

<b>AWARD/CONTRACT</b>		<b>1. THIS CONTRACT IS RATED ORDER UNDER DPAS (15 CFR 350)</b>	<b>RATING</b> N/A	<b>PAGE OF PAGES</b> 1   29
2. CONTRACT NO. (Proc. Inst. Ident.) NRC-04-07-087		3. EFFECTIVE DATE See block 19c.	4. REQUISITION/PURCHASE REQUEST/PROJECT NO.	

5. ISSUED BY U.S. Nuclear Regulatory Commission Div. of Contracts Attn: Adelis M Rodriguez, 301-415-5719 Mail Stop T-7-I-2 Washington, DC 20555	CODE 3100	6. ADMINISTERED BY (If other than Item 5) U.S. Nuclear Regulatory Commission Div. of Contracts Attn: Adelis M Rodriguez Mail Stop T-7-I-2 Washington, DC 20555	CODE 3100
--	-----------	---	-----------

7. NAME AND ADDRESS OF CONTRACTOR (No., street, city, county, State and ZIP Code)  NUCLEAR SAFETY SOLUTIONS LIMITED  700 UNIVERSITY AVE 4 FL  TORONTO ON M5G 1X6	8. DELIVERY <input type="checkbox"/> FOB ORIGIN <input checked="" type="checkbox"/> OTHER (See below)
9. DISCOUNT FOR PROMPT PAYMENT	
10. SUBMIT INVOICES (4 copies unless otherwise specified) TO THE ADDRESS SHOWN IN	
CODE 201209546	FACILITY CODE

11. SHIP TO/MARK FOR U.S. Nuclear Regulatory Commission Attn: Kent Welter Mail Stop T10 K8 Washington DC 20555	CODE	12. PAYMENT WILL BE MADE BY U.S. Nuclear Regulatory Commission Payment Team, Mail Stop T-7-I-2 Attn: (NRC-04-07-087) Washington DC 20555	CODE 3100
--	------	--	-----------

13. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION: <input type="checkbox"/> 10 U.S.C. 2304(c) ( ) <input type="checkbox"/> 41 U.S.C. 253(c) ( )	14. ACCOUNTING AND APPROPRIATION DATA 76015171277 N6474 252A 31X0200.760 \$500,000 DUNS: 201209546 FFS: RES-C07-200
---	---

15A. ITEM NO.	15B. SUPPLIES/SERVICES	15C. QUANTITY	15D. UNIT	15E. UNIT PRICE	15F. AMOUNT
1	Research investigation of Local Heat Transfer Phenomena in an HTGR Core Type of Contract: Labor Hour Period of Performance: 27 months Contract Ceiling: \$590,859.00 Total Obligated Amount: \$500,000.00				

**15G. TOTAL AMOUNT OF CONTRACT** \$500,000.00

**16. TABLE OF CONTENTS** See Attached Table of Contents

(X)	SEC.	DESCRIPTION	PAGE(S)	(X)	SEC.	DESCRIPTION	PAGE(S)
PART I - THE SCHEDULE				PART II - CONTRACT CLAUSES			
X	A	SOLICITATION/CONTRACT FORM	1	X	I	CONTRACT CLAUSES	6
X	B	SUPPLIES OR SERVICES AND PRICES/COSTS	1	PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACH.			
X	C	DESCRIPTION/SPECS./WORK STATEMENT	5	X	J	LIST OF ATTACHMENTS	1
X	D	PACKAGING AND MARKING	1	PART IV - REPRESENTATIONS AND INSTRUCTIONS			
X	E	INSPECTION AND ACCEPTANCE	1		K	REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS	
X	F	DELIVERIES OR PERFORMANCE	3		L	INSTRS., CONDS., AND NOTICES TO OFFER	
X	G	CONTRACT ADMINISTRATION DATA	1		M	EVALUATION FACTORS FOR AWARD	
X	H	SPECIAL CONTRACT REQUIREMENTS	7				

**CONTRACTING OFFICER WILL COMPLETE ITEM 17 OR 18 AS APPLICABLE**

17. <input checked="" type="checkbox"/> CONTRACTOR'S NEGOTIATED AGREEMENT (Contractor is required to sign this document and return <u>2</u> copies to issuing office.) Contractor agrees to furnish and deliver all items or perform all the services set forth or otherwise identified above and on any continuation sheets for the consideration stated herein. The rights and obligations of the parties to this contract shall be subject to and governed by the following documents: (a) this award/contract, (b) the solicitation, if any, and (c) such provisions, representations, certifications, and specifications, as are attached or incorporated by reference herein. (Attachments are listed herein.)	18. <input type="checkbox"/> AWARD (Contractor is not required to sign this document.) Your offer on Solicitation Number _____ including the additions or changes made by you which additions or changes are set forth in full above, is hereby accepted as to the items listed above and on any condition sheets. This award consummates the contract which consists of the following documents: (a) the Government's solicitation and your offer, and (b) this award/contract. No further contractual document is necessary.
--	--

19A. NAME AND TITLE OF SIGNER (Type or print) <b>J. P. RIPPON, Chief Operating Officer</b>	19C. DATE SIGNED <b>AUG 31 2007</b>	20A. NAME OF CONTRACTING OFFICER Stephen Pbol Contracting Officer	20C. DATE SIGNED <b>10/7</b>
19B. NAME OF CONTRACTOR BY <i>[Signature]</i> AUTHORIZED FOR LOCAL REPRODUCTION	19D. AUTHORIZED FOR LOCAL REPRODUCTION	20B. UNITED STATES OF AMERICA BY <i>[Signature]</i> (Signature of Contracting Officer)	

**Table of Contents**

**PART I - THE SCHEDULE ..... A-1**

**SECTION B - SUPPLIES OR SERVICES AND PRICE/COSTS ..... B-1**

    B.1 PROJECT TITLE ..... B-1

    B.2 BRIEF DESCRIPTION OF WORK (MAR 1987)..... B-1

    B.3 PRICE/COST SCHEDULE ..... B-1

    B.4 CONSIDERATION AND OBLIGATION - LABOR HOUR CONTRACT.....B-1

**SECTION C - DESCRIPTION/SPECIFICATIONS/STATEMENT OF WORK..... C-2**

**SECTION D - PACKAGING AND MARKING ..... D-1**

    D.1 PACKAGING AND MARKING (MAR 1987) ..... D-1

**SECTION E - INSPECTION AND ACCEPTANCE..... E-1**

    E.1 NOTICE LISTING CONTRACT CLAUSES INCORPORATED BY REFERENCE ..... E-1

    E.2 PLACE OF INSPECTION AND ACCEPTANCE (MAR 1987)..... E-1

**SECTION F - DELIVERIES OR PERFORMANCE..... F-1**

    F.1 NOTICE LISTING CONTRACT CLAUSES INCORPORATED BY REFERENCE ..... F-1

    F.2 2052.211-70 PREPARATION OF TECHNICAL REPORTS (JAN 1993)..... F-1

    F.3 PLACE OF DELIVERY--REPORTS (JUN 1988)..... F-1

    F.4 DURATION OF CONTRACT PERIOD (MAR 1987)..... F-1

    F.5 2052.211-71 TECHNICAL PROGRESS REPORT (JAN 1993)..... F-1

    F.6 2052.211-72 FINANCIAL STATUS REPORT (OCT 1999)..... F-2

    F.7 DELIVERABLES AND DELIVERY SCHEDULE.....F-3

**SECTION G - CONTRACT ADMINISTRATION DATA..... G-1**

    G.1 2052.215-78 TRAVEL APPROVALS AND REIMBURSEMENT -ALTERNATE 1 (OCT 1999)..... G-1

**SECTION H - SPECIAL CONTRACT REQUIREMENTS..... H-1**

    H.1 2052.235-70 PUBLICATION OF RESEARCH RESULTS (OCT 1999) ..... H-1

    H.2 2052.235-71 SAFETY, HEALTH, AND FIRE PROTECTION (JAN 1993) ..... H-1

    H.3 GOVERNMENT FURNISHED EQUIPMENT/PROPERTY - NONE PROVIDED (JUN 1988)H-1

    H.4 SEAT BELTS ..... H-1

    H.5 2052.215-70 KEY PERSONNEL (JAN 1993) ..... H-2

    H.6 2052.215-71 PROJECT OFFICER AUTHORITY (NOVEMBER 2006) ..... H-2

    H.7 Annual and Final Contractor Performance Evaluations.....H-4

    H.8 2052.209-72 CONTRACTOR ORGANIZATIONAL CONFLICTS OF INTEREST (JAN 1993)H-5

**PART II - CONTRACT CLAUSES .....I-1**

**SECTION I - CONTRACT CLAUSES .....I-1**

    I.1 NOTICE LISTING CONTRACT CLAUSES INCORPORATED BY REFERENCE.....I-1

    I.2 52.232-7 PAYMENTS UNDER TIME-AND-MATERIALS AND LABOR-HOUR CONTRACTS (FEB 2007)..... I-2

    I.3 52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998).....I-6

**PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS.....J-1**

**SECTION J - LIST OF ATTACHMENTS .....J-1**

- Attachment 1: Billing Instructions for Labor Hour Contracts
- Attachment 2: NRC Management Directive 3.7, "NUREG Series Publications"
- Attachment 3: NRC Management Directive 3.9, "NRC Staff and Contractor Speeches, Papers, and Journal Articles on Regulatory and Technical Subjects."
- Attachment 4: §2009.570 "NRC Organizational Conflict of Interest"

**PART I - THE SCHEDULE****SECTION B - SUPPLIES OR SERVICES AND PRICE/COSTS****B.1 PROJECT TITLE**

The title of this project is as follows:

Investigation of the Local Heat Phenomena in an HTGR Core

**B.2 BRIEF DESCRIPTION OF WORK (MAR 1987)**

The contractor shall select tools and techniques that are appropriate for the length scales and characteristic Re numbers that correspond to interstitial spaces in both pebble and prismatic HTGR cores and have the capability to simulate local phenomena in the core ranked high by the R&D phenomena tables. The suitability of selected tools and techniques shall be demonstrated by investigating the velocity and temperature field responses to several parameters expected to dominate the thermalfluidic behavior in the core.

**B.3 PRICE/COST SCHEDULE**

<b>Labor Category</b>	<b>Estimated Hours</b>	<b>Fixed Labor Rate US \$\$</b>	<b>Total US \$\$</b>
NSS Component			
MP6 – Senior Engineer	288	\$165.96	\$47,797
MP4 – Mid-level Engineer	720	\$139.83	\$100,675
MP3 – Junior Engineer	480	\$121.64	\$58,387
AMEC UK Component			
Grade 3 – Senior Engineer	1160	\$136.51	\$158,355
Grade 5 – Mid Level Engineer	1680	\$107.65	\$180,846
Total Labor			\$546,059
Travel – Cost Reimbursement			\$16,300
Software Maintenance - Cost Reimbursement			\$28,500
<b>TOTAL</b>			<b>\$590,859</b>

**B.4 CONSIDERATION AND OBLIGATION - LABOR HOUR CONTRACT**

- (a) The total not to exceed cost to the Government for full performance of this contract is \$590,859.00.
- (b) The amount currently obligated by the Government with respect to this contract is \$500,000.00. The contractor shall not exceed this obligated amount at any time.
- (c) It is estimated that the amount currently allotted will cover performance through June 30, 2009.

## SECTION C - STATEMENT OF WORK

### INVESTIGATION OF LOCAL HEAT TRANSFER PHENOMENA IN AN HTGR CORE

#### I. BACKGROUND

On April 18, 2003, the staff of the U.S. Nuclear Regulatory Commission (NRC) forwarded to the Commission SECY-03-0059, "NRC's Advanced Reactor Research Program." This document provided the staff's assessment of NRC's advanced reactor technical infrastructure development and safety research that would be needed to support the review of new and advanced reactor applications planned and envisioned at that time. However, since the issuance of SECY-03-0059, the potential advanced reactor design applications that may be submitted for NRC review and approval have changed significantly. These applications now include: (1) a potential license application for a very high temperature reactor, which may be constructed at the Idaho National Laboratory in connection with the Next Generation Nuclear Plant (NGNP) Project, as directed by the Energy Policy Act of 2005, (2) a potential license application for the Toshiba 4S (super safe, small and simple) liquid metal-cooled fast reactor, which may be located near Galena, Alaska, (3) a potential design certification application for the pebble bed modular reactor (PBMR), (4) a potential license application for a commercial advanced fast process reactor to be used for nuclear fuel recycling, as part of the Global Nuclear Energy Partnership (GNEP) initiative, and (5) a potential license application for a high temperature teaching and test reactor (HTTTR), which may be sited near the University of Texas of the Permian Basin.

Because of the changes in the potential advanced reactor applications and the external advanced reactor R&D situation, as well as the progress made in implementing the higher priority NRC safety R&D planned earlier, the staff conducted a comprehensive reassessment of NRC's advanced reactor infrastructure development needs and updated its associated research program plans.

In the new draft "Advanced Reactor Research Program" (Agency-wide Documents Access and Management System, ADAMS, ML070740637), the staff identified several research tasks under the thermal-fluids and accident analysis technical areas; the first of which is the completion of R&D phenomena tables for a generic high-temperature gas-cooled reactor (HTGR) design, such as the NGNP. The draft R&D phenomena tables will be publicly available through NRC's ADAMS at the end of May 2007. The primary objective of the R&D phenomena tables is to identify safety-relevant phenomena during normal operation, transients, and postulated accidents, and to, determine the importance of these phenomena, relative to each other, to expected consequences. This involved an assessment of the current knowledge base associated with the identified phenomena to aid in developing analytical tools and technical bases to perform safety analyses and regulatory reviews, and the scope of technology development needs to support HTGR licensing, including both pebble bed and prismatic core designs.

As identified in the R&D phenomena tables, heat removal from an HTGR core to the reactor vessel wall depends upon several individual heat transfer mechanisms. In a pebble bed core, heat is transferred by conduction and radiation from pebble to pebble and from pebbles to graphite structures. Convection to the coolant occurs, but it is not as effective as conduction and radiation without forced circulation. In depressurized loss of forced circulation events the effective core conductivity is the dominant parameter and uncertainty for heat removal from the core. This effective conductivity depends on the relative contributions of conduction heat transfer through the core, reflector and vessel structures. For a prismatic type core, where the fuel matrix is arranged in regular hexagonal assemblies, heat transfer phenomena is less complicated than compared to a pebble core. The effective core conductivity concept used in pebble beds may not be needed and instead, analysis of prismatic core heat transfer may rely upon a subchannel analysis approach coupled with a larger systems code. Prediction of local hot spots in a pebble or prismatic reactor is important in the final calculation of dose to the public. Experimental data for local fuel temperature is contentious and systems

codes cannot resolve the necessary detail to provide local predictions. More detailed analysis is required to reduce high uncertainties in local hot spot predictions to support an independent safety review of HTGRs.

## II. OBJECTIVE

The objective of this work is to identify the computational tools and techniques available to resolve local fluid behavior in the core of an HTGR. This information is needed for NRC staff to develop the evaluation model that will be used to audit licensee calculations under normal operation and accident conditions.

## III. SCOPE OF WORK

The contractor shall select tools and techniques that are appropriate for the length scales and characteristic Reynolds numbers that correspond to interstitial spaces in both pebble and prismatic HTGR cores and have the capability to simulate local phenomena in the core ranked high by the R&D phenomena tables. The suitability of selected tools and techniques shall be demonstrated by investigating the velocity and temperature field responses to several parameters expected to dominate the thermofluidic behavior in the core.

### Task 1. Development of Detailed Analysis Plan

The contractor shall review the thermal-fluids and accidents analysis R&D phenomena tables. The contractor shall draft a detailed plan for analyzing local heat transfer phenomena in the core that specifies the appropriate computational fluid dynamics tools, and that covers relevant normal operation, transient, and accident conditions in an HTGR. In addition, the contractor shall also evaluate the applicability of NRC-furnished HTGR thermal-fluids benchmark data to support verification and validation of the proposed analytical approach.

Estimated Completion Date: 2 months after initiation of the contract

### Task 2. Analysis of Local Heat Transfer Phenomena in a Pebble Bed Core

The contractor shall perform a series of sensitivity studies based on the plan developed in Task 1 for analyzing local heat transfer phenomena in a pebble bed core. Variables of interest include velocity and temperature distributions in the fluid and fuel surface temperatures. The sensitivity to local power, surface emissivities, fluid properties, and pebble packing fractions shall be investigated. In consultation with the contractor, the NRC project manager shall select up to three additional parametric studies relevant to pebble cores to be conducted by the contractor. The sensitivity calculations shall be conducted such that governing parameters are bounded in the analyses. In addition, the contractor shall analyze the transport of graphite dust and its impact on temperature and velocity fields. Finally, the contractor shall compare selected calculations to two separate effects tests as directed by the NRC Project Manager.

Estimated Completion Date: 16 months after initiation of the contract

### Task 3. Analysis of Local Heat Transfer Phenomena in a Prismatic Core

The contractor shall perform a series of sensitivity studies based on the plan developed in Task 1 for analyzing local heat transfer phenomena in a prismatic core. Variables of interest include velocity and temperature distributions in the fluid and fuel surface temperatures. Sensitivity to fuel burnup, surface roughnesses and emissivities, fluid properties and bypass flowpaths are to be investigated. In consultation with the contractor, the NRC project manager shall select up to three additional parametric studies relevant to prismatic cores to be conducted by the contractor. Special attention shall be paid to predicting local hot spots in the core under various normal, transient, and accident conditions identified in the R&D phenomena tables. The sensitivity calculations shall be conducted such that governing parameters are bounded in the analyses. In addition, the contractor shall analyze the transport of graphite dust and its impact on temperature and velocity fields. Finally, the contractor shall compare selected calculations to two separate effects tests as directed by the NRC Project Manager.

Estimated Completion Date: 12 months from initiation of the contract

#### **Task 4. Integration of Local Analyses Into Systems Codes**

Based upon efforts completed in Tasks 2 and 3, the contractor shall propose and work with NRC staff to develop constitutive models for inclusion into systems codes that are used for predicting system-wide thermalfluidic behavior.

Estimated Completion Date: 18 months from initiation of the contract

#### **Task 5. Provide Technical Support to the NRC**

The contractor shall provide technical support to NRC, including attending meetings, making presentations, reviewing documents, preparing topical reports (in addition to the reporting requirements listed below), and performing additional analyses as directed by the NRC Project Manager.

Estimated Completion Date: throughout the period of performance of the contract

### **V. RESEARCH QUALITY**

The quality of NRC research programs are assessed each year by the Advisory Committee on Reactor Safeguards. Within the context of their reviews of RES programs, the definition of quality research is based upon several major characteristics:

- Results meet the objectives (75% of overall score)
  - Justification of major assumptions (12%)
  - Soundness of technical approach and results (52%)
  - Uncertainties and sensitivities addressed (11%)
- Documentation of research results and methods is adequate (25% of overall score)
  - Clarity of presentation (16%)
  - Identification of major assumptions (9%)

It is the responsibility of the contractor to ensure that these quality criteria are adequately addressed throughout the course of the research that is performed. The NRC project manager and technical monitor will review all research products with these criteria in mind.

### **VII. REPORTING REQUIREMENTS**

#### **NEW STANDARDS FOR CONTRACTORS WHO PREPARE NUREG-SERIES MANUSCRIPTS**

The U.S. Nuclear Regulatory Commission (NRC) began to capture most of its official records electronically on January 1, 2000. The NRC will capture each final NUREG-series publication in its native application. Therefore, commencing January 1, 2000, please submit your final manuscript that has been approved by your NRC Project Manager in both electronic and camera-ready copy.

All format guidance, as specified in NUREG-0650, Revision 2, will remain the same with one exception. You will no longer be required to include the NUREG-series designator on the bottom of each page of the manuscript. The NRC will assign this designator when we send the camera-ready copy to the printer and will place the designator on the cover, title page, and spine. The designator for each report will no longer be assigned when the decision to prepare a publication is made. The NRC's Publishing Services Branch will inform the NRC Project Manager for the publication of the assigned designator when the final manuscript is sent to the printer.

For the electronic manuscript, prepare the text in Word, and use any of the following file types for charts, spreadsheets, and the like.

<b>File Types to be Used for NUREG-Series Publications</b>	
File Type	File Extension
Word	.doc
WordPerfect	.wpd
Microsoft PowerPoint	.ppt
Excel	.xls
Corel QuattroPro	Wb3
Corel Presentations	.shw
Lotus 1-2-3	.wk4
Portable Document Format	.pdf

This list is subject to change if new software packages come into common use at NRC or by our licensees or other stakeholders that participate in the electronic submission process. If a portion of your manuscript is from another source and you cannot obtain an acceptable electronic file type for this portion (e.g., an appendix from an old publication), the NRC can, if necessary, create a tagged image file format (file extension.tif) for that portion of your report. Note that you should continue to submit original photographs, which will be scanned, since digitized photographs do not print well.

If you chose to publish a compact disk (CD) of your publication, place on the CD copies of the manuscript in both (1) a portable document format (PDF); (2) a WordPerfect 8/9 file format, and (3) an Adobe Acrobat Reader, or, alternatively, print instructions for obtaining a free copy of Adobe Acrobat Reader on the back cover insert of the jewel box.

### **VIII. MEETINGS AND TRAVEL**

The contractor should plan to attend two NRC meetings in Rockville, Maryland. In addition, the contractor may also attend two domestic technical meetings including ANS/ASME meetings and code workshops. For planning purpose, each meeting may be attended by up to two people. Prior approval from the NRC Project Manger is required for any travel.

### **X. NRC-FURNISHED MATERIAL**

The NRC will provide the necessary background information such as HTGR thermal-fluids benchmark data; R&D phenomena table results, and details on the NRC's thermal-fluids evaluation model.

### **XII. TECHNICAL AND OTHER SPECIAL QUALIFICATIONS REQUIRED**

It is the responsibility of the contractor to assign technical staff, employees, subcontractors, or specialists who have the required educational background, experience, or combination thereof to meet the technical objectives in the statement of work. Personnel shall have demonstrated the capability to deal with complex technical issues and identify innovative approaches. The contractor shall provide representative resumes, describe



participation in professional societies, identify associations with universities or offer similar evidence of the ability to deliver highly qualified personnel to complete this work.

Key personnel identified for this contract must be recognized technical experts in modeling fluid flow and heat transfer. A recognized technical expert is defined as an individual who is regarded so by their peers, management, and/or by national leaders in the field. A recognized expert shall also be evident by their relevant education, training, experience, and other activities, such as participation in the professional society activities.

Key personnel shall be responsible for the technical aspects of the specified work. Other personnel shall provide additional technical support required to complete all deliverables in a timely manner and with sufficient level of quality. The contractor project manager shall be responsible for overall performance and interfacing with the NRC. The contractor is expected to work independently of NRC staff unless a specific collaborative effort is specified in the statement of work. It is the responsibility of the contractor to acquire all information that is not identified as NRC-furnished material in this statement of work.

**SECTION D - PACKAGING AND MARKING**

**D.1 PACKAGING AND MARKING (MAR 1987)**

The Contractor shall package material for shipment to the NRC in such a manner that will ensure acceptance by common carrier and safe delivery at destination. Containers and closures shall comply with the Interstate Commerce Commission Regulations, Uniform Freight Classification Rules, or regulations of other carriers as applicable to the mode of transportation. On the front of the package, the Contractor shall clearly identify the contract number under which the product is being provided.

**SECTION E - INSPECTION AND ACCEPTANCE****E.1 NOTICE LISTING CONTRACT CLAUSES INCORPORATED BY REFERENCE**

The following contract clauses pertinent to this section are hereby incorporated by reference (by Citation Number, Title, and Date) in accordance with the clause at FAR "52.252-2 CLAUSES INCORPORATED BY REFERENCE" in Section I of this contract. See FAR 52.252-2 for an internet address (if specified) for electronic access to the full text of a clause.

NUMBER	TITLE	DATE
52.246-6	FEDERAL ACQUISITION REGULATION (48 CFR Chapter 1) INSPECTION--TIME-AND-MATERIALS AND LABOR-HOUR	MAY 2001
52.246-9	INSPECTION OF RESEARCH AND DEVELOPMENT (SHORT FORM)	APR 1984

**E.2 PLACE OF INSPECTION AND ACCEPTANCE (MAR 1987)**

Inspection and acceptance of the deliverable items to be furnished hereunder shall be made by the Project Officer at the destination.

**SECTION F - DELIVERIES OR PERFORMANCE****F.1 NOTICE LISTING CONTRACT CLAUSES INCORPORATED BY REFERENCE**

The following contract clauses pertinent to this section are hereby incorporated by reference (by Citation Number, Title, and Date) in accordance with the clause at FAR "52.252-2 CLAUSES INCORPORATED BY REFERENCE" in Section I of this contract. See FAR 52.252-2 for an internet address (if specified) for electronic access to the full text of a clause.

NUMBER	TITLE	DATE
	FEDERAL ACQUISITION REGULATION (48 CFR Chapter 1)	
52.247-34	F.O.B. DESTINATION	NOV 1991
52.247-48	F.O.B. DESTINATION--EVIDENCE OF SHIPMENT	FEB 1999

**F.2 2052.211-70 PREPARATION OF TECHNICAL REPORTS (JAN 1993)**

All technical reports required by Section C and all Technical Progress Reports required by Section F are to be prepared in accordance with the attached Management Directive 3.8, "Unclassified Contractor and Grantee Publications in the NUREG Series." Management Directive 3.8 is not applicable to any Contractor Spending Plan (CSP) and any Financial Status Report that may be included in this contract. (See List of Attachments).

**F.3 PLACE OF DELIVERY--REPORTS (JUN 1988)**

The items to be furnished hereunder shall be delivered, with all charges paid by the Contractor, to:

(a) Project Officer (5 copies)

US Nuclear Regulatory Commission Mail Stop: T10 K8 Washington, DC 20555

(b) Contracting Officer (1 copy)

**F.4 DURATION OF CONTRACT PERIOD (MAR 1987)**

This contract shall commence on (Block 19c SF26) and will expire 27 months after.

**F.5 2052.211-71 TECHNICAL PROGRESS REPORT (JAN 1993)**

The contractor shall provide a monthly Technical Progress Report to the project officer and the contracting officer. The report is due within 15 calendar days after the end of the report period and must identify the title of the project, the contract number, appropriate financial tracking code specified by the NRC Project Officer, project manager and/or principal investigator, the contract period of performance, and the period covered by the report. Each report must include the following for each discrete task/task order:

(a) A listing of the efforts completed during the period, and milestones reached or, if missed, an explanation provided;

(b) Any problems or delays encountered or anticipated and recommendations for resolution. If the recommended resolution involves a contract modification, e.g., change in work requirements, level of effort

(cost) or schedule delay, the contractor shall submit a separate letter to the contracting officer identifying the required change and estimated cost impact.

- (c) A summary of progress to date; and
- (d) Plans for the next reporting period.

#### **F.6 2052.211-72 FINANCIAL STATUS REPORT (OCT 1999)**

The contractor shall provide a monthly Financial Status Report (FSR) to the project officer and the contracting officer. The FSR shall include the acquisition of, or changes in the status of, contractor-held property acquired with government funds valued at the time of purchase at \$50,000 or more. Whenever these types of property changes occur, the contractor shall send a copy of the report to the Chief, Property and Acquisition Oversight Branch, Office of Administration. The report is due within 15 calendar days after the end of the report period and must identify the title of the project, the contract number, the appropriate financial tracking code (e.g., Job Code Number or JCN) specified by the NRC Project Officer, project manager and/or principal investigator, the contract period of performance, and the period covered by the report. Each report must include the following for each discrete task:

- (a) Total estimated contract amount.
- (b) Total funds obligated to date.
- (c) Total costs incurred this reporting period.
- (d) Total costs incurred to date.
- (e) Detail of all direct and indirect costs incurred during the reporting period for the entire contract or each task, if it is a task ordering contract.
- (f) Balance of obligations remaining.
- (g) Balance of funds required to complete contract/task order.
- (h) Contractor Spending Plan (CSP) status: A revised CSP is required with the Financial Status Report whenever the contractor or the contracting officer has reason to believe that the total cost for performance of this contract will be either greater or substantially less than what had been previously estimated.
  - (1) Projected percentage of completion cumulative through the report period for the project/task order as reflected in the current CSP.
  - (2) Indicate significant changes in the original CSP projection in either dollars or percentage of completion. Identify the change, the reasons for the change, whether there is any projected overrun, and when additional funds would be required. If there have been no changes to the original NRC-approved CSP projections, a written statement to that effect is sufficient in lieu of submitting a detailed response to item "h".
- (i) Property status:
  - (1) List property acquired for the project during the month with an acquisition cost between \$500 and \$49,999. Give the item number for the specific piece of equipment.

(2) Provide a separate list of property acquired for the project during the month with an acquisition cost of \$50,000 or more. Provide the following information for each item of property: item description or nomenclature, manufacturer, model number, serial number, acquisition cost, and receipt date. If no property was acquired during the month, include a statement to that effect. The same information must be provided for any component or peripheral equipment which is part of a "system or system unit."

(3) For multi-year projects, in the September monthly financial status report provide a cumulative listing of property with an acquisition cost of \$50,000 or more showing the information specified in paragraph (i)(2) of this clause.

(4) In the final financial status report provide a closeout property report containing the same elements as described above for the monthly financial status reports, for all property purchased with NRC funds regardless of value unless title has been vested in the contractor. If no property was acquired under the contract, provide a statement to that effect. The report should note any property requiring special handling for security, health, safety, or other reasons as part of the report.

(j) Travel status: List the starting and ending dates for each trip, the starting point and destination, and the traveler(s) for each trip.

(k) If the data in this report indicates a need for additional funding beyond that already obligated, this information may only be used as support to the official request for funding required in accordance with the Limitation of Cost (LOC) Clause (FAR 52.232-20) or the Limitation of Funds (LOF) Clause FAR 52.232-22.

**F.7 DELIVERABLES AND DELIVERY SCHEDULE**

Deliverable	Related Task	The deliverable should include at a minimum:	Due Date
Letter Report	Task 1	Detailed information regarding the proposed analysis plan.	2 months after award
Draft Letter Report	Task 2	Summary results of the of the pebble bed core sensitivity analysis and code-to-data assessments in the body of the report with an appendix containing details on the computational model and analytic approach.	13 months after award
Final Letter Report	Task 2	Draft letter report including revisions based on NRC comments.	16 months after award
Draft Letter Report	Task 3	Summary results of the of the prismatic core sensitivity analysis and code-to-data assessments in the body of the report with an appendix containing details on the computational model and analytic approach.	9 months after award
Final Letter Report	Task 3	Draft letter report including revisions based on NRC comments.	12 months after award
Final Letter Report	Task 4	Detailed description of how the local analyses performed in Tasks 2 and 3 of this SOW should be integrated into a system wide analysis code or method.	18 months after award

**SECTION G - CONTRACT ADMINISTRATION DATA****G.1 2052.215-78 TRAVEL APPROVALS AND REIMBURSEMENT -ALTERNATE 1 (OCT 1999)**

- (a) Total expenditure for travel may not exceed \$16,300.00 without the prior approval of the contracting officer.
- (b) All foreign travel must be approved in advance by the NRC on NRC Form 445, Request for Approval of Official Foreign Travel, and must be in compliance with FAR 52.247-63 Preference for U.S. Flag Air Carriers. The contractor shall submit NRC Form 445 to the NRC no later than 30 days prior to the commencement of travel.
- (c) The contractor will be reimbursed only for those travel costs incurred that are directly related to this contract and which are allowable subject to the limitations prescribed in FAR 31.205-46.
- (d) It is the responsibility of the contractor to notify the contracting officer in accordance with the FAR Limitations of Cost clause of this contract when, at any time, the contractor learns that travel expenses will cause the contractor to exceed the travel ceiling amount identified in paragraph (a) of this clause.
- (e) Reasonable travel costs for research and related activities performed at State and nonprofit institutions, in accordance with Section 12 of Pub. L. 100-679, shall be charged in accordance with the contractor's institutional policy to the degree that the limitations of Office of Management and Budget (OMB) guidance are not exceeded. Applicable guidance documents include OMB Circular A-87, Cost Principles for State and Local Governments; OMB Circular A-122, Cost Principles for Nonprofit Organizations; and OMB Circular A-21, Cost Principles for Educational Institutions.

## **SECTION H - SPECIAL CONTRACT REQUIREMENTS**

### **H.1 2052.235-70 PUBLICATION OF RESEARCH RESULTS (OCT 1999)**

(a) The principal investigator(s)/contractor shall comply with the provisions of NRC Management Directive 3.8 (Vol. 3, Part 1) and NRC Handbook 3.8 (Parts I-IV) regarding publication in refereed scientific and engineering journals or dissemination to the public of any information, oral or written, concerning the work performed under this contract. Failure to comply with this clause shall be grounds for termination of this contract.

(b) The principal investigator(s)/contractor may publish the results of this work in refereed scientific and engineering journals or in open literature and present papers at public or association meetings at interim stages of work, in addition to submitting to NRC the final reports and other deliverables required under this contract. However, such publication and papers shall focus on advances in science and technology and minimize conclusions and/or recommendations which may have regulatory implications.

(c) The principal investigator(s) shall coordinate all such publications with, and transmit a copy of the proposed article or paper to, the NRC Contracting Officer or Project Officer, prior to publication. The NRC agrees to review and provide comments within thirty (30) days after receipt of a proposed publication. However, in those cases where the information to be published is (1) subject to Commission approval, (2) has not been ruled upon, or (3) disapproved by the Commission, the NRC reserves the right to disapprove or delay the publication. Further, if the NRC disagrees with the proposed publication for any reason, it reserves the right to require that any publication not identify the NRC's sponsorship of the work and that any associated publication costs shall be borne by the contractor.

### **H.2 2052.235-71 SAFETY, HEALTH, AND FIRE PROTECTION (JAN 1993)**

The contractor shall take all reasonable precautions in the performance of the work under this contract to protect the health and safety of its employees and of members of the public, including NRC employees and contractor personnel, and to minimize danger from all hazards to life and property. The contractor shall comply with all applicable health, safety, and fire protection regulations and requirements (including reporting requirements) of the Commission and the Department of Labor. If the contractor fails to comply with these regulations or requirements, the contracting office may, without prejudice to any other legal or contractual rights of the Commission, issue an order stopping all or any part of the work. Thereafter, a start work order for resumption of work may be issued at the discretion of the contracting officer. The contractor may not make a claim for an extension of time or for compensation or damages by reason of, or in connection with, this type of work stoppage.

### **H.3 GOVERNMENT FURNISHED EQUIPMENT/PROPERTY - NONE PROVIDED (JUN 1988)**

The Government will not provide any equipment/property under this contract.

### **H.4 SEAT BELTS**

Contractors, subcontractors, and grantees, are encouraged to adopt and enforce on-the-job seat belt policies and programs for their employees when operating company-owned, rented, or personally owned vehicles.



**H.5 2052.215-70 KEY PERSONNEL (JAN 1993)**

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



The contractor agrees that personnel may not be removed from the contract work or replaced without compliance with paragraphs (b) and (c) of this section.

(b) If one or more of the key personnel, for whatever reason, becomes, or is expected to become, unavailable for work under this contract for a continuous period exceeding 30 work days, or is expected to devote substantially less effort to the work than indicated in the proposal or initially anticipated, the contractor shall immediately notify the contracting officer and shall, subject to the concurrence of the contracting officer, promptly replace the personnel with personnel of at least substantially equal ability and qualifications.

(c) Each request for approval of substitutions must be in writing and contain a detailed explanation of the circumstances necessitating the proposed substitutions. The request must also contain a complete resume for the proposed substitute and other information requested or needed by the contracting officer to evaluate the proposed substitution. The contracting officer and the project officer shall evaluate the contractor's request and the contracting officer shall promptly notify the contractor of his or her decision in writing.

(d) If the contracting officer determines that suitable and timely replacement of key personnel who have been reassigned, terminated, or have otherwise become unavailable for the contract work is not reasonably forthcoming, or that the resultant reduction of productive effort would be so substantial as to impair the successful completion of the contract or the service order, the contract may be terminated by the contracting officer for default or for the convenience of the Government, as appropriate. If the contracting officer finds the contractor at fault for the condition, the contract price or fixed fee may be equitably adjusted downward to compensate the Government for any resultant delay, loss, or damage.

**H.6 2052.215-71 PROJECT OFFICER AUTHORITY (NOVEMBER 2006)**

(a) The contracting officer's authorized representative (hereinafter referred to as the project officer) for this contract is:

Name: Kent Welter

Address: US Nuclear Regulatory Commission  
Mail Stop T10 K8  
Washington, DC 20555

Telephone Number: 301-415-5740

Email: [kbw@nrc.gov](mailto:kbw@nrc.gov)

(b) Performance of the work under this contract is subject to the technical direction of the NRC project officer. The term "technical direction" is defined to include the following:

(1) Technical direction to the contractor which shifts work emphasis between areas of work or tasks, authorizes travel which was unanticipated in the Schedule (i.e., travel not contemplated in the Statement of Work (SOW) or changes to specific travel identified in the SOW), fills in details, or otherwise serves to accomplish the contractual SOW.

(2) Provide advice and guidance to the contractor in the preparation of drawings, specifications, or technical portions of the work description.

(3) Review and, where required by the contract, approval of technical reports, drawings, specifications, and technical information to be delivered by the contractor to the Government under the contract.

(c) Technical direction must be within the general statement of work stated in the contract. The project officer does not have the authority to and may not issue any technical direction which:

(1) Constitutes an assignment of work outside the general scope of the contract.

(2) Constitutes a change as defined in the "Changes" clause of this contract.

(3) In any way causes an increase or decrease in the total estimated contract cost, the fixed fee, if any, or the time required for contract performance.

(4) Changes any of the expressed terms, conditions, or specifications of the contract.

(5) Terminates the contract, settles any claim or dispute arising under the contract, or issues any unilateral directive whatever.

(d) All technical directions must be issued in writing by the project officer or must be confirmed by the project officer in writing within ten (10) working days after verbal issuance. A copy of the written direction must be furnished to the contracting officer. A copy of NRC Form 445, Request for Approval of Official Foreign Travel, which has received final approval from the NRC must be furnished to the contracting officer.

(e) The contractor shall proceed promptly with the performance of technical directions duly issued by the project officer in the manner prescribed by this clause and within the project officer's authority under the provisions of this clause.

(f) If, in the opinion of the contractor, any instruction or direction issued by the project officer is within one of the categories as defined in paragraph (c) of this section, the contractor may not proceed but shall notify the contracting officer in writing within five (5) working days after the receipt of any instruction or direction and shall request the contracting officer to modify the contract accordingly. Upon receiving the notification from the contractor, the contracting officer shall issue an appropriate contract modification or advise the contractor in writing that, in the contracting officer's opinion, the technical direction is within the scope of this article and does not constitute a change under the "Changes" clause.

(g) Any unauthorized commitment or direction issued by the project officer may result in an unnecessary delay in the contractor's performance and may even result in the contractor expending funds for unallowable costs under the contract.

(h) A failure of the parties to agree upon the nature of the instruction or direction or upon the contract action to be taken with respect thereto is subject to 52.233-1 -Disputes.

(i) In addition to providing technical direction as defined in paragraph (b) of the section, the project officer shall:

(1) Monitor the contractor's technical progress, including surveillance and assessment of performance, and recommend to the contracting officer changes in requirements.

(2) Assist the contractor in the resolution of technical problems encountered during performance.

(3) Review all costs requested for reimbursement by the contractor and submit to the contracting officer recommendations for approval, disapproval, or suspension of payment for supplies and services required under this contract.

(4) Assist the contractor in obtaining the badges for the contractor personnel.

(5) Immediately notify the Security Branch, Division of Facilities and Security (SB/DFS) (via e-mail) when a contractor employee no longer requires access authorization and return of any NRC issued badge to SB/DFS within three days after their termination.

(6) Ensure that all contractor employees that require access to classified Restricted Data or National Security Information or matter, access to sensitive unclassified information (Safeguards, Official Use Only, and Proprietary information) access to sensitive IT systems or data, unescorted access to NRC controlled buildings/space, or unescorted access to protected and vital areas of nuclear power plants receive approval of SB/DFS prior to access in accordance with Management Directive and Handbook 12.3.

(7) For contracts for the design, development, maintenance or operation of Privacy Act Systems of Records, obtain from the contractor as part of closeout procedures, written certification that the contractor has returned to NRC, transferred to the successor contractor, or destroyed at the end of the contract in accordance with instructions provided by the NRC Systems Manager for Privacy Act Systems of Records, all records (electronic or paper) which were created, compiled, obtained or maintained under the contract.

## **H.7 Annual and Final Contractor Performance Evaluations**

Annual and final evaluations of contractor performance under this contract will be prepared in accordance with FAR 42.15, "Contractor Performance Information," normally at the time the contractor is notified of the NRC's intent to exercise the contract option. If the multi-year contract does not have option years, then an annual evaluation will be prepared (state time for annual evaluation). Final evaluations of contractor performance will be prepared at the expiration of the contract during the contract closeout process.

The Contracting Officer will transmit the NRC Project Officer's annual and final contractor performance evaluations to the contractor's Project Manager, unless otherwise instructed by the contractor. The contractor will be permitted thirty days to review the document. The contractor may concur without comment, submit additional information, or request a meeting to discuss the performance evaluation. The Contracting Officer may request the contractor's Project Manager to attend a meeting to discuss the performance evaluation.

Where a contractor concurs with, or takes no exception to an annual performance evaluation, the Contracting Officer will consider such evaluation final and releasable for source selection purposes. Disagreements between the parties regarding a performance evaluation will be referred to an individual one level above the Contracting Officer, whose decision will be final.

The Contracting Officer will send a copy of the completed evaluation report, marked "For Official Use Only," to the contractor's Project Manager for their records as soon as practicable after it has been finalized. The completed evaluation report also will be used as a tool to improve communications between the NRC and the contractor and to improve contract performance.

The completed annual performance evaluation will be used to support future award decisions in accordance with FAR 42.1502(a) and 42.1503(c). During the period the information is being used to provide source

selection information, the completed annual performance evaluation will be released to only two parties - the Federal government personnel performing the source selection evaluation and the contractor under evaluation if the contractor does not have a copy of the report already.

### **H.8 2052.209-72 CONTRACTOR ORGANIZATIONAL CONFLICTS OF INTEREST (JAN 1993)**

(a) Purpose. The primary purpose of this clause is to aid in ensuring that the contractor:

(1) Is not placed in a conflicting role because of current or planned interests (financial, contractual, organizational, or otherwise) which relate to the work under this contract; and

(2) Does not obtain an unfair competitive advantage over other parties by virtue of its performance of this contract.

(b) Scope. The restrictions described apply to performance or participation by the contractor, as defined in 48 CFR 2009.570-2 in the activities covered by this clause.

(c) Work for others.

(1) Notwithstanding any other provision of this contract, during the term of this contract, the contractor agrees to forego entering into consulting or other contractual arrangements with any firm or organization the result of which may give rise to a conflict of interest with respect to the work being performed under this contract. The contractor shall ensure that all employees under this contract abide by the provision of this clause. If the contractor has reason to believe, with respect to itself or any employee, that any proposed consultant or other contractual arrangement with any firm or organization may involve a potential conflict of interest, the contractor shall obtain the written approval of the contracting officer before the execution of such contractual arrangement.

(2) The contractor may not represent, assist, or otherwise support an NRC licensee or applicant undergoing an NRC audit, inspection, or review where the activities that are the subject of the audit, inspection, or review are the same as or substantially similar to the services within the scope of this contract (or task order as appropriate) except where the NRC licensee or applicant requires the contractor's support to explain or defend the contractor's prior work for the utility or other entity which NRC questions.

(3) When the contractor performs work for the NRC under this contract at any NRC licensee or applicant site, the contractor shall neither solicit nor perform work in the same or similar technical area for that licensee or applicant organization for a period commencing with the award of the task order or beginning of work on the site (if not a task order contract) and ending one year after completion of all work under the associated task order, or last time at the site (if not a task order contract).

(4) When the contractor performs work for the NRC under this contract at any NRC licensee or applicant site,

(i) The contractor may not solicit work at that site for that licensee or applicant during the period of performance of the task order or the contract, as appropriate.

(ii) The contractor may not perform work at that site for that licensee or applicant during the period of performance of the task order or the contract, as appropriate, and for one year thereafter.

(iii) Notwithstanding the foregoing, the contracting officer may authorize the contractor to solicit or perform this type of work (except work in the same or similar technical area) if the contracting officer determines that the situation will not pose a potential for technical bias or unfair competitive advantage.

## (d) Disclosure after award.

(1) The contractor warrants that to the best of its knowledge and belief, and except as otherwise set forth in this contract, that it does not have any organizational conflicts of interest as defined in 48 CFR 209.570-2.

(2) The contractor agrees that if, after award, it discovers organizational conflicts of interest with respect to this contract, it shall make an immediate and full disclosure in writing to the contracting officer. This statement must include a description of the action which the contractor has taken or proposes to take to avoid or mitigate such conflicts. The NRC may, however, terminate the contract if termination is in the best interest of the Government.

(3) It is recognized that the scope of work of a task-order-type contract necessarily encompasses a broad spectrum of activities. Consequently, if this is a task-order-type contract, the contractor agrees that it will disclose all proposed new work involving NRC licensees or applicants which comes within the scope of work of the underlying contract. Further, if this contract involves work at a licensee or applicant site, the contractor agrees to exercise diligence to discover and disclose any new work at that licensee or applicant site. This disclosure must be made before the submission of a bid or proposal to the utility or other regulated entity and must be received by the NRC at least 15 days before the proposed award date in any event, unless a written justification demonstrating urgency and due diligence to discover and disclose is provided by the contractor and approved by the contracting officer. The disclosure must include the statement of work, the dollar value of the proposed contract, and any other documents that are needed to fully describe the proposed work for the regulated utility or other regulated entity. NRC may deny approval of the disclosed work only when the NRC has issued a task order which includes the technical area and, if site-specific, the site, or has plans to issue a task order which includes the technical area and, if site-specific, the site, or when the work violates paragraphs (c)(2), (c)(3) or (c)(4) of this section.

## (e) Access to and use of information.

(1) If in the performance of this contract, the contractor obtains access to information, such as NRC plans, policies, reports, studies, financial plans, internal data protected by the Privacy Act of 1974 (5 U.S.C. Section 552a (1988)), or the Freedom of Information Act (5 U.S.C. Section 552 (1986)), the contractor agrees not to:

(i) Use this information for any private purpose until the information has been released to the public;

(ii) Compete for work for the Commission based on the information for a period of six months after either the completion of this contract or the release of the information to the public, whichever is first;

(iii) Submit an unsolicited proposal to the Government based on the information until one year after the release of the information to the public; or

(iv) Release the information without prior written approval by the contracting officer unless the information has previously been released to the public by the NRC.

(2) In addition, the contractor agrees that, to the extent it receives or is given access to proprietary data, data protected by the Privacy Act of 1974 (5 U.S.C. Section 552a (1988)), or the Freedom of Information Act (5 U.S.C. Section 552 (1986)), or other confidential or privileged technical, business, or financial information under this contract, the contractor shall treat the information in accordance with restrictions placed on use of the information.

(3) Subject to patent and security provisions of this contract, the contractor shall have the right to use technical data it produces under this contract for private purposes provided that all requirements of this contract have been met.

(f) Subcontracts. Except as provided in 48 CFR 2009.570-2, the contractor shall include this clause, including this paragraph, in subcontracts of any tier. The terms contract, contractor, and contracting officer, must be appropriately modified to preserve the Government's rights.

(g) Remedies. For breach of any of the above restrictions, or for intentional nondisclosure or misrepresentation of any relevant interest required to be disclosed concerning this contract or for such erroneous representations that necessarily imply bad faith, the Government may terminate the contract for default, disqualify the contractor from subsequent contractual efforts, and pursue other remedies permitted by law or this contract.

(h) Waiver. A request for waiver under this clause must be directed in writing to the contracting officer in accordance with the procedures outlined in 48 CFR 2009.570-9.

(i) Follow-on effort. The contractor shall be ineligible to participate in NRC contracts, subcontracts, or proposals therefor (solicited or unsolicited), which stem directly from the contractor's performance of work under this contract. Furthermore, unless so directed in writing by the contracting officer, the contractor may not perform any technical consulting or management support services work or evaluation activities under this contract on any of its products or services or the products or services of another firm if the contractor has been substantially involved in the development or marketing of the products or services.

(1) If the contractor, under this contract, prepares a complete or essentially complete statement of work or specifications, the contractor is not eligible to perform or participate in the initial contractual effort which is based on the statement of work or specifications. The contractor may not incorporate its products or services in the statement of work or specifications unless so directed in writing by the contracting officer, in which case the restrictions in this paragraph do not apply.

(2) Nothing in this paragraph precludes the contractor from offering or selling its standard commercial items to the Government.

**PART II - CONTRACT CLAUSES****SECTION I - CONTRACT CLAUSES****I.1 NOTICE LISTING CONTRACT CLAUSES INCORPORATED BY REFERENCE**

The following contract clauses pertinent to this section are hereby incorporated by reference (by Citation Number, Title, and Date) in accordance with the clause at FAR "52.252-2 CLAUSES INCORPORATED BY REFERENCE" in Section I of this contract. See FAR 52.252-2 for an internet address (if specified) for electronic access to the full text of a clause.

NUMBER	TITLE	DATE
	FEDERAL ACQUISITION REGULATION (48 CFR Chapter 1)	
52.202-1	DEFINITIONS	JUL 2004
52.203-3	GRATUITIES	APR 1984
52.203-5	COVENANT AGAINST CONTINGENT FEES	APR 1984
52.203-6	RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT	SEP 2006
52.203-7	ANTI-KICKBACK PROCEDURES	JUL 1995
52.203-8	CANCELLATION, RESCISSION, AND RECOVERY OF FUNDS FOR ILLEGAL OR IMPROPER ACTIVITY	JAN 1997
52.203-10	PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY	JAN 1997
52.203-12	LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS	SEP 2005
52.204-4	PRINTED OR COPIED DOUBLE-SIDED ON RECYCLED PAPER	AUG 2000
52.204-7	CENTRAL CONTRACTOR REGISTRATION	JUL 2006
52.209-6	PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT	SEP 2006
52.215-2	AUDIT AND RECORDS--NEGOTIATION	JUN 1999
52.215-8	ORDER OF PRECEDENCE--UNIFORM CONTRACT FORMAT	OCT 1997
52.219-4	NOTICE OF PRICE EVALUATION PREFERENCE FOR HUBZONE SMALL BUSINESS CONCERNS	JUL 2005
52.219-8	UTILIZATION OF SMALL BUSINESS CONCERNS	MAY 2004
52.219-9	SMALL BUSINESS SUBCONTRACTING PLAN	SEP 2006
52.219-16	LIQUIDATED DAMAGES--SMALL BUSINESS SUBCONTRACTING PLAN	JAN 1999
52.219-25	SMALL DISADVANTAGED BUSINESS PARTICIPATION PROGRAM--DISADVANTAGED STATUS AND REPORTING	OCT 1999
52.222-3	CONVICT LABOR	JUN 2003
52.222-21	PROHIBITION OF SEGREGATED FACILITIES	FEB 1999
52.222-26	EQUAL OPPORTUNITY	MAR 2007
52.222-35	EQUAL OPPORTUNITY FOR SPECIAL DISABLED	SEP 2006

	VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS	
52.222-36	AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES	JUN 1998
52.222-37	EMPLOYMENT REPORTS ON SPECIAL DISABLED VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS	SEP 2006
52.223-6	DRUG-FREE WORKPLACE	MAY 2001
52.225-5	TRADE AGREEMENTS	NOV 2006
52.225-13	RESTRICTIONS ON CERTAIN FOREIGN PURCHASES	FEB 2006
52.227-1	AUTHORIZATION AND CONSENT ALTERNATE I (APR 1984)	JUL 1995
52.227-2	NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT	AUG 1996
52.227-11	PATENT RIGHTS -- RETENTION BY THE CONTRACTOR (SHORT FORM)	JUN 1997
52.227-14	RIGHTS IN DATA--GENERAL	JUN 1987
52.232-17	INTEREST	JUN 1996
52.232-18	AVAILABILITY OF FUNDS	APR 1984
52.232-22	LIMITATION OF FUNDS	APR 1984
52.232-23	ASSIGNMENT OF CLAIMS	JAN 1986
52.232-25	PROMPT PAYMENT	OCT 2003
52.232-33	PAYMENT BY ELECTRONIC FUNDS--CENTRAL CONTRACTOR REGISTRATION	OCT 2003
52.233-3	PROTEST AFTER AWARD	AUG 1996
52.233-4	APPLICABLE LAW FOR BREACH OF CONTRACT CLAIM	OCT 2004
52.242-1	NOTICE OF INTENT TO DISALLOW COSTS	APR 1984
52.242-13	BANKRUPTCY	JUL 1995
52.243-3	CHANGES--TIME-AND-MATERIALS OR LABOR-HOURS	SEP 2000
52.244-2	SUBCONTRACTS	JUN 2007
52.244-6	SUBCONTRACTS FOR COMMERCIAL ITEMS	MAR 2007
52.245-1	GOVERNMENT PROPERTY	JUN 2007
52.245-9	USE AND CHARGES	JUN 2007
52.246-23	LIMITATION OF LIABILITY	FEB 1997
52.246-25	LIMITATION OF LIABILITY--SERVICES	FEB 1997
52.248-1	VALUE ENGINEERING	FEB 2000
52.249-6	TERMINATION (COST-REIMBURSEMENT) ALTERNATE IV (SEP 1996)	SEP 1996
52.249-14	EXCUSABLE DELAYS	APR 1984
52.253-1	COMPUTER GENERATED FORMS	JAN 1991

## **I.2 52.232-7 PAYMENTS UNDER TIME-AND-MATERIALS AND LABOR-HOUR CONTRACTS (FEB 2007)**

The Government will pay the Contractor as follows upon the submission of vouchers approved by the Contracting Officer or the authorized representative:

(a) Hourly rate.



(1) Hourly rate means the rate(s) prescribed in the contract for payment for labor that meets the labor category qualifications of a labor category specified in the contract that are--

(i) Performed by the Contractor;

(ii) Performed by the subcontractors; or

(iii) Transferred between divisions, subsidiaries, or affiliates of the Contractor under a common control.

(2) The amounts shall be computed by multiplying the appropriate hourly rates prescribed in the Schedule by the number of direct labor hours performed.

(3) The hourly rates shall be paid for all labor performed on the contract that meets the labor qualifications specified in the contract. Labor hours incurred to perform tasks for which labor qualifications were specified in the contract will not be paid to the extent the work is performed by employees that do not meet the qualifications specified in the contract, unless specifically authorized by the Contracting Officer.

(4) The hourly rates shall include wages, indirect costs, general and administrative expense, and profit. Fractional parts of an hour shall be payable on a prorated basis.

(5) Vouchers may be submitted once each month (or at more frequent intervals, if approved by the Contracting Officer), to the Contracting Officer or authorized representative. The Contractor shall substantiate vouchers (including any subcontractor hours reimbursed at the hourly rate in the schedule) by evidence of actual payment and by--

(i) Individual daily job timekeeping records;

(ii) Records that verify the employees meet the qualifications for the labor categories specified in the contract; or

(iii) Other substantiation approved by the Contracting Officer.

(6) Promptly after receipt of each substantiated voucher, the Government shall, except as otherwise provided in this contract, and subject to the terms of paragraph (e) of this clause, pay the voucher as approved by the Contracting Officer or authorized representative.

(7) Unless otherwise prescribed in the Schedule, the Contracting Officer may unilaterally issue a contract modification requiring the Contractor to withhold amounts from its billings until a reserve is set aside in an amount that the Contracting Officer considers necessary to protect the Government's interests. The Contracting Officer may require a withhold of 5 percent of the amounts due under paragraph (a) of this clause, but the total amount withheld for the contract shall not exceed \$50,000. The amounts withheld shall be retained until the Contractor executes and delivers the release required by paragraph (g) of this clause.

(8) Unless the Schedule prescribes otherwise, the hourly rates in the Schedule shall not be varied by virtue of the Contractor having performed work on an overtime basis. If no overtime rates are provided in the Schedule and overtime work is approved in advance by the Contracting Officer, overtime rates shall be negotiated. Failure to agree upon these overtime rates shall be treated as a dispute under the Disputes clause of this contract. If the Schedule provides rates for overtime, the premium portion of those rates will be reimbursable only to the extent the overtime is approved by the Contracting Officer.

(b) Materials.

(1) For the purposes of this clause--

(i) Direct materials means those materials that enter directly into the end product, or that are used or consumed directly in connection with the furnishing of the end product or service.

(ii) Materials means--

(A) Direct materials, including supplies transferred between divisions, subsidiaries, or affiliates of the Contractor under a common control;

(B) Subcontracts for supplies and incidental services for which there is not a labor category specified in the contract;

(C) Other direct costs (e.g., incidental services for which there is not a labor category specified in the contract, travel, computer usage charges, etc.); and

(D) Applicable indirect costs.

(2) If the Contractor furnishes its own materials that meet the definition of a commercial item at 2.101, the price to be paid for such materials shall not exceed the Contractor's established catalog or market price, adjusted to reflect the--

(i) Quantities being acquired; and

(ii) Actual cost of any modifications necessary because of contract requirements.

(3) Except as provided for in paragraph (b)(2) of this clause, the Government will reimburse the Contractor for allowable cost of materials provided the Contractor--

(i) Has made payments for materials in accordance with the terms and conditions of the agreement or invoice; or

(ii) Ordinarily makes these payments within 30 days of the submission of the Contractor's payment request to the Government and such payment is in accordance with the terms and conditions of the agreement or invoice.

(4) Payment for materials is subject to the Allowable Cost and Payment clause of this contract. The Contracting Officer will determine allowable costs of materials in accordance with Subpart 31.2 of the Federal Acquisition Regulation (FAR) in effect on the date of this contract.

(5) The Contractor may include allocable indirect costs and other direct costs to the extent they are--

(i) Comprised only of costs that are clearly excluded from the hourly rate;

(ii) Allocated in accordance with the Contractor's written or established accounting practices; and

(iii) Indirect costs are not applied to subcontracts that are paid at the hourly rates.

(6) To the extent able, the Contractor shall--

(i) Obtain materials at the most advantageous prices available with due regard to securing prompt delivery of satisfactory materials; and

(ii) Take all cash and trade discounts, rebates, allowances, credits, salvage, commissions, and other benefits. When unable to take advantage of the benefits, the Contractor shall promptly notify the Contracting Officer and give the reasons. The Contractor shall give credit to the Government for cash and trade discounts,

rebates, scrap, commissions, and other amounts that have accrued to the benefit of the Contractor, or would have accrued except for the fault or neglect of the Contractor. The Contractor shall not deduct from gross costs the benefits lost without fault or neglect on the part of the Contractor, or lost through fault of the Government.

(7) Except as provided for in 31.205-26(e) and (f), the Government will not pay profit or fee to the prime Contractor on materials.

(c) If the Contractor enters into any subcontract that requires consent under the clause at 52.244-2, Subcontracts, without obtaining such consent, the Government is not required to reimburse the Contractor for any costs incurred under the subcontract prior to the date the Contractor obtains the required consent. Any reimbursement of subcontract costs incurred prior to the date the consent was obtained shall be at the sole discretion of the Government.

(d) Total cost. It is estimated that the total cost to the Government for the performance of this contract shall not exceed the ceiling price set forth in the Schedule, and the Contractor agrees to use its best efforts to perform the work specified in the Schedule and all obligations under this contract within such ceiling price. If at any time the Contractor has reason to believe that the hourly rate payments and material costs that will accrue in performing this contract in the next succeeding 30 days, if added to all other payments and costs previously accrued, will exceed 85 percent of the ceiling price in the Schedule, the Contractor shall notify the Contracting Officer giving a revised estimate of the total price to the Government for performing this contract with supporting reasons and documentation. If at any time during performing this contract, the Contractor has reason to believe that the total price to the Government for performing this contract will be substantially greater or less than the then stated ceiling price, the Contractor shall so notify the Contracting Officer, giving a revised estimate of the total price for performing this contract, with supporting reasons and documentation. If at any time during performing this contract, the Government has reason to believe that the work to be required in performing this contract will be substantially greater or less than the stated ceiling price, the Contracting Officer will so advise the Contractor, giving the then revised estimate of the total amount of effort to be required under the contract.

(e) Ceiling price. The Government will not be obligated to pay the Contractor any amount in excess of the ceiling price in the Schedule, and the Contractor shall not be obligated to continue performance if to do so would exceed the ceiling price set forth in the Schedule, unless and until the Contracting Officer notifies the Contractor in writing that the ceiling price has been increased and specifies in the notice a revised ceiling that shall constitute the ceiling price for performance under this contract. When and to the extent that the ceiling price set forth in the Schedule has been increased, any hours expended and material costs incurred by the Contractor in excess of the ceiling price before the increase shall be allowable to the same extent as if the hours expended and material costs had been incurred after the increase in the ceiling price.

(f) Audit. At any time before final payment under this contract, the Contracting Officer may request audit of the vouchers and supporting documentation. Each payment previously made shall be subject to reduction to the extent of amounts, on preceding vouchers, that are found by the Contracting Officer or authorized representative not to have been properly payable and shall also be subject to reduction for overpayments or to increase for underpayments. Upon receipt and approval of the voucher designated by the Contractor as the "completion voucher" and supporting documentation, and upon compliance by the Contractor with all terms of this contract (including, without limitation, terms relating to patents and the terms of paragraph (g) of this clause), the Government shall promptly pay any balance due the Contractor. The completion voucher, and supporting documentation, shall be submitted by the Contractor as promptly as practicable following completion of the work under this contract, but in no event later than 1 year (or such longer period as the Contracting Officer may approve in writing) from the date of completion.

(g) Assignment and Release of Claims. The Contractor, and each assignee under an assignment entered into under this contract and in effect at the time of final payment under this contract, shall execute and deliver, at the time of and as a condition precedent to final payment under this contract, a release discharging the

Government, its officers, agents, and employees of and from all liabilities, obligations, and claims arising out of or under this contract, subject only to the following exceptions:

- (1) Specified claims in stated amounts, or in estimated amounts if the amounts are not susceptible of exact statement by the Contractor.
  - (2) Claims, together with reasonable incidental expenses, based upon the liabilities of the Contractor to third parties arising out of performing this contract, that are not known to the Contractor on the date of the execution of the release, and of which the Contractor gives notice in writing to the Contracting Officer not more than 6 years after the date of the release or the date of any notice to the Contractor that the Government is prepared to make final payment, whichever is earlier.
  - (3) Claims for reimbursement of costs (other than expenses of the Contractor by reason of its indemnification of the Government against patent liability), including reasonable incidental expenses, incurred by the Contractor under the terms of this contract relating to patents.
- (h) Interim payments on contracts for other than services.
- (1) Interim payments made prior to the final payment under the contract are contract financing payments. Contract financing payments are not subject to the interest penalty provisions of the Prompt Payment Act.
  - (2) The designated payment office will make interim payments for contract financing on the 30th day after the designated billing office receives a proper payment request. In the event that the Government requires an audit or other review of a specific payment request to ensure compliance with the terms and conditions of the contract, the designated payment office is not compelled to make payment by the specified due date.
- (i) Interim payments on contracts for services. For interim payments made prior to the final payment under this contract, the Government will make payment in accordance with the Prompt Payment Act (31 U.S.C. 3903) and prompt payment regulations at 5 CFR part 1315.

### **I.3 52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)**

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es):

<http://www.arnet.gov/far>

## PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS

## SECTION J - LIST OF ATTACHMENTS

ATTACHMENT NUMBER	TITLE
1.	Billing Instructions for Labor Hour Contracts
2.	NRC Management Directive 3.7, "NUREG Series Publications" can be accessed through <a href="http://www.nrc.gov/reading-rm/doc-collections/management-directives/volumes/vol-3.html">http://www.nrc.gov/reading-rm/doc-collections/management-directives/volumes/vol-3.html</a>
3.	NRC Management Directive 3.9, "NRC Staff and Contractor Speeches, Papers, and Journal Articles on Regulatory and Technical Subjects." can be accessed through <a href="http://www.nrc.gov/reading-rm/doc-collections/management-directives/volumes/vol-3.html">http://www.nrc.gov/reading-rm/doc-collections/management-directives/volumes/vol-3.html</a>
4.	§2009.570 "NRC Organizational Conflict of Interest" can be accessed through <a href="http://www.nrc.gov/about-nrc/contracting/48cfr-ch20.html#_1_70">http://www.nrc.gov/about-nrc/contracting/48cfr-ch20.html#_1_70</a>

**BILLING INSTRUCTIONS FOR  
LABOR HOUR TYPE CONTRACTS**

General: The contractor shall prepare vouchers/invoices for reimbursement of costs in the manner and format described herein or a similar format. **FAILURE TO SUBMIT VOUCHERS/INVOICES IN ACCORDANCE WITH THESE INSTRUCTIONS WILL RESULT IN REJECTION OF THE VOUCHER/INVOICE AS IMPROPER.**

Number of Copies: An original and three copies, including supporting documentation shall be submitted. A copy of all supporting documents must be attached to each copy of your voucher/invoice. Failure to submit all the required copies will result in rejection of the voucher/invoice as improper.

Designated Agency Billing Office: Vouchers/invoices shall be submitted to the following address:

U.S. Nuclear Regulatory Commission  
Division of Contracts  
Mail Stop T-7-I-2  
Washington, D.C. 20555

HAND DELIVERY OF VOUCHERS/INVOICES IS DISCOURAGED AND WILL NOT EXPEDITE PROCESSING BY NRC. However, should you choose to deliver vouchers/invoices by hand, including delivery by any express mail services or special delivery services which use a courier or other person to deliver the voucher/invoice in person to the NRC, such vouchers/invoices must be addressed to the above Designated Agency Billing Office and will only be accepted at the following location:

U.S. Nuclear Regulatory Commission  
One White Flint North  
11555 Rockville Pike - Mail Room  
Rockville, MD 20852

HAND-CARRIED SUBMISSIONS WILL NOT BE ACCEPTED AT OTHER THAN THE ABOVE ADDRESS.

Note that the official receipt date for hand-delivered vouchers/invoices will be the date it is received by the official agency billing office in the Division of Contracts and Property Management.

Agency Payment Office: Payment will be made by the following office:

U.S. Nuclear Regulatory Commission  
Division of Accounting and Finance GOV/COMM  
Mail Stop T-9-H4  
Washington, DC 20555

Frequency: The contractor shall submit claims for reimbursement once each month, unless otherwise authorized by the Contracting Officer.

Format: Claims should be submitted in the format depicted on the attached sample form entitled "Voucher/Invoice for Purchases and Services Other Than Personal" (see Attachment ) or a similar format. **THE SAMPLE FORMAT IS PROVIDED FOR GUIDANCE ONLY AND IS NOT REQUIRED FOR SUBMISSION OF A VOUCHER/INVOICE. ALTERNATE FORMATS ARE PERMISSIBLE PROVIDED ALL REQUIREMENTS OF THE BILLING INSTRUCTIONS ARE ADDRESSED.**

Billing of Costs After Expiration of Contract/Purchase Order: If the costs are incurred during the purchase order period and claimed after the purchase order has expired, the period during which these costs were incurred must be cited. To be considered a proper voucher/invoice, the contractor shall clearly mark it "EXPIRATION VOUCHER" OR "EXPIRATION INVOICE".

Currency: Billings may be expressed in the currency normally used by the contractor in maintaining his accounting records; payments will be made in that currency. However, the U.S. dollar equivalent for all vouchers/invoices paid under the purchase order may not exceed the total U.S. dollars authorized in the purchase order.

ATTACHMENT

**INVOICE/VOUCHER FOR PURCHASES  
AND  
SERVICES OTHER THAN PERSONAL**

**(SAMPLE FORMAT - COVER SHEET)**

Official Agency Billing Office  
U.S. Nuclear Regulatory Commission  
Division of Contracts and Property  
Management MS: T-7-12  
Washington, DC 20555-0001

(a) Purchase Order No:  
(b) Voucher/Invoice No:  
(c) Date of Voucher/Invoice:

Payee's Name and Address

(d) Individual to Contact Regarding Voucher/Invoice  
Name:  
Telephone No:

(e) This voucher/invoice represents reimbursable costs for the billing period  
\_\_\_\_\_ to \_\_\_\_\_.

	<u>Amount Billed</u>	
	<u>Current Period</u>	<u>Cumulative</u>
(f) <u>Direct Costs:</u>		
(1) Direct Labor*	\$ _____	\$ _____
(2) Travel*	\$ _____	\$ _____
Total Direct Costs:	\$ _____	\$ _____

\* The contractor shall submit as an attachment to its invoice/voucher cover sheet a listing of labor categories, hours billed, fixed hourly rates, total dollars, and cumulative hours billed to date under each labor category, authorized under the purchase order for each of the three activities to be performed under the purchase order. In addition, the contractor shall include travel costs incurred with the required supporting documentation, as well as, the cumulative total of travel costs billed to date by activity.