.12. The estimated level of effort for this task order for performance of the Optional Requirement (Subtask 3), is 0.1 FTE in FY2007 and 0.05 FTE in FY2008.

Note: The FTEs also represent the percentage of the total number of inspections to be performed in each fiscal year. An inspection includes the activities under Subtask 1, Subtask 2, and Subtask 3 (optional requirement).

STATEMENT OF WORK TASK ORDER NO. 1

4.0 Period of Performance

The period of performance for the work specified in this Statement of Work (SOW) will commence on the effective date of this task order and will expire on September 30, 2007. The term of this task order may be extended at the option of the Government for an additional 1-year period (i.e., October 1, 2007 through September 30, 2008).

The work reflected under "Subtask 3 (Optional Requirement)" may be exercised by the Government during the period of performance of the task order or during the 1-year option period.

5.0 Scope of Work

Assist NRC staff in performing inspections (i.e., final design verification and onsite inspections) of the construction of the LES uranium enrichment facility in the areas of seismic, structural design, and tornado and high wind hazards.

Subtask 1: Assist NRC staff in inspections of the construction of the LES uranium enrichment facility in the areas of seismic, structural design, and tornado and high wind hazards by verifying that final design is consistent with the commitments made in the Safety Analysis Report and the analyses performed in the Integrated Safety Analysis Summary. Prepare reports summarizing the design information verification performed to ensure that buildings have been designed to meet LES commitments.

Activity 1 Review Plan

In coordination with NRC Region II inspectors, prepare a review plan to describe the seismic, structural design, and tornado and high wind hazard inspection reviews to be performed. Discuss the criteria to be used in assessing the adequacy of the applicant's analysis in the review plan.

Activity 2 Overall Issues

1. Have all significant issues related to defining the seismic, structural design, and tornado and high wind hazard areas been addressed in the final design documents supporting the construction of the LES uranium enrichment facility?
2. Have Items Relied on for Safety (IROFS) boundary packages related to seismic, structural design, and tornado and high wind hazards been prepared consistently with the regulations and LES commitments in the Safety Analysis Report and supporting calculations in the Integrated Safety Analysis Summary?

**STATEMENT OF WORK
TASK ORDER NO. 1**

3. For the seismic area, are the results consistent with the overall approaches defined in NRC regulations and the LES commitments in the Safety Analysis Report and supporting calculations in the Integrated Safety Analysis Summary?

For the structural design area, are the results consistent with overall NRC approaches for evaluating:

- (a) loads and load combinations (i.e., are all applicable loads (e.g., seismic, tornado, wind, flood, explosion, thermal, gravity (dead and live) included and are the load combinations appropriate);
- (b) codes and standards;
- (c) structural design approaches (e.g., elastic vs. inelastic, soil-structure interactions, etc.);
- (d) approaches to transform natural phenomena into loads; and
- (e) aircraft hazards?

For the tornado and high wind hazard areas, are the results consistent with the overall approach defined in NRC regulations, license conditions, the LES Safety Analysis Report, and supporting calculations in the Integrated Safety Analysis Summary for: (a) mean and median hazard definitions (i.e., likelihood vs. magnitude); and (b) uncertainties?

For purposes of this task order, the word "consistency" as used in this SOW refers to adherence with the regulations, license conditions, the LES Safety Analysis Report, and supporting documentation in the LES Integrated Safety Analysis Summary, with state-of-the-art analysis methods, and with the conclusions drawn from the data.

- 3. Assist NRC staff in determining whether the performance requirements in 10 CFR 70.61 and the baseline design criteria in 10 CFR 70.64 are met.
- 4. Are there any limitations in using the results of the applicant's and contractor's evaluations for the proposed site?

Activity 3 Meetings and Conference Calls

As needed, participate in meetings and conference calls with NRC and the licensee to discuss the inspections and technical evaluations.

STATEMENT OF WORK TASK ORDER NO. 1

Subtask 2: Prepare draft and final input to NRC inspection reports to document the inspection reviews and analyses performed in the seismic, structural design, and tornado and high wind hazard areas.

Subtask 3 (Optional Requirement):

Assist NRC inspectors as needed during on-site inspections. This subtask is optional during FY07 (base task order period) and FY08 (option year). Therefore, work described under this subtask will not begin unless a modification to the task order is issued by the NRC Contracting Officer authorizing the work to be performed. The NRC TPM will notify the contractor if work under the optional subtask is required at least 30 calendar days before a modification to the task order is issued.

6.0 Travel Requirements

Base Year

During the base period of the task order (FY07), the NRC anticipates five trips to NRC Headquarters in Rockville, Maryland, and 4 trips to the facility site in Lea County, New Mexico, or architect-engineer's facilities in Cherry Hill, New Jersey, will be necessary to perform inspections and discuss technical issues applicable to the seismic, structural design, and tornado and high wind hazard areas. These meetings and inspections are expected to last 2 days each and will consist of 2 contractor staff.

Option Year

During the option year (FY08), the NRC anticipates five trips to NRC Headquarters in Rockville, Maryland, and 1 trip to the facility site in Lea County, New Mexico, or architect-engineer's facilities in Cherry Hill, New Jersey, will be necessary to perform inspections and discuss technical issues applicable to the seismic, structural design, and tornado and high wind hazard areas. These meetings and inspections are expected to last 2 days each and will consist of 2 contractor staff.

Optional Requirement

Should the NRC exercise the optional requirement to allow for performance of work under Subtask 3, it is anticipated that during FY2007, 3 trips will be required to the facility site in Lea County, New Mexico or Cherry Hill, New Jersey. During FY2008, it is anticipated that 2 trips will be required to Lea County, New Mexico or Cherry Hill, New Jersey.

7.0 NRC Furnished Material

NRC staff will provide copies of LES Safety Analysis Report, LES Integrated Safety Analysis Summary, applicable NRC regulations, applicable guidance materials, and applicable inspection procedures.

**STATEMENT OF WORK
TASK ORDER NO. 1**

8.0 Contractor Acquired Material

The contractor will obtain specialty subcontractors as necessary.

9.0 Deliverables and Schedule

The following schedule provides the anticipated completion dates for the required deliverables:

Deliverable	Completion Date
Deliverable 1: Prepare and provide Draft Review Plan	6 week after the task order is awarded given discussions with NRC staff and licensee begin immediately following receipt of task order
NRC to provide comments to the contractor on the Draft Review Plan	4 weeks after receipt of the Draft Review Plan
Deliverable 2: Prepare and provide Final Review Plan	3 weeks after receipt of NRC comments on Draft Review Plan
Deliverable 3: Prepare and provide draft input to NRC Inspection Reports	14 days after conducting the inspections or as directed by the NRC inspection staff
NRC to provide comments to the contractor on the NRC Inspection Reports	2 weeks after receipt of Draft Inspection Reports
Deliverable 4: Prepare and provide final input to NRC inspection reports	5 days after receipt of NRC inspection staff comments on draft input
Deliverable 5 (Optional): Inspection Report in support of the on-site inspections	Date for submission to be determined should NRC exercise the optional requirement.

The schedule for deliverables is subject to change. The NRC will notify the contractor prior to any changes to this schedule.

The NRC staff will review and provide comments to the contractor on the submitted draft reports and documents. Upon receipt of the comments, the contractor shall address each comment and revise the report, as needed, to address NRC input.

**STATEMENT OF WORK
TASK ORDER NO. 1**

10.0 Technical Direction

Brenda J. DuBose is the NMSS Technical Assistance Project Manager (TAPM) and is the focal point for all contract-related activities. All work assignments and program funding actions are initiated by the NMSS TAPM who submits all requests to the Division of Contracts (DC) for processing. All proposed work scope or schedule changes shall be submitted through the NMSS TAPM.

Diana Diaz Toro is designated the NMSS Technical Project Manager (TPM) and is responsible for providing technical guidance to the contractor regarding staff interpretations of the technical aspects of regulatory requirements, along with copies of relevant documents when requested by the contractor. All work products shall be reviewed and approved by the NMSS TPM before they are submitted as final documents. All technical directions given to the contractor shall 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 contractor any direction that would change costs or approved funding levels. The Contracting Officer is the only person authorized to make changes (i.e., work scope, schedule or costs) relating to this task order.