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| AWARD/CONTRACT | | 1. THIS CONTRACT IS RATED ORDER UNDER DPAS (15 CFR 350) | | RATING | PAGE OF PAGES 1 45 |
| 2. CONTRACT NO. (Proc. Inst. Ident.) NRC-04-07-048 | | 3. EFFECTIVE DATE 08-07-2007 | | 4. REQUISITION/PURCHASE REQUEST/PROJECT NO. RES-07-048 | |
| 5. ISSUED BY U.S. Nuclear Regulatory Commission Div. of Contracts Attn: Heriberto (Eddie) Colón, Jr. 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 Mail Stop T-7-I-2 Washington, DC 20555 | | |

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| 7. NAME AND ADDRESS OF CONTRACTOR (No. street, city, county, State and ZIP Code) INFORMATION SYSTEMS LABORATORIES ATTN.: MR. JAMES F. MEYER, MANAGER 11140 ROCKVILLE PIKE STE 500 ROCKVILLE MD 208523106 | | 8. DELIVERY <input type="checkbox"/> FOB ORIGIN <input checked="" type="checkbox"/> OTHER (See below) | |
| 9. DISCOUNT FOR PROMPT PAYMENT N/A | | 10. SUBMIT INVOICES (4 copies unless otherwise specified) TO THE ADDRESS SHOWN IN ITEM See Billing Instructions under Section J. | |

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| CODE <i>Davis</i> #150135445 | FACILITY CODE | 11. SHIP TO/MARK FOR U.S. Nuclear Regulatory Commission Washington DC 20555 | 12. PAYMENT WILL BE MADE BY U.S. Nuclear Regulatory Commission Payment Team, Mail Stop T-9-H-4 Attn: (insert contract or order number) Washington DC 20555 |
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| 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 76015111205 N6151 252A 31X0200.760 OBLIGATE: \$500,000.00 (FFS Commitment #: RES-C07-103) |
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| 19A. ITEM NO | 15B. SUPPLIES/SERVICES | 15C. QUANTITY | 15D. UNIT | 15E. UNIT PRICE | 15F. AMOUNT |
|--------------------------------------|--|---------------|-----------|-----------------|--------------|
| | The Contractor shall provide the U.S. Nuclear Regulatory Commission (NRC) with the services described under Section C. "Statement of Work", in accordance with the terms and conditions of this contract. SEE SECTION B. FOR SCHEDULE OF SERVICES PROJECT TITLE: "Maintenance of NRC Computer Codes" TYPE OF CONTRACT: Cost Reimbursement - CPFF PERIOD OF PERFORMANCE: August 7, 2007 - August 6, 2008 <i>HH</i> | | | | |
| 15G. TOTAL AMOUNT OF CONTRACT | | | | | \$500,000.00 |

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CONTRACTING OFFICER WILL COMPLETE ITEM 17 OR 18 AS APPLICABLE

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| 17. <input checked="" type="checkbox"/> CONTRACTOR'S NEGOTIATED AGREEMENT (Contractor is required to sign this document and return <u>Two (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) BRUCE B. MROWCA V.P. & DIVISION MANAGER | | 20A. NAME OF CONTRACTING OFFICER Heriberto Colón, Jr. | |
| 19B. NAME OF CONTRACTOR BY <i>[Signature]</i> (Signature of person authorized to sign) | | 20B. UNITED STATES OF AMERICA BY <i>[Signature]</i> (Signature of Contracting Officer) | |
| 19C. DATE SIGNED AUG 07 2007 | | 20C. DATE SIGNED AUG 07 2007 | |

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PART I - THE SCHEDULE

SECTION B - SUPPLIES OR SERVICES AND PRICE/COSTS

B.1 PROJECT TITLE

The title of this project is as follows:

"Maintenance of NRC Computer Codes"

B.2 BRIEF DESCRIPTION OF WORK (MAR 1987)

The contractor shall provide TRACE code and model development, and improvements, as well as configuration control, correction of code errors, documentation updates, and user support to the NRC, its contractors, and members of CAMP and the domestic User Support Group for TRACE. In addition, the contractor shall provide configuration control, correction of code errors, code maintenance, documentation updates, and user support to the NRC, its contractors, and members of CAMP, and the domestic User Group for RELAP5, SCDAP/RELAP5 and RADTRAD.

B.3 CONSIDERATION AND OBLIGATION--COST PLUS FIXED FEE (JUN 1988) ALTERNATE I (JUN 1991)

(a) The total estimated cost to the Government for full performance of this contract is \$724,738.00, of which the sum of \$674,337.00 represents the estimated reimbursable costs, and of which \$50,401.00 represents the fixed fee.

(b) The total estimated cost to the Government for full performance for the **OPTION YEAR 1** of this contract is \$736,955.00, of which the sum of \$685,417.00 represents the estimated reimbursable costs, and of which \$51,538.00 represents the fixed fee.

(c) The total estimated cost to the Government for full performance for the **OPTION YEAR 2** of this contract is \$760,345.00, of which the sum of \$707,116.00 represents the estimated reimbursable costs, and of which \$53,229.00 represents the fixed fee.

(d) The total estimated cost to the Government for full performance for the **OPTION YEAR 3** of this contract is \$784,824.00, of which the sum of \$729,834.00 represents the estimated reimbursable costs, and of which \$54,990.00 represents the fixed fee.

(e) The total estimated cost to the Government for full performance for the **OPTION YEAR 4** of this contract is \$810,152.00, of which the sum of \$753,340.00 represents the estimated reimbursable costs, and of which \$56,812.00 represents the fixed fee.

(e) 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.

(f) The amount currently obligated by the Government with respect to this contract is \$500,000.00, of which the sum of \$465,228.00 represents the estimated reimbursable costs, and of which \$34,772.00 represents the fixed fee.

(g) It is estimated that the amount currently allotted will cover performance through April 26, 2008.

SECTION C - DESCRIPTION/SPECIFICATIONS/STATEMENT OF WORK**I. BACKGROUND**

The Division of Risk Assessment and Special Projects (DRASP), Office of Nuclear Regulatory Research (RES) has responsibility for the development, testing, assessment, maintenance, and user support (including user training and distribution of codes to U.S. Nuclear Regulatory Commission (NRC) -approved users) of the NRC's thermal-hydraulic (T/H) computer codes. Additional responsibility includes maintenance of the thermal-hydraulic databank, which contains the results of T/H experiments, tests, and assessments.

The responsibilities identified above apply to the following codes: TRACE, RELAP5, SCDAP/RELAP, and RADTRAD, as described below.

- TRACE (TRAC/RELAP Advanced Computational Engine) is a three dimensional (3D) code capable of modeling the reactor core and includes 3D kinetics. It is the result of the consolidation of several earlier T/H (i.e., TRAC-P, TRAC-B, and RELAP5) and neutronics (i.e., RAMONA) codes;
- RELAP5/MOD3 is a one dimensional (1D) best-estimate T/H code that is primarily used for small-break loss of coolant accidents (SBLOCAs) and other transients;
- SCDAP/RELAP is used to assess steam generator tube integrity under degraded core conditions; and
- RADTRAD is a reactor accident code that estimates offsite fission product releases.

When requested by the NRC, the contractor shall make the codes available to NRC-approved domestic users via a User Support Group, and foreign users participating in the international Code Applications and Maintenance Program (CAMP). The use of the codes by these organizations provides calculations and assessments needed to validate and improve the codes. Semi-annual international workshops are conducted by the NRC to discuss code results and related issues.

Codes are currently provided to approved users for a nominal fee that covers shipping, handling, and assistance in installation of the codes. Some users opt to join the User Support Group and pay an annual membership fee. For the additional fee, members receive consultation over the telephone on possible problems encountered in use of the codes, including new versions of the codes, and may send a representative to annual code training conducted by the NRC. Both domestic users and CAMP members continue to assess the codes against reactor operational and/or experimental data. As a result of these comparisons and through use of the codes for plant safety assessment, many changes to the codes are suggested each year. When sufficient changes have been made to the codes, assessments are made by the contractor and new versions of the codes are released to the users.

The contractor provides a single point of contact to assist code users, performs code and model development for the TRACE code, provides maintenance, including error corrections/debugging, and provides support for CAMP activities for TRACE and RELAP5 codes. As noted above, it is expected that code upgrading will be required as a result of code usage/assessment.

The NRC is transitioning from RELAP5 to TRACE as its primary thermal-hydraulic analysis tool. Therefore, RELAP5 code development is expected to end at some point during this contract, most likely by 2008. However, support for RELAP5 code maintenance will continue to address CAMP member needs until the end of current agreements. All CAMP members are aware of the NRC's plan to phase out RELAP5 support.

II. OBJECTIVE

The contractor shall provide the necessary personnel, management, materials, equipment, administrative and technical services as outlined in this Statement of Work.

III. SCOPE OF WORK

The contractor shall provide TRACE code and model development, and improvements, as well as configuration control, correction of code errors, documentation updates, and user support to the NRC, its contractors, and members of CAMP and the domestic User Support Group for TRACE. In addition, the contractor shall provide configuration control, correction of code errors, code maintenance, documentation updates, and user support to the NRC, its contractors, and members of CAMP and the domestic User Support Group for RELAP5, SCDAP/RELAP5 and RADTRAD. The NRC will provide the contractor with the codes.

SPECIFIC TASKS:**A. Task 01 - Code Maintenance**

The contractor shall:

1. Maintain TRACE, RELAP5, SCDAP/RELAP5 and RADTRAD, as directed by the NRC, and provide a single point of contact for satisfying code users' requests for documentation, code versions or updates, modeling changes, improved user convenience, assistance and diagnosis of user problems, correction of coding "bugs," code changes, and updating of code documentation. On a quarterly basis, commencing on the effective date of the contract, publish a newsletter for the NRC and code users that includes users' experiences not otherwise reported, and advises them of code updates, documentation changes, workshops, and other items of interest to the users.
2. Maintain configuration control, and a tape or CD/DVD library of code versions. Include ancillary data files and plotting routines. Restrict READ/WRITE access to supervised employees.
3. Distribute code versions to NRC-approved users in a form compatible with the user's computer system (workstation), and in user friendly installation packages. The NRC will provide authorization via e-mail to the contractor to distribute the code. This e-mail will include relevant information on the approved users. Prior to the release of any revised versions of a code(s), the contractor shall submit to the NRC Project Manager, for review and approval, all documentation that reflects the changes made to the code(s), including assessment and user guidance. All NRC-approved released versions of the codes (software) shall be provided to the NRC Project Manager.
4. Take adequate measures during the execution of TRACE improvements and other code revisions to ensure the integrity of the code through accepted software quality assurance (QA) procedures, as set forth in NUREG-1737, "Software Quality Assurance Procedures for NRC Thermal Hydraulic Codes." Updated codes shall be compatible with plant input decks that were developed for older versions of the code. (See Section J. List of Attachments)
5. Maintain a file of user trouble reports and user change requests. On a quarterly basis, provide to the NRC Project Manager a report that describes how error corrections were/will be made with a proposed prioritization schedule, and estimated staff effort to meet these requests. The NRC Project Manager shall be notified immediately if changes that need to be addressed urgently are identified. The report shall include a description of the procedures used for quality assurance for error corrections and code revisions.

B. Task 02 - Code Development

The contractor shall:

1. Perform code development in support of maintenance activities (fixing bugs, model improvements, etc.) for TRACE. The following platforms shall be supported: Windows PC - 32 bit*, Windows PC - 64 bit, Linux PC - 32 bit*, Linux PC - 64 bit, and Mac/OSX (or later)* running the following Fortran compilers and tools: Compaq Visual Fortran and Microsoft Visual Studio*, Intel Visual Fortran (for Linux and Windows) and Microsoft Visual Studio .Net*, Totalview Fortran debugger for Linux*, NAG Fortran compiler for Linux*, NAG Fortran compiler for Mac/OSX*, Lahey (Linux and Windows)*, Salford compiler, IBM xlf compiler (for Apple), g95 compiler, PathScale compiler, and gfortran compiler. Ensure that the tools with asterisks next to them are in place and at the start of the contract. Also ensure that these tools and platforms are maintained at their most current release levels throughout the contract (to the extent that the compilers will successfully compile NRC codes and the compilers and platforms reflect what is being used in the user community). Other tools and platforms can be acquired later on direct instruction from the NRC Project Manager. The contractor may be asked to extend support to other platforms and tools not listed (i.e., Sun Unix, HP Unix, etc.) to reflect changing user needs.
2. Perform model assessments on new TRACE code versions. When a new version of a code is created or new experimental data becomes available, the contractor shall provide the NRC Project Manager with a plan for developmentally assessing the code and an assessment matrix based on a review of the relevant models and correlations in the code and ranges of conditions over which they apply.
3. Maintain and further develop the TRACE user support website. This website provides an HTML-based access to the TRACE configuration server located at the NRC headquarters in Rockville, MD. The website is intended to be used by the TRACE developers and the NRC staff only.
4. Maintain cognizance of national and international developments in the area of thermal-hydraulic codes/experiments. Based on this knowledge, as appropriate, propose modeling improvements to TRACE and additions to the developmental assessment matrix to ensure that TRACE retains a state-of-the-art thermal-hydraulic analysis capability.

C. Task 03 - NRC Data Bank

The contractor shall:

Maintain the NRC Data Bank. Convert new data to the platform binary independent format and add it to the NRC Data Bank. Complete the transfer of the NRC Data Bank from RES5 to the Agencywide Document Access Management System (ADAMS). Reorganize data according to an NRC-defined hierarchy. Develop procedures for the NRC Data Bank to support the ADAMS environment.

D. Task 04 - CAMP

The contractor shall:

1. Provide members with user support required by the CAMP agreements, e.g., provide the latest version of the codes and documentation, answer user questions and concerns, and distribute the quarterly newsletter described in III.A.1 to CAMP members. The NRC will provide a list of users that includes those working on NRC programs and those who are members of CAMP or the User Support Group.
2. Coordinate, participate in, and make presentations at CAMP semi-annual meetings. Prepare CAMP and Technical Program Committee (TPC) meeting minutes. Semi-annually, preferably concurrent with

the CAMP meeting summary, provide a short input for the public NRC thermal-hydraulic code website with regard to TRACE updates, document changes and/or other items of interest to the users.

3. Prepare annual summary reports (commencing one year from the effective date of the contract) of Independent Assessments performed by CAMP participants. The contractor shall ensure that suitable TRACE assessment cases are put into AVScript and submitted to the NRC to be part of the future TRACE assessment matrix.

E. Task 05 - Training

The contractor shall:

1. Conduct TRACE and RELAP5 training workshop for up to 5 days on a yearly basis unless otherwise instructed by the NRC Contracting Officer. The workshop shall be for 20-25 novice and advanced users of the code. The location of the workshop shall, in general, be in the Rockville, MD area.
2. Revise current NRC-owned and furnished training manuals and materials for the TRACE and RELAP5 training workshop, as directed by the NRC Project Manager. The revised training manuals and materials will be property of the NRC.

F. Task 06 - General

The contractor shall:

1. Confer regularly with the NRC Project Manager. The location of meetings shall alternate between NRC headquarters in Rockville, MD and the contractor's site. The meetings shall discuss the progress of the contract and any other technical details.
2. Have new versions of codes tested by independent organizations. The contractor shall receive approval from the NRC Project Manager prior to sending new versions of a code to an organization to be tested.
3. Provide telephone assistance to the User Support Group and CAMP members during regular business hours, i.e., 8:00 AM to 5:00 PM local time, Monday through Friday, to diagnose their difficulties with the code and offer solutions to code problems.

IV. DELIVERABLES AND DELIVERY SCHEDULE

1. On a quarterly basis, commencing on the effective date of the contract, within one month following the end of the quarter, publish a newsletter for the NRC and code users that includes users' experiences not otherwise reported, and advises them of code updates, documentation changes, workshops, and other items of interest to the users.
2. Distribute code versions to NRC-approved users in a form compatible with the user's computer system (workstation), and in user friendly installation packages.
3. On a quarterly basis, within one month following the end of the quarter, provide to the NRC Project Manager and the NRC Contracting Officer a report that describes how error corrections were/will be made with a proposed prioritization schedule, and estimated staff effort to meet these requests.
4. When a new version of a code is created or significant new experimental data becomes available, provide the NRC Project Manager with a plan within one month for developmentally assessing the code and an assessment matrix based on a review of the relevant models and correlations in the code and ranges of conditions over which they apply.

5. Maintain and further develop the TRACE user support website.
6. Convert new data to the platform binary independent format and add it to the NRC Data Bank. Complete the transfer of the NRC Data Bank from RES5 to ADAMS. Reorganize data according to an NRC-defined hierarchy. Develop procedures for the NRC Data Bank to support the ADAMS environment.
7. Participate in and make presentations at CAMP semi-annual meetings, and prepare CAMP and Technical Program Committee (TPC) meeting minutes. Also semi-annually, preferably concurrent with the CAMP meeting summary, provide a short input for the public NRC thermal-hydraulic code website with regard to TRACE updates, document changes and/or other items of interest to the users.
8. Prepare annual summary reports (commencing one year from the effective date of the contract) of Independent Assessments performed by CAMP participants. Ensure that suitable TRACE assessment cases are put into AVScript and submitted to the NRC to be part of the future TRACE assessment matrix.
9. Conduct a TRACE and RELAP5 training workshop on a yearly basis unless otherwise instructed by the NRC/RES. Prepare training materials as directed by the NRC Project Manager that will be the property of the NRC.
10. Provide a written request each year to the NRC Contracting Officer and Project Manager as to the equipment and/or any upgrades required for the performance of this contract. Keep a list of all equipment acquired through the NRC.

V. MEETINGS AND TRAVEL REQUIREMENTS (ESTIMATED)

Two trips to Washington, DC per year for three staff for two days each to participate in ACRS meetings, dates to be determined.

Four trips to Washington, DC per year for two staff for 2 day(s) each for program review, dates to be determined.

One trip within the U.S. per year for two staff to attend the CAMP meeting for 3 days (Dates to be determined.)

One trip to the CAMP conference in Europe for one person for 3 days (location to be determined).

One trip to Washington, DC for three staff to provide TRACE training workshop for up to 5 days

VI. NRC-FURNISHED MATERIALS

1. Current versions of the TRACE and related codes, PIRTs, code documentation, and relevant code assessment matrices within two weeks of contract startup.
2. A list of approved users for TRACE and related codes to whom the contractor shall supply services described above. As needed, the NRC will provide revised lists.
3. Current TRACE and RELAP 5 Training Manuals and Materials

VII. PERSONNEL TECHNICAL AND OTHER SPECIAL QUALIFICATIONS REQUIRED

This project requires computer programmers who have experience and knowledge of various versions of TRACE, RELAP5, PARCS, SCDAP, RADTRAD, CONTAIN, PYGI, SNAP, AcGRACE (formerly Xmgr5), the automated developmental assessment (AVScript) script, and the NRC Data Bank (all referred to as "the codes" hereinafter), thermal-hydraulic and reactor physics principles, numerical methods, and modeling for both transient and accident analyses of both operating and advanced PWRs and BWRs. In addition, computer capabilities to perform code development and validation are required. Finally, there must also be diversity in computer hardware availability (specifically, SUN, IBM, Intel (32 & 64 bit), AMD (32 & 64 bit), Linux, Windows, Apple Mac/OSX) and compiler technologies (Compaq Visual Fortran, Intel Visual Fortran, NAG, Lahey, Salford, g95, PathScale, & Absoft) used for compiling and running TRACE by most of the users.

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 of the work specified in this SOW. The NRC will rely on representations made by the contractor concerning the qualifications of the personnel assigned to this contract including assurance that all information contained in the technical and cost proposal, including resumes, is accurate and truthful. In addition, the contractor and personnel assigned to this work must be approved for handling and working with proprietary information.

The use of key personnel and any proposed change to key personnel on this contract is subject to the NRC Contracting Officer's approval. This includes proposed use of principal persons (i.e., key contributors) during the life of the contract.

For any work to be subcontracted or performed by consultants the contractor shall obtain the NRC Contracting Officer's written approval of the subcontractor or consultant prior to initiation of the subcontract effort. Conflict of interest considerations shall apply to any subcontracted effort.

VIII. CONTRACTOR ACQUIRED EQUIPMENT/PROPERTY

The contractor may purchase, upon the NRC Contracting Officer's approval, high performance workstations, and/or upgrade or replace existing computer hardware as needed during the period of the contract to assure that the codes properly utilize state-of-the-art workstation capabilities and to maintain compatibility with the workstations used by NRC, its contractors and CAMP members. Identification of upgrade and/or replacement hardware shall be presented to the NRC Contracting Officer and Project Manager and purchases made only after prior written approval of the NRC Contracting Officer. The contractor shall provide a written request each year to the NRC Contracting Officer and Project Manager as to the equipment and/or any upgrades required for the performance of this contract.

IX. LICENSE FEE RECOVERY

The work specified in this SOW is not license fee recoverable.

IX. COPYRIGHT OF CODES

REFER TO SECTION H "SPECIAL CONTRACT REQUIREMENTS" H.15 "COPYRIGHT OF CODES - SPECIAL NUCLEAR PURPOSE LICENSE"

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 |
|----------|--|----------|
| 52.246-5 | FEDERAL ACQUISITION REGULATION (48 CFR Chapter 1) INSPECTION OF SERVICES--COST-REIMBURSEMENT | 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.

E.3 QUALITY ASSURANCE

Section 515 of the Treasury and General Government Appropriations Act for Fiscal Year 2001 (Public Law 106-554) directs the Office of Management and Budget (OMB) to issue government-wide guidelines (FR Vol. 67, No. 36, pp. 8452-8460) that "provide policy and procedural guidance to federal agencies for ensuring and maximizing the quality, objectivity, utility, and integrity of information (including statistical information) disseminated by federal agencies." NRC Information Quality Guidelines are provided in FR Vol. 67, No. 190, pp. 61695-61699.

The Contractor shall cite contractor quality assurance procedures used in the conduct of this work that provide for compliance with OMB and NRC guidelines.

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 Officer and technical monitor will review all research products with these criteria in mind.

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 |
|-----------|--|----------|
| 52.242-15 | FEDERAL ACQUISITION REGULATION (48 CFR Chapter 1) STOP-WORK ORDER ALTERNATE I (APR 1984) | AUG 1989 |
| 52.247-34 | F.O.B. DESTINATION | NOV 1991 |

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 3.7, "NUREG-Series Publications." Management Directive 3.7 is not applicable to any Contractor Spending Plan (CSP) and any Financial Status Report that may be included in this contract. (See Section J List of Attachments).

F.3 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.4 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.5 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** (1 copy)

U.S. Nuclear Regulatory Commission
Office of Nuclear Regulatory Research
Mail Stop: T-10-K-8
11545 Rockville Pike
Rockville Pike, MD 20852

(b) **Contracting Officer** (1 copy)

U.S. Nuclear Regulatory Commission
Division of Contracts
Mail Stop: T-7-I-2
11545 Rockville Pike
Rockville Pike, MD 20852

F.6 DURATION OF CONTRACT PERIOD (MAR 1987) ALTERNATE 2 (MAR 1987)

This contract shall commence on August 7, 2007 and will expire on August 6, 2008. The term of this contract may be extended at the option of the Government for an additional four (4) years.

SECTION G - CONTRACT ADMINISTRATION DATA**G.1 PROJECT OFFICER AUTHORITY (NOV 2006)**

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

Name: **Christopher J. Murray**

Address: U.S. Nuclear Regulatory Commission
Office of Nuclear Regulatory Research
Mail Stop: T-10-K8
11545 Rockville Pike Rockville, MD 20852
Telephone Number: 301-415-6745

(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 (See Section J. List of Attachments).

(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.

G.2 2052.215-77 TRAVEL APPROVALS AND REIMBURSEMENT (OCT 1999)

(a) 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 before beginning travel.

(b) The contractor must receive written approval from the NRC Project Officer before taking travel that was unanticipated in the Schedule (i.e., travel not contemplated in the Statement of Work, or changes to specific travel identified in the Statement of Work).

(c) The contractor will be reimbursed only for those travel costs incurred that are directly related to this contract and 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 Limitations of Cost clause of this contract when, at any time, the contractor learns that travel expenses will cause the contractor to exceed the estimated costs specified in the Schedule.

(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.

G.3 2052.216-71 INDIRECT COST RATES (JAN 1993)

(a) Pending the establishment of final indirect rates which must be negotiated based on audit of actual costs, the contractor shall be reimbursed for allowable indirect costs as follows:

| <u>INDIRECT COST POOL</u> | <u>RATE</u> | <u>BASE</u> | <u>PERIOD</u> |
|---------------------------|---|-------------------------|---------------------|
| Fringe Benefits |  | Total Direct Labor | Award-until revised |
| Overhead (OH) | | Total Direct Labor | Award-until revised |
| General Administration | | Total Value Added Input | Award-until revised |
| Material and | | Materials and | Award-until revised |
| Subcontracts OH | | Subcontractor Costs | |

(b) The contracting officer may adjust these rates as appropriate during the term of the contract upon acceptance of any revisions proposed by the contractor. It is the contractor's responsibility to notify the contracting officer in accordance with FAR 52.232-20, Limitation of Cost, or FAR 52.232-22, Limitation of Funds, as applicable, if these changes affect performance of work within the established cost or funding limitations.

SECTION H - SPECIAL CONTRACT REQUIREMENTS**H.1 2052.204.70 SECURITY (MAR 2004)**

(a) Contract Security and/or Classification Requirements (See Section J List of Attachments - NRC Form 187). The policies, procedures, and criteria of the NRC Security Program, NRC Management Directive (MD) 12 (including MD 12.1, "NRC Facility Security Program;" MD 12.2, "NRC Classified Information Security Program;" MD 12.3, "NRC Personnel Security Program;" MD 12.4, "NRC Telecommunications Systems Security Program;" MD 12.5, "NRC Automated Information Systems Security Program;" and MD 12.6, "NRC Sensitive Unclassified Information Security Program"), apply to performance of this contract, subcontract or other activity. This MD is incorporated into this contract by reference as though fully set forth herein. The attached NRC Form 187 (See List of Attachments) furnishes the basis for providing security and classification requirements to prime contractors, subcontractors, or others (e.g., bidders) who have or may have an NRC contractual relationship that requires access to classified Restricted Data or National Security Information or matter, access to sensitive unclassified information (e.g., Safeguards), access to sensitive Information Technology (IT) systems or data, unescorted access to NRC controlled buildings/space, or unescorted access to protected and vital areas of nuclear power plants.

(b) It is the contractor's duty to protect National Security Information, Restricted Data, and Formerly Restricted Data. The contractor shall, in accordance with the Commission's security regulations and requirements, be responsible for protecting National Security Information, Restricted Data, and Formerly Restricted Data, and for protecting against sabotage, espionage, loss, and theft, the classified documents and material in the contractor's possession in connection with the performance of work under this contract. Except as otherwise expressly provided in this contract, the contractor shall, upon completion or termination of this contract, transmit to the Commission any classified matter in the possession of the contractor or any person under the contractor's control in connection with performance of this contract. If retention by the contractor of any classified matter is required after the completion or termination of the contract and the retention is approved by the contracting officer, the contractor shall complete a certificate of possession to be furnished to the Commission specifying the classified matter to be retained. The certification must identify the items and types or categories of matter retained, the conditions governing the retention of the matter and their period of retention, if known. If the retention is approved by the contracting officer, the security provisions of the contract continue to be applicable to the matter retained.

(c) In connection with the performance of the work under this contract, the contractor may be furnished, or may develop or acquire, safeguards information, or confidential or privileged technical, business, or financial information, including Commission plans, policies, reports, financial plans, internal data protected by the Privacy Act of 1974 (Pub. L. 93.579), or other information which has not been released to the public or has been determined by the Commission to be otherwise exempt from disclosure to the public. The contractor shall ensure that information protected from public disclosure is maintained as required by NRC regulations and policies, as cited in this contract or as otherwise provided by the NRC. The contractor will not directly or indirectly duplicate, disseminate, or disclose the information in whole or in part to any other person or organization except as may be necessary to perform the work under this contract. The contractor agrees to return the information to the Commission or otherwise dispose of it at the direction of the contracting officer. Failure to comply with this clause is grounds for termination of this contract.

(d) Regulations. The contractor agrees to conform to all security regulations and requirements of the Commission which are subject to change as directed by the NRC Division of Facilities and Security (DFS) and the Contracting Officer. These changes will be under the authority of the FAR Changes clause referenced in this document.

The contractor agrees to comply with the security requirements set forth in NRC Management Directive 12.1, NRC Facility Security Program which is incorporated into this contract by reference as though fully set forth herein. Attention is directed specifically to the section titled "Infractions and Violations," including "Administrative Actions" and "Reporting Infractions."

(e) Definition of National Security Information. The term National Security Information, as used in this clause, means information that has been determined pursuant to Executive Order 12958 or any predecessor order to require protection against unauthorized disclosure and that is so designated.

(f) Definition of Restricted Data. The term Restricted Data, as used in this clause, means all data concerning design, manufacture, or utilization of atomic weapons; the production of special nuclear material; or the use of special nuclear material in the production of energy, but does not include data declassified or removed from the Restricted Data category pursuant to Section 142 of the Atomic Energy Act of 1954, as amended.

(g) Definition of Formerly Restricted Data. The term Formerly Restricted Data, as used in this clause, means all data removed from the Restricted Data category under Section 142-d of the Atomic Energy Act of 1954, as amended.

(h) Definition of Safeguards Information. Sensitive unclassified information that specifically identifies the detailed security measures of a licensee or an applicant for the physical protection of special nuclear material; or security measures for the physical protection and location of certain plant equipment vital to the safety of production of utilization facilities. Protection of this information is required pursuant to Section 147 of the Atomic Energy Act of 1954, as amended.

(i) Security Clearance. The contractor may not permit any individual to have access to Restricted Data, Formerly Restricted Data, or other classified information, except in accordance with the Atomic Energy Act of 1954, as amended, and the Commission's regulations or requirements applicable to the particular type or category of classified information to which access is required. The contractor shall also execute a Standard Form 312, Classified Information Nondisclosure Agreement, when access to classified information is required.

(j) Criminal Liabilities. It is understood that disclosure of National Security Information, Restricted Data, and Formerly Restricted Data relating to the work or services ordered hereunder to any person not entitled to receive it, or failure to safeguard any Restricted Data, Formerly Restricted Data, or any other classified matter that may come to the contractor or any person under the contractor's control in connection with work under this contract, may subject the contractor, its agents, employees, or subcontractors to criminal liability under the laws of the United States. (See the Atomic Energy Act of 1954, as amended, 42 U.S.C. 2011 et seq.; 18 U.S.C. 793 and 794; and Executive Order 12958.)

(k) Subcontracts and Purchase Orders. Except as otherwise authorized in writing by the contracting officer, the contractor shall insert provisions similar to the foregoing in all subcontracts and purchase orders under this contract.

(l) In performing the contract work, the contractor shall classify all documents, material, and equipment originated or generated by the contractor in accordance with guidance issued by the Commission. Every subcontract and purchase order issued hereunder involving the origination or generation of classified documents, material, and equipment must provide that the subcontractor or supplier assign classification to all documents, material, and equipment in accordance with guidance furnished by the contractor.

H.2 2052.204-71 BADGE REQUIREMENTS FOR UNESCORTED BUILDING ACCESS TO NRC FACILITIES (MAR 2006)

During the life of this contract, the rights of ingress and egress for contractor personnel must be made available, as required, provided that the individual has been approved for unescorted access after a favorable adjudication from the Security Branch, Division of Facilities and Security (SB/DFS).

In this regard, all contractor personnel whose duties under this contract require their presence on site shall be clearly identifiable by a distinctive badge furnished by the NRC. The Project Officer shall assist the contractor in obtaining badges for the contractor personnel. All contractor personnel must present two forms of Identity Source Documents (I-9). One of the documents must be a valid picture ID issued by a state or by the Federal Government. Original I-9 documents must be presented in person for certification. A list of acceptable documents can be found at http://www.usdoj.gov/crt/recruit_employ/i9form.pdf. It is the sole responsibility of the contractor to ensure that each employee has a proper NRC-issued identification/badge at all times. All photo-identification badges must be immediately (no later than three days) delivered to SB/DFS for cancellation or disposition upon the termination of employment of any contractor personnel. Contractor personnel must display any NRC issued badge in clear view at all times during on site performance under this contract. It is the contractor's duty to assure that contractor personnel enter only those work areas necessary for performance of contract work, and to assure the protection of any Government records or data that contractor personnel may come into contact with.

H.3 SECURITY REQUIREMENTS FOR INFORMATION TECHNOLOGY LEVEL I OR LEVEL II ACCESS APPROVAL (JUL 2007)

The proposer/contractor must identify all individuals and propose the level of Information Technology (IT) approval for each, using the following guidance. The NRC sponsoring office shall make the final determination of the level, if any, of IT approval required for all individuals working under this contract. The Government shall have and exercise full and complete control and discretion over granting, denying, withholding, or terminating IT access approvals for individuals performing work under this contract.

The contractor shall conduct a preliminary security interview or review for each IT level I or II access approval contractor applicant and submit to the Government only the names of candidates that have a reasonable probability of obtaining the level of IT security access for which the candidate has been proposed. The contractor will pre-screen its applicants for the following:

(a) felony arrest in the last seven years; (b) alcohol related arrest within the last five years; (c) record of any military courts-martial convictions in the past ten years; (d) illegal use of narcotics or other controlled substances possession in the past year, or illegal purchase, production, transfer, or distribution of narcotics or other controlled substances in the last seven years; (e) delinquency on any federal debts or bankruptcy in the last seven years.

The contractor shall make a written record of its pre-screening interview or review (including any information to mitigate the responses to items listed in (a) - (e)), and have the applicant verify the pre-screening record or review, sign and date it. Two copies of the signed contractor's pre-screening record or review will be supplied to FSB/DFS with the contractor employee's completed building access application package. The contractor shall further ensure that its employees, any subcontractor employees and consultants complete all IT access security applications required by this clause within ten business days of notification by FSB/DFS of initiation of the application process. Timely receipt of properly completed records of the pre-screening record and IT access security applications (submitted for candidates that have a reasonable probability of obtaining the level of security assurance necessary for access to NRC's facilities) is a contract requirement. Failure of the contractor to comply with this contract administration requirement may be a basis to cancel the award, or terminate the contract for default, or offset from the contract's invoiced cost or price the NRC's incurred costs

or delays as a result of inadequate pre-screening by the contractor. In the event of cancellation or termination, the NRC may select another firm for contract award.

SECURITY REQUIREMENTS FOR IT LEVEL I

Performance under this contract will involve prime contractor personnel, subcontractors or others who perform services requiring direct access to or operate agency sensitive information technology systems or data (IT Level I). The IT Level I involves responsibility for the planning, direction, and implementation of a computer security program; major responsibility for the direction, planning, and design of a computer system, including hardware and software; or the capability to access a computer system during its operation or maintenance in such a way that could cause or that has a relatively high risk of causing grave damage; or the capability to realize a significant personal gain from computer access.

A contractor employee shall not have access to sensitive information technology systems or data until he/she is approved by FSB/DFS. Temporary IT access may be approved based on a favorable review or adjudication of their security forms and checks. Final IT access may be approved based on a favorably review or adjudication. However, temporary access authorization approval will be revoked and the employee may subsequently be denied IT access in the event the employee's investigation cannot be favorably adjudicated. Such an employee will not be authorized to work under any NRC contract requiring IT access without the approval of FSB/DFS. Where temporary access authorization has been revoked or denied, the contractor is responsible for assigning another individual to perform the necessary work under this contract without delay to the contract's performance schedule, or without adverse impact to any other terms or conditions of the contract. When an individual receives final IT access, the individual will be subject to a reinvestigation every ten years.

The contractor shall submit a completed security forms packet, including the OPM Standard Form (SF) 85P (Questionnaire for Public Trust Positions), two copies of the contractor's signed pre-screening record and two FD-258 fingerprint charts, through the PO to FSB/DFS for review and favorable adjudication, prior to the individual performing work under this contract. The contractor shall assure that all forms are accurate, complete, and legible. Based on FSB/DFS review of the contractor applicant's security forms and/or the receipt of adverse information by NRC, the individual may be denied access to NRC facilities, sensitive information technology systems or data until a final determination is made of his/her eligibility.

In accordance with NRCAR 2052.204-70 "Security," IT Level I contractors shall be subject to the attached NRC Form 187 (See Section J for List of Attachments) and SF- 85P which furnishes the basis for providing security requirements to prime contractors, subcontractors or others (e.g., bidders) who have or may have an NRC contractual relationship which requires access to or operation of agency sensitive information technology systems or remote development and/or analysis of sensitive information technology systems or data or other access to such systems and data; access on a continuing basis (in excess more than 30 calendar days) to NRC buildings; or otherwise requires issuance of an unescorted NRC badge.

SECURITY REQUIREMENTS FOR IT LEVEL II

Performance under this contract will involve contractor personnel that develop and/or analyze sensitive information technology systems or data or otherwise have access to such systems or data (IT Level II).

The IT Level II involves responsibility for the planning, design, operation, or maintenance of a computer system and all other computer or IT positions.

A contractor employee shall not have access to sensitive information technology systems or data until he/she is approved by FSB/DFS. Temporary access may be approved based on a favorable review of their security forms and checks. Final IT access may be approved based on a favorably adjudication. However, temporary access authorization approval will be revoked and the employee may subsequently be denied IT access in the event the employee's investigation cannot be favorably adjudicated. Such an employee will not be authorized

to work under any NRC contract requiring IT access without the approval of FSB/DFS. Where temporary access authorization has been revoked or denied, the contractor is responsible for assigning another individual to perform the necessary work under this contract without delay to the contract's performance schedule, or without adverse impact to any other terms or conditions of the contract. When an individual receives final IT access, the individual will be subject to a review or reinvestigation every ten years.

The contractor shall submit a completed security forms packet, including the OPM Standard Form (SF) 85P (Questionnaire for Public Trust Positions), two copies of the contractor's signed pre-screening record and two FD-258 fingerprint charts, through the PO to FSB/DFS for review and favorable adjudication, prior to the individual performing work under this contract. The contractor shall assure that all forms are accurate, complete, and legible. Based on FSB/DFS review of the contractor applicant's security forms and/or the receipt of adverse information by NRC, the individual may be denied access to NRC facilities, sensitive information technology systems or data until a final determination is made of his/her eligibility.

In accordance with NRCAR 2052.204-70 "Security," IT Level II contractors shall be subject to the attached NRC Form 187 (See Section J for List of Attachments), SF- 85P, and contractor's record of the pre-screening which furnishes the basis for providing security requirements to prime contractors, subcontractors or others (e.g. bidders) who have or may have an NRC contractual relationship which requires access to or operation of agency sensitive information technology systems or remote development and/or analysis of sensitive information technology systems or data or other access to such systems or data; access on a continuing basis (in excess of more than 30 calendar days) to NRC buildings; or otherwise requires issuance of an unescorted NRC badge.

CANCELLATION OR TERMINATION OF IT ACCESS/REQUEST

When a request for IT access is to be withdrawn or canceled, the contractor shall immediately notify the PO by telephone in order that he/she will immediately contact FSB/DFS so that the access review may be promptly discontinued. The notification shall contain the full name of the individual, and the date of the request. Telephone notifications must be promptly confirmed by the contractor in writing to the PO who will forward the confirmation via email to FSB/DFS. Additionally, FSB/DFS must be immediately notified in writing when an individual no longer requires access to NRC sensitive automated information technology systems or data, including the voluntary or involuntary separation of employment of an individual who has been approved for or is being processed for IT access.

H.4 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 2009.570-2.

(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 thereof (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.

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:

[REDACTED]

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 2052.242-70 RESOLVING NRC CONTRACTOR DIFFERING PROFESSIONAL VIEWS (DPVS) (OCT 1999)

(a) The Nuclear Regulatory Commission's (NRC) policy is to support the contractor's expression of professional health and safety related concerns associated with the contractor's work for NRC that may differ from a prevailing NRC staff view, disagree with an NRC decision or policy position, or take issue with proposed or established agency practices. An occasion may arise when an NRC contractor, contractor's personnel, or subcontractor personnel believes that a conscientious expression of a competent judgement is required to

document such concerns on matters directly associated with its performance of the contract. The NRC's policy is to support these instances as Differing Professional Views (DPVs).

(b) The procedure that will be used provides for the expression and resolution of differing professional views (DPVs) of health and safety related concerns associated with the mission of the agency by NRC contractors, contractor personnel or subcontractor personnel on matters directly associated with its performance of the contract. This procedure may be found in Attachments to this document. The contractor shall provide a copy of the NRC DPV procedure to all of its employees performing under this contract and to all subcontractors who shall, in turn, provide a copy of the procedure to its employees. The prime contractor or subcontractor shall submit all DPV's received but need not endorse them.

H.7 2052.242-71 PROCEDURES FOR RESOLVING NRC CONTRACTOR DIFFERING PROFESSIONAL VIEWS (DPVS) (OCT 1999)

(a) The following procedure provides for the expression and resolution of differing professional views (DPVs) of health and safety related concerns of NRC contractors and contractor personnel on matters connected to the subject of the contract. Subcontractor DPVs must be submitted through the prime contractor. The prime contractor or subcontractor shall submit all DPV's received but need not endorse them.

(b) The NRC may authorize up to eight reimbursable hours for the contractor to document, in writing, a DPV by the contractor, the contractor's personnel, or subcontractor personnel. The contractor shall not be entitled to any compensation for effort on a DPV which exceeds the specified eight hour limit.

(c) Before incurring costs to document a DPV, the contractor shall first determine whether there are sufficient funds obligated under the contract which are available to cover the costs of writing a DPV. If there are insufficient obligated funds under the contract, the contractor shall first request the NRC contracting officer for additional funding to cover the costs of preparing the DPV and authorization to proceed.

(d) Contract funds shall not be authorized to document an allegation where the use of this NRC contractor DPV process is inappropriate. Examples of such instances are: allegations of wrongdoing which should be addressed directly to the NRC Office of the Inspector General (OIG), issues submitted anonymously, or issues raised which have already been considered, addressed, or rejected, absent significant new information. This procedure does not provide anonymity. Individuals desiring anonymity should contact the NRC OIG or submit the information under NRC's Allegation Program, as appropriate.

(e) When required, the contractor shall initiate the DPV process by submitting a written statement directly to the NRC Office Director or Regional Administrator responsible for the contract, with a copy to the Contracting Officer, Division of Contracts and Property Management, Office of Administration. Each DPV submitted will be evaluated on its own merits.

(f) The DPV, while being brief, must contain the following as it relates to the subject matter of the contract:

(1) A summary of the prevailing NRC view, existing NRC decision or stated position, or the proposed or established NRC practice.

(2) A description of the submitter's views and how they differ from any of the above items.

(3) The rationale for the submitter's views, including an assessment based on risk, safety and cost benefit considerations of the consequences should the submitter's position not be adopted by NRC.

(g) The Office Director or Regional Administrator will immediately forward the submittal to the NRC DPV Review Panel and acknowledge receipt of the DPV, ordinarily within five (5) calendar days of receipt.

(h) The panel will normally review the DPV within seven calendar days of receipt to determine whether enough information has been supplied to undertake a detailed review of the issue. Typically, within 30 calendar days of receipt of the necessary information to begin a review, the panel will provide a written report of its findings to the Office Director or Regional Administrator and to the Contracting Officer, which includes a recommended course of action.

(i) The Office Director or Regional Administrator will consider the DPV Review Panel's report, make a decision on the DPV and provide a written decision to the contractor and the Contracting Officer normally within seven calendar days after receipt of the panel's recommendation.

(j) Subsequent to the decision made regarding the DPV Review Panel's report, a summary of the issue and its disposition will be included in the NRC Weekly Information Report submitted by the Office Director. The DPV file will be retained in the Office or Region for a minimum of one year thereafter. For purposes of the contract, the DPV shall be considered a deliverable under the contract. Based upon the Office Director or Regional Administrator's report, the matter will be closed.

H.8 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.9 APPROPRIATE USE OF GOVERNMENT FURNISHED INFORMATION TECHNOLOGY (IT) EQUIPMENT AND/ OR IT SERVICES/ ACCESS (MARCH 2002)

As part of contract performance the NRC may provide the contractor with information technology (IT) equipment and IT services or IT access as identified in the solicitation or subsequently as identified in the contract or delivery order. Government furnished IT equipment, or IT services, or IT access may include but is not limited to computers, copiers, facsimile machines, printers, pagers, software, phones, Internet access and use, and email access and use. The contractor (including the contractor's employees, consultants and subcontractors) shall use the government furnished IT equipment, and / or IT provided services, and/ or IT access solely to perform the necessary efforts required under the contract. The contractor (including the contractor's employees, consultants and subcontractors) are prohibited from engaging or using the government IT equipment and government provided IT services or IT access for any personal use, misuse, abuses or any other unauthorized usage.

The contractor is responsible for monitoring its employees, consultants and subcontractors to ensure that government furnished IT equipment and/ or IT services, and/ or IT access are not being used for personal use, misused or abused. The government reserves the right to withdraw or suspend the use of its government furnished IT equipment, IT services and/ or IT access arising from contractor personal usage, or misuse or abuse; and/ or to disallow any payments associated with contractor (including the contractor's employees, consultants and subcontractors) personal usage, misuses or abuses of IT equipment, IT services and/ or IT access; and/ or to terminate for cause the contract or delivery order arising from violation of this provision.

H.10 COMPLIANCE WITH U.S. IMMIGRATION LAWS AND REGULATIONS

NRC contractors are responsible to ensure that their alien personnel are not in violation of United States Immigration and Naturalization (INS) laws and regulations, including employment authorization documents and visa requirements. Each alien employee of the Contractor must be lawfully admitted for permanent residence as evidenced by Alien Registration Receipt Card Form 1-151 or must present other evidence from the Immigration and Naturalization Services that employment will not affect his/her immigration status. The INS Office of Business Liaison (OBL) provides information to contractors to help them understand the employment eligibility verification process for non-US citizens. This information can be found on the INS website, <http://www.ins.usdoj.gov/graphics/services/employerinfo/index.htm#obl>.

The NRC reserves the right to deny or withdraw Contractor use or access to NRC facilities or its equipment/services, and/or take any number of contract administrative actions (e.g., disallow costs, terminate for cause) should the Contractor violate the Contractor's responsibility under this clause.

H.11 NRC INFORMATION TECHNOLOGY SECURITY TRAINING (AUG 2003)

NRC contractors shall ensure that their employees, consultants, and subcontractors with access to the agency's information technology (IT) equipment and/or IT services complete NRC's online initial and refresher IT security training requirements to ensure that their knowledge of IT threats, vulnerabilities, and associated countermeasures remains current. Both the initial and refresher IT security training courses generally last an hour or less and can be taken during the employee's regularly scheduled work day.

Contractor employees, consultants, and subcontractors shall complete the NRC's online, "Computer Security Awareness" course on the same day that they receive access to the agency's IT equipment and/or services, as their first action using the equipment/service. For those contractor employees, consultants, and subcontractors who are already working under this contract, the on-line training must be completed in accordance with agency Network Announcements issued throughout the year 2003 within three weeks of issuance of this modification.

Contractor employees, consultants, and subcontractors who have been granted access to NRC information technology equipment and/or IT services must continue to take IT security refresher training offered online by the NRC throughout the term of the contract. Contractor employees will receive notice of NRC's online IT security refresher training requirements through agency-wide notices.

The NRC reserves the right to deny or withdraw Contractor use or access to NRC IT equipment and/or services, and/or take other appropriate contract administrative actions (e.g., disallow costs, terminate for cause) should the Contractor violate the Contractor's responsibility under this clause.

H.12 WHISTLEBLOWER PROTECTION FOR NRC CONTRACTOR AND SUBCONTRACTOR EMPLOYEES (JULY 2006)

(a) The U.S. Nuclear Regulatory Commission (NRC) contractor and its subcontractor are subject to the Whistleblower Employee Protection public law provisions as codified at 42 U.S.C. 5851. NRC contractor(s) and subcontractor(s) shall comply with the requirements of this Whistleblower Employee Protection law, and the implementing regulations of the NRC and the Department of Labor (DOL). See, for example, DOL Procedures on Handling Complaints at 29 C.F.R. Part 24 concerning the employer obligations, prohibited acts, DOL procedures and the requirement for prominent posting of notice of Employee Rights at Appendix A to Part 24.

(b) Under this Whistleblower Employee Protection law, as implemented by regulations, NRC contractor and subcontractor employees are protected from discharge, reprisal, threats, intimidation, coercion, blacklisting or other employment discrimination practices with respect to compensation, terms, conditions or privileges of their employment because the contractor or subcontractor employee(s) has provided notice to the employer, refused to engage in unlawful practices, assisted in proceedings or testified on activities concerning alleged violations of the Atomic Energy Act of 1954 (as amended) and the Energy Reorganization Act of 1974 (as amended).

(c) The contractor shall insert this or the substance of this clause in any subcontracts involving work performed under this contract.

H.13 UPDATED 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, please submit your final manuscript that has been approved by the NRC project officer in both electronic and camera-ready copy.

All format guidance, as specified in NUREG-0650, Revision 2 (See Section J. List of Attachments), 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 officer for the publication of the assigned designator when the final manuscript is sent to the printer.

File Types to be used for NUREG-Series Publications:

File Type (File Extension)
Word (.doc) Microsoft®
PowerPoint® (.ppt)

Microsoft Excel (.xls)
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 Word 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

H.14 COPYRIGHT OF CODES - SPECIAL NUCLEAR PURPOSE LICENSE

(A) The NRC may, pursuant to Section (c) of FAR Clause 52-227-14, direct the contractor to claim a copyright in computer software and associated data first produced in the performance of this contract. In addition to the general government license rights identified in Section (c) of FAR Clause 52-227-14; such copyright shall be subject to the following Special Nuclear Purpose License rights:

In addition to the license rights granted the government under paragraph (c) of Section I of the contract, 52.227-14 RIGHTS IN DATA-GENERAL (JUN 1987), the contractor grants the NRC and others acting on its behalf an exclusive, paid up, worldwide, irrevocable license to distribute the code for nuclear health and safety purposes, which may include analyses of operational, decommissioned, or designs of nuclear reactor systems and other such facilities involving nuclear technology performed by parties which may include but are not limited to licensees, vendors, contractors, educational institutions, public interest groups, participants in NRC international agreement programs and other government agencies. Further, consistent with NRCAR 2052.209-73 CONTRACTOR ORGANIZATIONAL CONFLICTS OF INTEREST, the contractor agrees that it will not sell or distribute the code to or for the use of such parties or participants and that it will not provide technical services relating to the code to such parties or participants, unless authorized by NRC. In addition, NRC retains the right to improvements made to the code resulting from the contractor's commercial activity that the NRC contracting officer determines are of use for nuclear health and safety purposes. Further, the contractor agrees to include in any licensing agreement that it may enter into with a third party such limitations as are necessary to preserve the rights of the government, and limit the sale and distribution of the software as described above and as limited by the U.S. Departments of Commerce and State concerning foreign sales.

(B) The NRC reserves the right to direct the contractor to transfer the copyright in codes and associated data developed under this contract to successor contractors subject to the above general government and special license rights. Should NRC determine that it is in the government's interest to have NRC staff perform the software development and maintenance work required under this contract, the contractor agrees to maintain the copyright subject to the above general government and special license rights.

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

H.15 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.

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 |
| 52.204-9 | PERSONAL IDENTITY VERIFICATION OF CONTRACTOR PERSONNEL | NOV 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 |
| 52.216-8 | FIXED-FEE | MAR 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 |
| 52.219-16 | LIQUIDATED DAMAGES--SMALL BUSINESS SUBCONTRACTING PLAN | JAN 1999 |
| 52.222-3 | CONVICT LABOR | JUN 2003 |
| 52.222-19 | CHILD LABOR - COOPERATION WITH AUTHORITIES AND REMEDIES | JAN 2006 |

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|------------|---|----------|
| 52.222-21 | PROHIBITION OF SEGREGATED FACILITIES | FEB 1999 |
| 52.222-26 | EQUAL OPPORTUNITY | MAR 2007 |
| 52.222-35 | EQUAL OPPORTUNITY FOR SPECIAL DISABLED VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS | SEP 2006 |
| 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 |
| 52.222-50 | COMBATING TRAFFICKING IN PERSONS | APR 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 | JUL 1995 |
| 52.227-2 | NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT | AUG 1996 |
| 52.227-14 | RIGHTS IN DATA--GENERAL | JUN 1987 |
| 52.228-7 | INSURANCE--LIABILITY TO THIRD PERSONS | MAR 1996 |
| 52.230-2 | COST ACCOUNTING STANDARDS | APR 1998 |
| 52.230-6 | ADMINISTRATION OF COST ACCOUNTING STANDARDS | APR 2005 |
| 52.232-17 | INTEREST | JUN 1996 |
| 52.232-22 | LIMITATION OF FUNDS | APR 1984 |
| 52.232-23 | ASSIGNMENT OF CLAIMS | JAN 1986 |
| 52.232-25A | PROMPT PAYMENT ALTERNATE I (FEB 2002) | FEB 2002 |
| 52.232-33 | PAYMENT BY ELECTRONIC FUNDS--CENTRAL CONTRACTOR REGISTRATION | OCT 2003 |
| 52.233-3 | PROTEST AFTER AWARD ALTERNATE I (JUN 1985) | AUG 1996 |
| 52.233-4 | APPLICABLE LAW FOR BREACH OF CONTRACT CLAIM | OCT 2004 |
| 52.237-3 | CONTINUITY OF SERVICES | JAN 1991 |
| 52.242-1 | NOTICE OF INTENT TO DISALLOW COSTS | APR 1984 |
| 52.242-3 | PENALTIES FOR UNALLOWABLE COSTS | MAY 2001 |
| 52.242-13 | BANKRUPTCY | JUL 1995 |
| 52.243-2 | CHANGES--COST REIMBURSEMENT ALTERNATE II (APR 1984) | AUG 1987 |
| 52.244-2A | SUBCONTRACTS ALTERNATE I (JUNE 2007) | JUN 2007 |
| 52.244-5 | COMPETITION IN SUBCONTRACTING | DEC 1996 |
| 52.244-6 | SUBCONTRACTS FOR COMMERCIAL ITEMS | MAR 2007 |
| 52.245-1 | GOVERNMENT PROPERTY | JUN 2007 |
| 52.246-23 | LIMITATION OF LIABILITY | FEB 1997 |
| 52.249-6 | TERMINATION (COST-REIMBURSEMENT) (MAY 2004) | MAY 2004 |
| 52.249-14 | EXCUSABLE DELAYS | APR 1984 |
| 52.253-1 | COMPUTER GENERATED FORMS | JAN 1991 |

I.2 52.219-9 SMALL BUSINESS SUBCONTRACTING PLAN (SEP 2006) ALTERNATE II (OCT 2001)

(a) This clause does not apply to small business concerns.

(b) Definitions. As used in this clause--

"Commercial item" means a product or service that satisfies the definition of commercial item in section 2.101 of the Federal Acquisition Regulation.

"Commercial plan" means a subcontracting plan (including goals) that covers the offeror's fiscal year and that applies to the entire production of commercial items sold by either the entire company or a portion thereof (e.g., division, plant, or product line).

"Individual contract plan" means a subcontracting plan that covers the entire contract period (including option periods), applies to a specific contract, and has goals that are based on the offeror's planned subcontracting in support of the specific contract, except that indirect costs incurred for common or joint purposes may be allocated on a prorated basis to the contract.

"Master plan" means a subcontracting plan that contains all the required elements of an individual contract plan, except goals, and may be incorporated into individual contract plans, provided the master plan has been approved.

"Subcontract" means any agreement (other than one involving an employer-employee relationship) entered into by a Federal Government prime Contractor or subcontractor calling for supplies or services required for performance of the contract or subcontract.

(c) Proposals submitted in response to this solicitation shall include a subcontracting plan that separately addresses subcontracting with small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns. If the offeror is submitting an individual contract plan, the plan must separately address subcontracting with small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns, with a separate part for the basic contract and separate parts for each option (if any). The plan shall be included in and made a part of the resultant contract. The subcontracting plan shall be negotiated within the time specified by the Contracting Officer. Failure to submit and negotiate a subcontracting plan shall make the offeror ineligible for award of a contract.

(d) The offeror's subcontracting plan shall include the following:

(1) Goals, expressed in terms of percentages of total planned subcontracting dollars, for the use of small business, veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns as subcontractors. The offeror shall include all subcontracts that contribute to contract performance, and may include a proportionate share of products and services that are normally allocated as indirect costs.

(2) A statement of -

(i) Total dollars planned to be subcontracted for an individual contract plan; or the offeror's total projected sales, expressed in dollars, and the total value of projected subcontracts to support the sales for a commercial plan;

(ii) Total dollars planned to be subcontracted to small business concerns;

- (iii) Total dollars planned to be subcontracted to veteran-owned small business concerns;
- (iv) Total dollars planned to be subcontracted to HUBZone small business concerns;
- (v) Total dollars planned to be subcontracted to small disadvantaged business concerns.
- (vi) Total dollars planned to be subcontracted to women-owned small business concerns.

(3) A description of the principal types of supplies and services to be subcontracted, and an identification of the types planned for subcontracting to--

- (i) Small business concerns;
- (ii) Veteran-owned small business concerns;
- (iii) HUBZone small business concerns;
- (iv) Small disadvantaged business concerns; and
- (v) Women-owned small business concerns.

(4) A description of the method used to develop the subcontracting goals in (1) above.

(5) A description of the method used to identify potential sources for solicitation purposes (e.g., existing company source lists, the Procurement Marketing and Access Network (PRO-Net) of the Small Business Administration (SBA), veterans service organizations, the National Minority Purchasing Council Vendor Information Service, the Research and Information Division of the Minority Business Development Agency in the Department of Commerce, or small, HUBZone, small disadvantaged, and women-owned small business trade associations). A firm may rely on the information contained in PRO-Net as an accurate representation of a concern's size and ownership characteristics for the purposes of maintaining a small, veteran-owned small, HUBZone small, small disadvantaged, and women-owned small business source list. Use of PRO-Net as its source list does not relieve a firm of its responsibilities (e.g., outreach, assistance, counseling, or publicizing subcontracting opportunities) in this clause.

(6) A statement as to whether or not the offeror included indirect costs in establishing subcontracting goals, and a description of the method used to determine the proportionate share of indirect costs to be incurred with--

- (i) Small business concerns;
- (ii) Veteran-owned small business concerns;
- (iii) HUBZone small business concerns;
- (iv) Small disadvantaged business concerns; and
- (v) Women-owned small business concerns.

(7) The name of the individual employed by the offeror who will administer the offeror's subcontracting program, and a description of the duties of the individual.

(8) A description of the efforts the offeror will make to assure that small business, veteran-owned small business, HUBZone small business, and small disadvantaged business concerns have an equitable opportunity to compete for subcontracts.

(9) Assurances that the offeror will include the clause of this contract entitled "Utilization of Small Business Concerns" in all subcontracts that offer further subcontracting opportunities, and that the offeror will require all subcontractors (except small business concerns) that receive subcontracts in excess of \$550,000 (\$1,000,000 for construction of any public facility) to adopt a subcontracting plan that complies with the requirements of this clause.

(10) Assurances that the offeror will--

(i) Cooperate in any studies or surveys as may be required;

(ii) Submit periodic reports so that the Government can determine the extent of compliance by the offeror with the subcontracting plan;

(iii) Submit Standard Form (SF) 294, Subcontracting Report for Individual Contracts, and/or SF 295, Summary Subcontract Report, in accordance with paragraph (j) of this clause. The reports shall provide information on subcontract awards to small business concerns, veteran-owned small business concerns, service-disabled veteran-owned small business concerns, small disadvantaged business concerns, women-owned small business concerns, and Historically Black Colleges and Universities and Minority Institutions. Reporting shall be in accordance with the instructions on the forms or as provided in agency regulations.

(iv) Ensure that its subcontractors agree to submit SF 294 and SF 295.

(11) A description of the types of records that will be maintained concerning procedures that have been adopted to comply with the requirements and goals in the plan, including establishing source lists; and a description of the offeror's efforts to locate small business, veteran-owned small business, HUBZone small business, small disadvantaged business; and women-owned small business concerns and award subcontracts to them. The records shall include at least the following (on a plant-wide or company-wide basis, unless otherwise indicated):

(i) Source lists (e.g., PRO-Net), guides, and other data that identify small business, veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns.

(ii) Organizations contacted in an attempt to locate sources that are small business, veteran-owned small business, HUBZone small business, small disadvantaged business, or women-owned small business concerns.

(iii) Records on each subcontract solicitation resulting in an award of more than \$100,000, indicating--

(A) Whether small business concerns were solicited and, if not, why not;

(B) Whether veteran-owned small business concerns were solicited and, if not, why not;

(C) Whether HUBZone small business concerns were solicited and, if not, why not;

(D) Whether small disadvantaged business concerns were solicited and, if not, why not;

(E) Whether women-owned small business concerns were solicited and, if not, why not; and

(F) If applicable, the reason award was not made to a small business concern.

(iv) Records of any outreach efforts to contact--

(A) Trade associations;

(B) Business development organizations;

(C) Conferences and trade fairs to locate small, HUBZone small, small disadvantaged, and women-owned small business sources; and

(D) Veterans service organizations.

(v) Records of internal guidance and encouragement provided to buyers through--

(A) Workshops, seminars, training, etc.; and

(B) Monitoring performance to evaluate compliance with the program's requirements.

(vi) On a contract-by-contract basis, records to support award data submitted by the offeror to the Government, including the name, address, and business size of each subcontractor. Contractors having commercial plans need not comply with this requirement.

(e) In order to effectively implement this plan to the extent consistent with efficient contract performance, the Contractor shall perform the following functions:

(1) Assist small business, veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns by arranging solicitations, time for the preparation of bids, quantities, specifications, and delivery schedules so as to facilitate the participation by such concerns. Where the Contractor's lists of potential small business, veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business subcontractors are excessively long, reasonable effort shall be made to give all such small business concerns an opportunity to compete over a period of time.

(2) Provide adequate and timely consideration of the potentialities of small business, veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns in all "make-or-buy" decisions.

(3) Counsel and discuss subcontracting opportunities with representatives of small business, veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business firms.

(4) Confirm that a subcontractor representing itself as a HUBZone small business concern is identified as a certified HUBZone small business concern by accessing the Central Contractor Registration (CCR) database or by contacting SBA.

(5) Provide notice to subcontractors concerning penalties and remedies for misrepresentations of business status as small, veteran-owned small business, HUBZone small, small disadvantaged, or women-owned small business for the purpose of obtaining a subcontract that is to be included as part or all of a goal contained in the Contractor's subcontracting plan.

(f) A master plan on a plant or division-wide basis that contains all the elements required by paragraph (d) of this clause, except goals, may be incorporated by reference as a part of the subcontracting plan required of the offeror by this clause; provided-- (1) the master plan has been approved, (2) the offeror ensures that the master plan is updated as necessary and provides copies of the approved master plan, including evidence of

its approval, to the Contracting Officer, and (3) goals and any deviations from the master plan deemed necessary by the Contracting Officer to satisfy the requirements of this contract are set forth in the individual subcontracting plan.

(g) A commercial plan is the preferred type of subcontracting plan for contractors furnishing commercial items. The commercial plan shall relate to the offeror's planned subcontracting generally, for both commercial and Government business, rather than solely to the Government contract. Commercial plans are also preferred for subcontractors that provide commercial items under a prime contract, whether or not the prime contractor is supplying a commercial item.

(h) Prior compliance of the offeror with other such subcontracting plans under previous contracts will be considered by the Contracting Officer in determining the responsibility of the offeror for award of the contract.

(i) The failure of the Contractor or subcontractor to comply in good faith with (1) the clause of this contract entitled "Utilization Of Small Business Concerns," or (2) an approved plan required by this clause, shall be a material breach of the contract.

(j) The Contractor shall submit the following reports:

(1) Standard Form 294, Subcontracting Report for Individual Contracts. This report shall be submitted to the Contracting Officer semiannually and at contract completion. The report covers subcontract award data related to this contract. This report is not required for commercial plans.

(2) Standard Form 295, Summary Subcontract Report. This report encompasses all of the contracts with the awarding agency. It must be submitted semi-annually for contracts with the Department of Defense and annually for contracts with civilian agencies. If the reporting activity is covered by a commercial plan, the reporting activity must report annually all subcontract awards under that plan. All reports submitted at the close of each fiscal year (both individual and commercial plans) shall include a breakout, in the Contractor's format, of subcontract awards, in whole dollars; to small disadvantaged business concerns by North American Industry Classification System (NAICS) Industry Subsector. For a commercial plan, the Contractor may obtain from each of its subcontractors a predominant NAICS Industry Subsector and report all awards to that subcontractor under its predominant NAICS Industry Subsector.

I.3 52.216-7 ALLOWABLE COST AND PAYMENT (DEC 2002)

(a) Invoicing.

(1) The Government will make payments to the Contractor when requested as work progresses, but (except for small business concerns) not more often than once every 2 weeks, in amounts determined to be allowable by the Contracting Officer in accordance with Federal Acquisition Regulation (FAR) Subpart 31.2 in effect on the date of this contract and the terms of this contract. The Contractor may submit to an authorized representative of the Contracting Officer, in such form and reasonable detail as the representative may require, an invoice or voucher supported by a statement of the claimed allowable cost for performing this contract.

(2) Contract financing payments are not subject to the interest penalty provisions of the Prompt Payment Act. Interim payments made prior to the final payment under the contract are contract financing payments, except interim payments if this contract contains Alternate I to the clause at 52.232-25.

(3) The designated payment office will make interim payments for contract financing on the 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.

(b) Reimbursing costs.

(1) For the purpose of reimbursing allowable costs (except as provided in paragraph (b)(2) of the clause, with respect to pension, deferred profit sharing, and employee stock ownership plan contributions), the term "costs" includes only--

(i) Those recorded costs that, at the time of the request for reimbursement, the Contractor has paid by cash, check, or other form of actual payment for items or services purchased directly for the contract;

(ii) When the Contractor is not delinquent in paying costs of contract performance in the ordinary course of business, costs incurred, but not necessarily paid, for--

(A) Supplies and services purchased directly for the contract and associated financing payments to subcontractors, provided payments determined due will be made-

(1) In accordance with the terms and conditions of a subcontract or invoice; and

(2) Ordinarily within 30 days of the submission of the Contractor's payment request to the Government;

(B) Materials issued from the Contractor's inventory and placed in the production process for use on the contract;

(C) Direct labor;

(D) Direct travel;

(E) Other direct in-house costs; and

(F) Properly allocable and allowable indirect costs, as shown in the records maintained by the Contractor for purposes of obtaining reimbursement under Government contracts; and

(iii) The amount of financing payments that have been paid by cash, check, or other forms of payment to subcontractors.

(2) Accrued costs of Contractor contributions under employee pension plans shall be excluded until actually paid unless-

(i) The Contractor's practice is to make contributions to the retirement fund quarterly or more frequently; and

(ii) The contribution does not remain unpaid 30 days after the end of the applicable quarter or shorter payment period (any contribution remaining unpaid shall be excluded from the Contractor's indirect costs for payment purposes).

(3) Notwithstanding the audit and adjustment of invoices or vouchers under paragraph (g) of this clause, allowable indirect costs under this contract shall be obtained by applying indirect cost rates established in accordance with paragraph (d) of this clause.

(4) Any statements in specifications or other documents incorporated in this contract by reference designating performance of services or furnishing of materials at the Contractor's expense or at no cost to the Government shall be disregarded for purposes of cost-reimbursement under this clause.

(c) Small business concerns. A small business concern may receive more frequent payments than every 2 weeks.

(d) Final indirect cost rates.

(1) Final annual indirect cost rates and the appropriate bases shall be established in accordance with Subpart 42.7 of the Federal Acquisition Regulation (FAR) in effect for the period covered by the indirect cost rate proposal.

(2)(i) The Contractor shall submit an adequate final indirect cost rate proposal to the Contracting Officer (or cognizant Federal agency official) and auditor within the 6-month period following the expiration of each of its fiscal years. Reasonable extensions, for exceptional circumstances only, may be requested in writing by the Contractor and granted in writing by the Contracting Officer. The Contractor shall support its proposal with adequate supporting data.

(ii) The proposed rates shall be based on the Contractor's actual cost experience for that period. The appropriate Government representative and the Contractor shall establish the final indirect cost rates as promptly as practical after receipt of the Contractor's proposal.

(3) The Contractor and the appropriate Government representative shall execute a written understanding setting forth the final indirect cost rates. The understanding shall specify (i) the agreed-upon final annual indirect cost rates, (ii) the bases to which the rates apply, (iii) the periods for which the rates apply, (iv) any specific indirect cost items treated as direct costs in the settlement, and (v) the affected contract and/or subcontract, identifying any with advance agreements or special terms and the applicable rates. The understanding shall not change any monetary ceiling, contract obligation, or specific cost allowance or disallowance provided for in this contract. The understanding is incorporated into this contract upon execution.

(4) Failure by the parties to agree on a final annual indirect cost rate shall be a dispute within the meaning of the Disputes clause.

(5) Within 120 days (or longer period if approved in writing by the Contracting Officer) after settlement of the final annual indirect cost rates for all years of a physically complete contract, the Contractor shall submit a completion invoice or voucher to reflect the settled amounts and rates.

(6)(i) If the Contractor fails to submit a completion invoice or voucher within the time specified in paragraph (d)(5) of this clause, the Contracting Officer may--

(A) Determine the amounts due to the Contractor under the contract; and

(B) Record this determination in a unilateral modification to the contract.

(ii) This determination constitutes the final decision of the Contracting Officer in accordance with the Disputes clause.

(e) Billing rates. Until final annual indirect cost rates are established for any period, the Government shall reimburse the Contractor at billing rates established by the Contracting Officer or by an authorized representative (the cognizant auditor), subject to adjustment when the final rates are established. These billing rates--

(1) Shall be the anticipated final rates; and

(2) May be prospectively or retroactively revised by mutual agreement, at either party's request, to prevent substantial overpayment or underpayment.

(f) Quick-closeout procedures. Quick-closeout procedures are applicable when the conditions in FAR 42.708(a) are satisfied.

(g) Audit. At any time or times before final payment, the Contracting Officer may have the Contractor's invoices or vouchers and statements of cost audited. Any payment may be (1) reduced by amounts found by the Contracting Officer not to constitute allowable costs or (2) adjusted for prior overpayments or underpayments.

(h) Final payment. (1) Upon approval of a completion invoice or voucher submitted by the Contractor in accordance with paragraph (d)(5) of this clause, and upon the Contractor's compliance with all terms of this contract, the Government shall promptly pay any balance of allowable costs and that part of the fee (if any) not previously paid.

(2) The Contractor shall pay to the Government any refunds, rebates, credits, or other amounts (including interest, if any) accruing to or received by the Contractor or any assignee under this contract, to the extent that those amounts are properly allocable to costs for which the Contractor has been reimbursed by the Government. Reasonable expenses incurred by the Contractor for securing refunds, rebates, credits, or other amounts shall be allowable costs if approved by the Contracting Officer. Before final payment under this contract, the Contractor and each assignee whose assignment is in effect at the time of final payment shall execute and deliver--

(i) An assignment to the Government, in form and substance satisfactory to the Contracting Officer, of refunds, rebates, credits, or other amounts (including interest, if any) properly allocable to costs for which the Contractor has been reimbursed by the Government under this contract; and

(ii) A release discharging the Government, its officers, agents, and employees from all liabilities, obligations, and claims arising out of or under this contract, except--

(A) Specified claims stated in exact amounts or in estimated amounts when the exact amounts are not known;

(B) Claims (including reasonable incidental expenses) based upon liabilities of the Contractor to third parties arising out of the performance of this contract; provided, that the claims are not known to the Contractor on the date of the execution of the release, and that the Contractor gives notice of the claims in writing to the Contracting Officer within 6 years following the release date or notice of final payment date, whichever is earlier; and

(C) Claims for reimbursement of costs, including reasonable incidental expenses, incurred by the Contractor under the patent clauses of this contract, excluding, however, any expenses arising from the Contractor's indemnification of the Government against patent liability.

I.4 52.217-9 OPTION TO EXTEND THE TERM OF THE CONTRACT (MAR 2000)

(a) The Government may extend the term of this contract by written notice to the Contractor within 60 days; provided that the Government gives the Contractor a preliminary written notice of its intent to extend at least 60 days before the contract expires. The preliminary notice does not commit the Government to an extension.

(b) If the Government exercises this option, the extended contract shall be considered to include this option clause.

(c) The total duration of this contract, including the exercise of any options under this clause, shall not exceed 5 years.

I.5 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

| <u>ATTACHMENT/ REFERENCE NUMBER</u> | <u>DESCRIPTION</u> |
|---|--------------------|
|---|--------------------|

ATTACHMENTS:

1. Billing Instructions - Cost Reimbursement Contracts
2. Contractor Spending Plan Instructions
3. NRC Form 187 – Contract Security and/or Classification Requirements
4. Small Business, Small Disadvantage, and Women-Owned Business Subcontracting Plan

REFERENCES ONLY:

1. 48 CFR 2009.5, Organizational Conflict of Interest can be found at the following URL on the NRC public website: <http://www.nrc.gov/about-nrc/contracting/48cfr-ch20.html>
2. NRC Management Directive 3.7 can be found at the following URL on the NRC public website:
<http://www.nrc.gov/reading-rm/doc-collections/management-directives/volumes/vol-3.html>
3. NRC Management Directive 3.9 can be found at the following URL on the NRC public website:
<http://www.nrc.gov/reading-rm/doc-collections/management-directives/volumes/vol-3.html>
4. Management Directive 12.3 can be found at the following URL on the NRC public website:
<http://www.nrc.gov/reading-rm/doc-collections/management-directives/volumes/vol-12.html>
5. NUREG-0650, Revision 2 can be found at the following URL's on the NRC public website:
<http://www.nrc.gov/reading-rm/doc-collections/nuregs/pubs/>
http://adamswebsearch2.nrc.gov/idmws/doccontent.dll?library=PU_ADAMS^PBNTAD01&ID=041120063

BILLING INSTRUCTIONS FOR
COST REIMBURSEMENT TYPE CONTRACTS (October 2003)

General: The contractor is responsible during performance and through final payment of this contract for the accuracy and completeness of the data within the Central Contractor Registration (CCR) database, and for any liability resulting from the Government's reliance on inaccurate or incomplete CCR data. The contractor shall prepare vouchers/invoices for reimbursement of costs in the manner and format described herein. **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, DC 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.

Agency Payment Office: Payment will continue to be made by the office designated in the contract in Block 12 of SF 26 or Block 25 of SF 33, whichever is applicable.

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 1**). The sample format is provided for guidance only. The format is not required for submission of a voucher/invoice. Alternate formats are permissible provided all requirements of the billing instructions are addressed. The instructions for preparation and itemization of the voucher/invoice are included with the sample form.

Task Ordering Contracts: If the contractor bills for more than one task order under a voucher/invoice, detailed cost information for each individual task order shall be submitted, together with a cumulative summary of all charges billed on the voucher/invoice. This includes all applicable cost elements discussed in paragraphs (a) through (n) of the attached instructions.

Fee Recovery Billings: Pursuant to the provisions of 10 CFR Part 170 and 171 on license fees, the NRC must recover the cost of work performed. Accordingly, the contractor must provide the total amount of funds billed during the period, fiscal year to date and the cumulative total for each task or task assignment by facility or report. The fee recovery billing reports shall be on a separate page, and shall be in the format provided in **Attachment 2**. The billing period for fee recovery costs should be from the first day of each calendar month to the last day of the same month. Each separate fee billing report must be attached to the monthly invoice and cover the same period as the invoice.

Each report will contain a docket number or other unique identifier. The NRC will provide a unique identifier for all work performed. Costs should be reported as whole number to the nearest cent. For work that involves more than one facility at the same site, each facility should be listed separately and the costs should be split appropriately between the facilities. Common costs, as defined below, shall be identified as a separate line item in the fee recovery billing report each month.

Common costs are those costs that are not licensee unique and associated with the performance of an overall program that benefit all similar licensees covered under that program or that are required to satisfactorily carry out the program. Common costs include costs associated with the following: preparatory or start-up efforts to interpret and reach agreement on methodology, approach, acceptance criteria, regulatory position, or technical reporting requirements; efforts associated with the "lead plant" concept that might be involved during the first one or two plant reviews; meetings and discussions involving the above efforts to provide orientation, background knowledge or guidance during the course of a program; any technical effort applied to a docket or other unique identifier; and project management. Common costs must be reporting monthly for each docket or unique identifier. Common costs must be computed based on the proportion of direct costs incurred against each docket or unique identifier for the billing period.

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

Final vouchers/invoices shall be marked "FINAL VOUCHER" or "FINAL 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 contract may not exceed the total U.S. dollars authorized in the contract.

Supersession: These instructions supersede any previous billing instructions.

INVOICE/VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

(SAMPLE FORMAT)

1. Official Agency Billing Office

U.S. Nuclear Regulatory Commission
Division of Contracts MS: T-7-I-2
Washington, DC 20555-0001

2. Voucher Information

- a. Payee's DUNS Number or DUNS+4. The Payee shall include the Payee's Data Universal Number (DUNS) or DUNS+4 number that identifies the Payee's name and address. The DUNS+4 number is the DUNS number plus a 4-character suffix that may be assigned at the discretion of the Payee to identify alternative Electronic Funds Transfer (EFT) accounts for the same parent concern.
- b. Payee's Name and Address. Show the name of the Payee as it appears in the contract and its correct address. If the Payee assigns the proceeds of this contract as provided for in the assignment of claims terms of this contract, the Payee shall require as a condition of any such assignment, that the assignee shall register separately in the Central Contractor Registration (CCR) database at <http://www.ccr.gov> and shall be paid by EFT in accordance with the terms of this contract. See Federal Acquisition Regulation 52.232-33(g) Payment by Electronic Funds Transfer - Central Contractor Registration (October 2003).
- c. Contract Number. Insert the NRC contract number.
Task Order No. Insert the task order number (If Applicable).
- d. Voucher/Invoice. The appropriate sequential number of the voucher/invoice, beginning with 001 should be designated. Contractors may also include an individual internal accounting number, if desired, in addition to the 3-digit sequential number.
- e. Date of Voucher/Invoice. Insert the date the voucher/invoice is prepared.
- f. Billing period. Insert the beginning and ending dates (day, month, year) of the period during which costs were incurred and for which reimbursement is claimed.
- g. Direct Costs - Insert the amount billed for the following cost elements, adjustments, suspensions, and total amounts, for both the current billing period and for the cumulative period (from contract inception to end date of this billing period).
- (1) Direct Labor. This consists of salaries and wages paid (or accrued) for direct performance of the contract itemized as follows:

| Labor Category | Hrs. Billed | Rate | Total | Cumulative Hrs.Billed |
|----------------|-------------|------|-------|-----------------------|
|----------------|-------------|------|-------|-----------------------|
 - (2) Fringe Benefits. This represents fringe benefits applicable to direct labor and billed as a direct cost. Where a rate is used indicate the rate. Fringe benefits included in direct labor or in other indirect cost pools should not be identified here.
 - (3) Capitalized Non Expendable Equipment. List each item costing \$50,000 or more and having a life expectancy of more than one year. List only those items of equipment for which reimbursement is requested. For each such item, list the following (as applicable): (a) the item number for the specific piece of equipment listed in the property schedule of the contract; or (b) the Contracting Officer's approval letter if the equipment is not covered by the property schedule.
 - (4) Non-capitalized Equipment, Materials, and Supplies. These are equipment other than that described in (3) above, plus consumable materials, supplies. List by category. List items valued at \$500 or more separately. Provide the item number for each piece of equipment valued at \$500 or more.

- (5) **Premium Pay.** This enumeration in excess of the basic hourly rate. (Requires written approval of the Contracting Officer.)
- (6) **Consultants.** The supporting information must include the name, hourly or daily rate of the consultant, and reference the NRC approval (if not specifically approved in the original contract).
- (7) **Travel.** Total costs associated with each trip must be shown in the following format:

| <u>Start Date</u> | | <u>Destination</u> | | <u>Costs</u> |
|-------------------|----|--------------------|----|--------------|
| From | To | From | To | \$ |

- (8) **Subcontracts.** Include separate detailed breakdown of all costs paid to approved subcontractors during the billing period.
- (9) **Other Costs.** List all other direct costs by cost element and dollar amount separately.

- h. **Indirect Costs (Overhead and General and Administrative Expense).** Cite the formula (rate and base) in effect in accordance with the terms of the contract, during the time the costs were incurred and for which reimbursement is claimed.
- i. **Fixed Fee.** If the contract provides for a fixed fee, it must be claimed as provided for by the contract. Cite the formula or method of computation. Include this information as it applies to individual task orders as well. The contractor may bill for fixed fee only up to 85% of total fee.
- j. **Total Amount Billed.** Insert the total amounts claimed for the current and cumulative periods.
- k. **Adjustments.** For cumulative amount, include outstanding suspensions.
- l. **Grand Totals.**

Further itemization of vouchers/invoices shall only be required for items having specific limitations set forth in the contract.

3. Sample Voucher Information

This voucher represents reimbursable costs for the billing period for the billing period from ___ through ___.

| | <u>Amount Billed</u> |
|---|---------------------------------------|
| | <u>Current Period Cumulative</u> |
| (a) Direct Costs | |
| (1) Direct labor*..... | |
| (2) Fringe benefits (%, if computed as percentage)..... | |
| (3) Capitalized nonexpendable equipment (\$50,000 or more - see instructions)*..... | |
| (4) Non-capitalized equipment, materials, and supplies..... | |
| (5) Premium pay (NRC approved overtime)..... | _____ |
| (6) Consultants*..... | _____ |
| (7) Travel*..... | |
| (8) Subcontracts*..... | |
| (9) Other costs*..... | |

Total Direct Costs

- (b) Indirect Costs
 (A) Overhead ___ % of _____
 (Indicate Base).....
 (B) General & Administrative Expense
 ___ % of Cost Elements Nos.
Total Direct & Indirect Costs
- (c) Fixed-Fee (Cite Formula):
 (d) Total Amount Billed.....
 (e) Adjustments.....
 (f) Grand Totals.....
 * (Requires Supporting Information -- See Sample below)

SAMPLE SUPPORTING INFORMATION

1) Direct Labor - \$2400

| Labor Category | Hours Billed | Rate | Total | Cumulative Hrs. Billed |
|-------------------|--------------|---------|---------------|------------------------|
| Senior Engineer I | 100 | \$14.00 | \$1400 | 975 |
| Engineer | 50 | \$10.00 | \$500 | 465 |
| Computer Analyst | 100 | \$5.00 | \$500 | 320 |
| | | | <u>\$2400</u> | |

3) Capitalized Non-Expendable Equipment

Prototype Spectrometer - item number 1000-01 \$60,000

4) Non-capitalized Equipment, Materials, and Supplies

10 Radon tubes @ \$110.00 = \$1100.00
 6 Pairs Electrostatic gloves @ \$150.00 = \$900.00
\$2000.00

5) Premium Pay

Walter Murphy - 10 hours @ \$10.00 Per Hour = \$100
 (This was approved by NRC in letter dated 3/6/95).

6) Consultants' Fee

Dr. Carney - 1 hour @ \$100 = \$100

7) Travel

| Start Date | Destination | Costs |
|------------|-------------|-------|
| 3/1/89 | Wash., DC | \$200 |

FEE RECOVERY BILLING REPORT

FIN:

Facility Name or Report Title:

**TAC or Inspection Report Number:
(or other unique identifier)**

Docket Number (if applicable):

| Cost Categories | Period Amt. | Period Cost Incurred | Fiscal Year To Date Costs | Total Cumulative Costs |
|------------------------|--------------------|---------------------------------|--------------------------------------|-----------------------------------|
|------------------------|--------------------|---------------------------------|--------------------------------------|-----------------------------------|

Labor

Materials

**Subcontractor/
Consultant**

Travel

Other (specify)

Common Costs

Total

Remarks:

CONTRACTOR SPENDING PLAN (CSP)

(TO BE COMPLETED AS A PART OF THE OFFEROR'S COST PROPOSAL FOR EACH COST REIMBURSEMENT CONTRACT OR INDIVIDUAL TASK ORDER OR FOR ANY CONTRACT OR TASK ORDER MODIFICATION WHICH EXCEEDS \$100,000 AND HAS A PERFORMANCE PERIOD EXCEEDING 6 MONTHS)

Solicitation No. _____ Period of Performance: From _____ To _____
 Contract No. _____

Task Order No. _____ Modification No. _____ Total Estimated Costs (including fixed fee, if any) of the Proposed Contract/Task Order/Modification (to a contract or task order) at the time of proposal submission. Does not include options. \$ _____
 Offeror/Contractor Name: _____

Provide cost details by month for the total contract/task order/or task order modification

| Cost Elements | 1st Month | 2nd Month | 3rd Month | 4th Month | 5th Month | 6th Month |
|--|-----------|-----------|-----------|-----------|-----------|-----------|
| Direct Costs | \$ _____ | \$ _____ | \$ _____ | \$ _____ | \$ _____ | \$ _____ |
| Indirect Costs | \$ _____ | \$ _____ | \$ _____ | \$ _____ | \$ _____ | \$ _____ |
| Total Estimated Costs including fixed fee if any | \$ _____ | \$ _____ | \$ _____ | \$ _____ | \$ _____ | \$ _____ |
| Projected Completion | _____ % | _____ % | _____ % | _____ % | _____ % | _____ % |

| Cost Elements | 7th Month | 8th Month | 9th Month | 10th Month | 11th Month | 12th Month |
|--|-----------|-----------|-----------|------------|------------|------------|
| Direct Costs | \$ _____ | \$ _____ | \$ _____ | \$ _____ | \$ _____ | \$ _____ |
| Indirect Costs | \$ _____ | \$ _____ | \$ _____ | \$ _____ | \$ _____ | \$ _____ |
| Total Estimated Costs including fixed fee if any | \$ _____ | \$ _____ | \$ _____ | \$ _____ | \$ _____ | \$ _____ |
| Projected Completion | _____ % | _____ % | _____ % | _____ % | _____ % | _____ % |

NRC-04-07-048, ATTACHMENT NO. _____

CONTRACTOR SPENDING PLAN - INSTRUCTIONS

The Contractor Spending Plan (CSP) is an important tool for projecting and tracking contract costs and progress each task under the contract.

Applicability

The Nuclear Regulatory Commission (NRC) requires that the CSP be completed for cost reimbursement contracts when the award amount is expected to exceed \$100,000 and the period of performance is expected to exceed 6 months. For task order type contracts, a CSP is required when an individual cost reimbursement task order is expected to exceed the above thresholds. When contract or task order modification increases the contract or task order amount of a cost reimbursement contract or task order to over \$100,000 and the period of performance from the effective date of the modification to the contract or task order expiration exceeds 6 months, a CSP is required for all contract work to be performed after the effective date of the modification.

Submission

1. A CSP is required:
 - a. as part of the cost proposal for a cost reimbursement contract or individual task order, or modification to a contract or task order which meets the above thresholds;
 - b. as part of the Final Proposal Revision (if requested) as a result of negotiations;
2. Updated CSP information is required on a monthly basis or as approved by the CO as part of the "Financial Status Report" (Ref: Section F.(fillin), "Financial Status Report").

Format

The attached CSP sample format may be duplicated and used by the Contractor, or modified to permit more accurate reporting or to meet other needs of the contractor. For instance, the sample format provides spaces to report projected costs for 12 months, but the contractor may wish to alter the sample format for shorter or longer contract/task order periods. The contractor may also wish to alter the sample format for ease of typing or automated production. So long as complete information is provided on actual and projected costs or accomplishments, changes to the format to improve relevance to the circumstances are encouraged.

It is up to the discretion of the offeror to determine the appropriate level of cost detail to be presented based on the complexity of the effort. This plan reflects only the minimum requirements for submission of cost details which will be considered for completeness, reasonableness, and as a measure of effective management of the effort. The Contracting Officer reserves the right to request additional cost information, if deemed necessary.

NRC FORM 187
(1-2000)
NRCMD 12

U.S. NUCLEAR REGULATORY COMMISSION

AUTHORITY
The policies, procedures, and criteria of the NRC Security Program, NRCMD 12, apply to performance of this contract, subcontract or other activity.

CONTRACT SECURITY AND/OR CLASSIFICATION REQUIREMENTS

COMPLETE CLASSIFIED ITEMS BY SEPARATE CORRESPONDENCE

1. CONTRACTOR NAME AND ADDRESS

Information System Laboratories (ISL), Inc.
11140 Rockville Pike, Suite 500
Rockville, MD 20852-3106

A. CONTRACT NUMBER FOR COMMERCIAL CONTRACTS OR JOB CODE FOR DOE PROJECTS (Prime contract number must be shown for all subcontracts.)
NRC-04-07-048

| | |
|--------------------------------|-------------------------------------|
| B. PROJECTED START DATE | C. PROJECTED COMPLETION DATE |
| 08/07/2007 | 08/06/2012 |

2. TYPE OF SUBMISSION

A. ORIGINAL

B. REVISED (Supersedes all previous submissions)

C. OTHER (Specify)

3. FOR FOLLOW-ON CONTRACT, ENTER PRECEDING CONTRACT NUMBER AND PROJECTED COMPLETION DATE

A. DOES NOT APPLY

B. CONTRACT NUMBER
NRC-04-02-054

DATE
08/31/2007

4. PROJECT TITLE AND OTHER IDENTIFYING INFORMATION

MAINTENANCE OF NRC COMPUTER CODES (MoNCC)

| 5. PERFORMANCE WILL REQUIRE | NOT APPLICABLE | NATIONAL SECURITY | | RESTRICTED DATA | |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | | SECRET | CONFIDENTIAL | SECRET | CONFIDENTIAL |
| A. ACCESS TO CLASSIFIED MATTER OR CLASSIFIED INFORMATION <input type="checkbox"/> YES (If "YES," answer 1-7 below) <input checked="" type="checkbox"/> NO (If "NO," proceed to 5.C.) | | | | | |
| 1. ACCESS TO FOREIGN INTELLIGENCE INFORMATION | <input type="checkbox"/> |
| 2. RECEIPT, STORAGE, OR OTHER SAFEGUARDING OF CLASSIFIED MATTER. (See 5.B.) | <input type="checkbox"/> |
| 3. GENERATION OF CLASSIFIED MATTER. | <input type="checkbox"/> |
| 4. ACCESS TO CRYPTOGRAPHIC MATERIAL OR OTHER CLASSIFIED COMSEC INFORMATION. | <input type="checkbox"/> |
| 5. ACCESS TO CLASSIFIED MATTER OR CLASSIFIED INFORMATION PROCESSED BY ANOTHER AGENCY. | <input type="checkbox"/> |
| 6. CLASSIFIED USE OF AN INFORMATION TECHNOLOGY PROCESSING SYSTEM. | <input type="checkbox"/> |
| 7. OTHER (Specify) | <input type="checkbox"/> |

B. IS FACILITY CLEARANCE REQUIRED? YES NO

- C. UNESCORTED ACCESS IS REQUIRED TO PROTECTED AND VITAL AREAS OF NUCLEAR POWER PLANTS.
- D. ACCESS IS REQUIRED TO UNCLASSIFIED SAFEGUARDS INFORMATION.
- E. ACCESS IS REQUIRED TO SENSITIVE IT SYSTEMS AND DATA.
- F. UNESCORTED ACCESS TO NRC HEADQUARTERS BUILDING.

FOR PROCEDURES AND REQUIREMENTS ON PROVIDING TEMPORARY AND FINAL APPROVAL FOR UNESCORTED ACCESS, REFER TO NRCMD 12.

6. INFORMATION PERTAINING TO THESE REQUIREMENTS OR THIS PROJECT, EVEN THOUGH SUCH INFORMATION IS CONSIDERED UNCLASSIFIED, SHALL NOT BE RELEASED FOR DISSEMINATION EXCEPT AS APPROVED BY:

| | | |
|----------------|-----------|------|
| NAME AND TITLE | SIGNATURE | DATE |
|----------------|-----------|------|

7. CLASSIFICATION GUIDANCE

NATURE OF CLASSIFIED GUIDANCE IDENTIFICATION OF CLASSIFICATION GUIDES

8. CLASSIFIED REVIEW OF CONTRACTOR / SUBCONTRACTOR REPORT(S) AND OTHER DOCUMENTS WILL BE CONDUCTED BY:

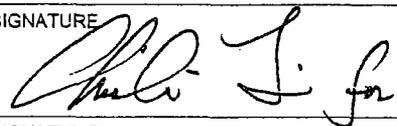
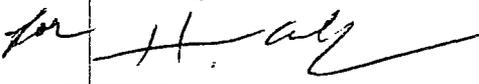
- AUTHORIZED CLASSIFIER (Name and Title)
 DIVISION OF FACILITIES AND SECURITY

9. REQUIRED DISTRIBUTION OF NRC FORM 187 Check appropriate box(es)

- SPONSORING NRC OFFICE OR DIVISION (Item 10A)
 DIVISION OF CONTRACTS AND PROPERTY MANAGEMENT
 DIVISION OF FACILITIES AND SECURITY (Item 10B)
 CONTRACTOR (Item 1)
 SECURITY/CLASSIFICATION REQUIREMENTS FOR SUBCONTRACTS RESULTING FROM THIS CONTRACT WILL BE APPROVED BY THE OFFICIALS NAMED IN ITEMS 10B AND 10C BELOW.

10. APPROVALS

SECURITY/CLASSIFICATION REQUIREMENTS FOR SUBCONTRACTS RESULTING FROM THIS CONTRACT WILL BE APPROVED BY THE OFFICIALS NAMED IN ITEMS 10B AND 10C BELOW.

| NAME (Print or type) | SIGNATURE | DATE |
|--|---|-----------------|
| A. DIRECTOR, OFFICE OR DIVISION Farouk Eltawila | SIGNATURE  | DATE 5/15/07 |
| B. DIRECTOR, DIVISION OF FACILITIES AND SECURITY Sharon D. Stewart Mark Lombardi, Deputy Director | SIGNATURE  | DATE 8/6/07 |
| C. DIRECTOR, DIVISION OF CONTRACTS AND PROPERTY MANAGEMENT (Not applicable to DOE agreements) Mary Lynn Scott | SIGNATURE  | DATE 8/7/07 |

REMARKS

APPENDIX

Small Business Subcontracting Plan

Subject Procurement: RES-07-048
"Maintenance of NRC Computer Codes"

Identification Data:

Information Systems Laboratories, Inc.
11140 Rockville Pike, Suite 500
Rockville, MD 20852

Total Amount of Contract: \$3,817,014

Period of Performance: One year base period and four one-year options

Introduction

For the subject procurement ISL does not qualify as a small business under the designated NAICS code, 541330. For this procurement and potential contract, ISL has developed this small business subcontracting plan.

ISL will fully comply with the small business subcontracting requirements as specified by the NRC and delineated in public law 95-507. We have developed this plan to guide and manage the subcontracting activities anticipated under this contract. ISL will make every effort to include small businesses, including those that have qualified as woman-owned businesses, disadvantaged businesses, and veteran-owned businesses in obtaining services that may be required from outside sources during the performance of the work.

Goals

The subject solicitation is very similar to an NRC contract, NRC-04-02-054, currently held by ISL for "Maintenance, Applications, Assessment and Development of NRC Computer Codes" (MAAD) with a period of performance 12/4/01 through 9/30/07. A major difference between the MAAD contract and this solicitation is that the MAAD contract had both a base and a Task Order component, while this solicitation has only the base component. Task Orders provide much greater subcontracting opportunity than the base contract.

Almost all of the subcontracting on the MAAD project was done on the Task Orders. To date the total dollar value of all subcontracting on MAAD was \$ 752,676, but of this amount only \$57,646 was on the base portion of the contract. The base MAAD contract has a ceiling of \$5,171,676, so the percentage of small business subcontracting on the base MAAD contract was 1.1%. For the Task Order portion of the MAAD contract the amount subcontracted was \$695,030 out of a task ordering limit of \$6,215,091, or 11.2%.

Work on code maintenance requires a dedicated staff and offers only limited opportunities for subcontracting. Areas of the base contract scope of work that are amenable to subcontracting include purchasing of computer equipment and software, logistics support for CAMP Meetings and independent checking of computer codes prior to release. This plan includes subcontracting in these three areas.

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The goal is to subcontract 2.9% of the total estimated dollar value (\$3,817,014) will be subcontracted to small business concerns. This is substantially greater than the percentage of work subcontracted to small business concerns under base portion of the similar MAAD contract, and represents an ambitious goal given the nature of the scope of work. This goal will be set and met for the base performance period and each of the option periods as they are exercised. The goal for all small business subcontracting is:

7.5% annually and quantified at a total of \$288,905 over 5 years

The subcontracting goals for small businesses of the various types are provided in the following table. The percentages were determined based on an anticipated scope of code maintenance work, and on known qualifications of the small business firms. Two of the companies with suitable qualifications are small disadvantaged businesses (OADAES and Precise Technologies Group) and one is a veteran owned business (T. Downar). While ISL will continue to actively identify qualified small businesses in all of the categories, the percentages in this plan were developed based on the information in hand at the time the proposal was submitted.

| Type of Small Business | Percentage of Total Subcontracting Dollars (\$ total over 5 years) |
|------------------------|--|
| small business | 100% (\$288,905) |
| woman-owned | 0% |
| veteran owned | 42.7% (\$123,342) |
| disadvantaged | 37.3% (\$107,886) |
| HUB-Zone | 0% |

The number of small business firms included in the plan and the percentages and dollar figures for each category were estimated based on the anticipated subcontracting value and type of work. The following distribution of potential subcontract work among candidate suppliers resulted from these considerations. All of the small business firms included in the subcontracting plan have previously successfully performed subcontracting work for ISL, and all have very competitive labor rates. Hence the capabilities of all of these firms are well known to ISL.

| Potential Supplier – Base Contract | Estimated Total Dollars |
|---|-------------------------|
| T. Downar (veteran owned) | \$123,342 |
| OADAES, M. Ortiz (disadvantaged) | \$42,900 |
| Energy and Risk, Inc. | \$23,819 |
| Touch Base Computing, Inc. | \$33,858 |
| Microtech Systems, Inc. (disadvantaged) | \$64,986 |
| TOTAL | \$288,905 |

Work to be Subcontracted to Small Business Concerns

Dr. Downar has been engaged in subcontract work on planning for PARCS code features for the ACR-700 and in implementing code features in PARCS for ACR-700. It is anticipated that future work could be performed by Dr. Downar involving maintenance of the interface routines that pass information between the neutronics and thermal-hydraulics modules in TRACE, and in the area of maintenance of point kinetics models in RELAP5 and TRACE. Dr. Marcos Ortiz of OADAES has previously provided services for review and development of scaling analyses for the advanced ESBWR. It is anticipated that he could perform additional similar services related to independent checking of computer codes prior to release and review of computer code models. Touch Base Computing has provided TRACE applications

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and/or TRACE assessment services in the past but has not been involved in TRACE development. Therefore, Touchbase is in a very good position to test new TRACE code versions prior to their release.

Energy and Risk, Inc has assisted ISL by providing logistical support services for the annual Fall CAMP Meeting. The exceptional quality of the support provided has been very much appreciated by CAMP members. ISL proposes to continue subcontracting for the services of Mr. Marlin Strand from Energy and Risk, Inc. for future CAMP Meeting support.

Under the MAAD contract, ISL purchased computer equipment and software (total value \$34,596) from Cavalier Business Systems an 8(a) small disadvantaged business located in Norfolk, Virginia that is no longer in business. There are currently seven disadvantaged small business firms on ISL's potential supplier list for computer equipment purchases. ISL will solicit only small disadvantaged businesses, such as Microtech Systems, Inc. of Lawrence, Kansas, when procuring significant quantities of computer equipment. ISL purchased three 64-bit AMD Opteron dual processor units from Microtech Systems, Inc. and found the price and service to be excellent. In this plan it is assumed that 80% or \$64,986 of the \$81,232 estimated cost for purchased computer equipment and software will be procured from small disadvantaged businesses. Microtech Systems, Inc. is listed above, but purchases will be made from the small disadvantaged firm that offers the best value. Other firms will be solicited for computer equipment purchases only when no suitable small disadvantaged vendor can be found in a timely manner.

A number of other small business firms have also successfully performed subcontract work for ISL and new firms with suitable qualifications may be identified during the course of the work. The information in the above tables was used for purposes of developing this plan. When opportunities to subcontract work arise, ISL will evaluate potential subcontractors and request authorization to subcontract work based on evaluations that consider both technical qualifications and price.

During conduct of the work, ISL will consider additional areas that are candidates for small business subcontract actions, including staffing and administrative support, and materials and supplies purchases. Through the application of this subcontracting plan, ISL will ensure that small businesses are given full consideration for all work that will be subcontracted. ISL has developed and maintains qualified bidders lists and sources of products and services in these areas.

ISL project and contract personnel will strive to award subcontracts to qualified small businesses and meet the goals established in this plan. Because of the high degree of technical complexity in the work, and the limited numbers of qualified small business providers of these services, efforts to identify qualified small business suppliers continue. Maintenance of business contacts, updating of technical information on small business sources, and communications on a regular basis with qualified small businesses will continue in support of this contract.

Subcontract Program Administration

The responsibility for the subcontracting management activities at ISL for work for the NRC resides with Dr. James Meyer, the Vice President and Manager of ISL's Energy Sector. Dr. Meyer is both familiar with the technical and project work requirements and maintains a network of business contacts in the nuclear services area. He has knowledge of small businesses with the required skills that can supplement the efforts of ISL, and he has capable assistance in meeting the contract requirements of the government. Dr. Meyer will be assisted by the ISL Contracts Manager.

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Name: James Meyer
Title: Vice President
Address: 11140 Rockville Pike
Rockville, MD 20852
Telephone: 301-468-6425
Facsimile: 301-468-0883

In summary, Dr. Meyer will:

- Promote the small business contracting activities of ISL
- Develop and maintain bidders and source lists
- Ensure procurement packages and subcontract solicitation information is concise and precise
- Develop and expand the identification of potential small business sources
- Oversee the recordkeeping and administrative process related to small business subcontracting
- Monitor the company goals and act to ensure contractual requirements are met
- Prepare and submit timely reports to the government
- Provide technical assistance to small businesses in compliance with program requirements
- Ensure that activities for small disadvantaged, woman owned and other economically disadvantaged organizations are include in the company efforts

Flow-Down Clause

ISL will include the provisions for the utilization of small business concerns in any subcontracts that it may issue to organizations other than small businesses. Although not anticipated in this contract, any other organization brought into the task areas will be required to utilize small businesses as they are qualified to support their work efforts in accordance with project goals.

Timely Payment

In compliance with the Federal Acquisition Regulations, ISL will ensure timely payment for work provided to small business subcontractors.

Submittal

This subcontracting plan is submitted as part of the ISL proposal for the subject procurement, RES-07-048. Dr. Meyer will administer this plan and will ensure that the project and contract personnel assigned to support this effort from ISL will meet its requirements.

Dr. James Meyer
Vice President, ISL

Signature: _____

Date: _____

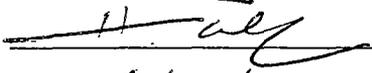
Phone: 301 468 6425

Fax: 301 468 0883

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Approval

This subcontracting plan has been reviewed and approved for this procurement and subsequent contract action.

Agency: Nuclear Regulatory Commission
Name: Heriberto Colon Jr
Title: Contracting Officer
Signature: 
Date: 8/24/2007
Phone: 301-415-7135
Fax: 301-415-5761
Contract: NRC-04-07-048

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