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|-----------------------|--|----------------------|----------------------|----|
| AWARD/CONTRACT | 1. THIS CONTRACT IS RATED ORDER UNDER DPAS (15 CFR 350) | RATING N/A | PAGE OF PAGES | |
| | | | 1 | 35 |

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| 2. CONTRACT NO. (Proc. Inst. Ident.) NRC-38-08-700 | 3. EFFECTIVE DATE See Block 19c. | 4. REQUISITION/PURCHASE REQUEST/PROJECT NO. HR-08-700 11/26/2007 |
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| 5. ISSUED BY U.S. Nuclear Regulatory Commission Div. of Contracts Attn: Monique B. Williams Mail Stop T-7-I-2 Washington, DC 20555 | 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) BOOZ ALLEN HAMILTON INC. 8283 GREENSBORO DR MCLEAN VA 221024904 | 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 |

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| 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-7-I-2 Attn: (NRC-38-08-700) 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 8-8415-171114, X8490, 251F, 31X020 Amount Obligated: \$214,172.00 |
|--|--|

| 15A. ITEM NO. | 15B. SUPPLIES/SERVICES | 15C. QUANTITY | 15D. UNIT | 15E. UNIT PRICE | 15F. AMOUNT |
|---------------|---|---------------|-----------|-----------------|-------------|
| | The contractor shall provide Quality Assurance Training Courses that will provide NRC Inspectors and other technical personnel with the necessary training required during inspection of the nuclear power plants. The period of performance for the base period is 5/7/2008 - 5/6/20/2009 with 4 one-year option periods, if exercised. Enclosed please find Statement of Work and Pricing Schedule for a Firm Fixed Price Type Contract. Reqs and Certs are incorporated by reference from orca.gov. | | | | |

15G. TOTAL AMOUNT OF CONTRACT \$214,172.00

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

CONTRACTING OFFICER WILL COMPLETE ITEM 17 OR 18 AS APPLICABLE

| | |
|--|---|
| 17. <input checked="" type="checkbox"/> CONTRACTOR'S NEGOTIATED AGREEMENT (Contractor is required to sign this document and return 02 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 RS-38-08-700 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. |
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| 19A. NAME AND TITLE OF SIGNER (Type or print) DAVID C. ALDRICH, SENIOR VICE PRESIDENT | 20A. NAME OF CONTRACTING OFFICER Donald A. King Contracting Officer |
| 19B. NAME OF CONTRACTOR BY David C. Aldrich (Signature of person authorized to sign) | 20B. UNITED STATES OF AMERICA BY [Signature] (Signature of Contracting Officer) |
| 19C. DATE SIGNED 5/12/08 | 20C. DATE SIGNED 5/6/2008 |

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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 Quality Assurance Program Training.

B.2 BRIEF DESCRIPTION OF WORK (MAR 1987) ALTERNATE 1 (JUN 1988)

(a) Brief description of work: The purpose of this procurement is to obtain a Quality Assurance course that will provide NRC Inspectors and other technical personnel with the necessary training required during inspection of the nuclear power plants. This course must be developed and implemented in compliance with applicable NRC regulations and license conditions, and must identify situations that may adversely affect the health and safety of workers and the public.

(b) Orders will be issued for work required by the NRC in accordance with 52.216-18 - Ordering. Only Contracting Officers of the NRC or other individuals specifically authorized under this contract may authorize the initiation of work under this contract. The provisions of this contract shall govern all orders issued hereunder.

B.3 PRICE/COST SCHEDULE

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BASE YEAR: Period of Performance: From Date of Award for Twelve (12) Months

| CLIN DESCRIPTION | ESTIMATED QUANTITY | UNIT | UNIT PRICE | TOTAL AMOUNT |
|--|--------------------|------|----------------------|-------------------|
| 001 Development of Quality Assurance Course | 1 | JOB | \$ 162,706.00 | \$ 162,706.00 |
| 002 Presentation of Quality Assurance Course | 2 | JOB | \$ 20,828.00 | \$ 41,656.00 |
| 003 Travel Costs (COST REIMBURSABLE) - The government will pay up to the rates specified in the Government Federal Travel Regulations (FTR) for travel destinations. Hotel reservations will be made by the contractor and will be reimbursed for actual costs only, with back up documentation/receipts attached to the invoice. (Course will be taught at one of the following locations: NRC Technical Training Center in Chattanooga, TN, Region II - Atlanta, GA, and NRC Headquarters in Rockville, MD) | 1 | EST | \$ 6,786.00 | \$ 6,786.00 |
| 004 OTHER DIRECT COSTS (COST REIMBURSABLE) | 1 | EST | \$ 3,024.00 | \$ 3,024.00 |
| 005 ORDERING CEILING FOR ADDITIONAL COURSES VIA NEGOTIATED TASK ORDER | | | ORDERS NOT TO EXCEED | \$ 54,593.00 |
| TOTAL PRICE FOR BASE YEAR: | | | | \$ 268,765 |

OPTION YEAR 1: Period of Performance: Twelve (12) Months

| CLIN DESCRIPTION | ESTIMATED QUANTITY | UNIT | UNIT PRICE | TOTAL AMOUNT |
|--|--------------------|------|----------------------|-------------------|
| 006 Presentation of Quality Assurance Course | 2 | JOB | \$ 22,286.23 | \$ 44,572.47 |
| 007 Travel Costs (COST REIMBURSABLE) - The government will pay up to the rates specified in the Government Federal Travel Regulations (FTR) for travel destinations. Hotel reservations will be made by the contractor and will be reimbursed for actual costs only, with back up documentation/receipts attached to the invoice. (Course will be taught at one of the following locations: NRC Technical Training Center in Chattanooga, TN, Region II - Atlanta, GA, and NRC Headquarters in Rockville, MD) | 1 | EST | \$ 6,786.00 | \$ 6,786.00 |
| 008 OTHER DIRECT COSTS (COST REIMBURSABLE) | 1 | EST | \$ 3,024.00 | \$ 3,024.00 |
| 009 ORDERING CEILING FOR ADDITIONAL COURSES VIA NEGOTIATED TASK ORDER | | | ORDERS NOT TO EXCEED | \$ 56,476.46 |
| TOTAL PRICE FOR OPTION YEAR 1: | | | | \$ 110,859 |

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OPTION YEAR 2: Period of Performance: Twelve (12) Months

| CLIN | DESCRIPTION | ESTIMATED QUANTITY | UNIT | UNIT PRICE | TOTAL AMOUNT |
|---------------------------------------|--|--------------------|------|----------------------|-------------------|
| 010 | Presentation of Quality Assurance Course | 2 | JOB | \$ 23,044 | \$ 46,087.92 |
| 011 | Travel Costs (COST REIMBURSABLE) - The government will pay up to the rates specified in the Government Federal Travel Regulations (FTR) for travel destinations. Hotel reservations will be made by the contractor and will be reimbursed for actual costs only, with back up documentation/receipts attached to the invoice. (Course will be taught at one of the following locations: NRC Technical Training Center in Chattanooga, TN, Region II - Atlanta, GA, and NRC Headquarters in Rockville, MD) | 1 | EST | \$ 6,786 | \$ 6,786.00 |
| 012 | OTHER DIRECT COSTS (COST REIMBURSABLE) | 1 | EST | \$ 3,024.00 | \$ 3,024.00 |
| 013 | ORDERING CEILING FOR ADDITIONAL COURSES VIA NEGOTIATED TASK ORDER | | | ORDERS NOT TO EXCEED | \$ 58,396.66 |
| TOTAL PRICE FOR OPTION YEAR 2: | | | | | \$ 114,295 |

OPTION YEAR 3: Period of Performance: Twelve (12) Months

| CLIN | DESCRIPTION | ESTIMATED QUANTITY | UNIT | UNIT PRICE | TOTAL AMOUNT |
|---------------------------------------|--|--------------------|------|----------------------|-------------------|
| 014 | Presentation of Course | 2 | JOB | \$ 23,827 | \$ 47,654.99 |
| 015 | Travel Costs (COST REIMBURSABLE) - The government will pay up to the rates specified in the Government Federal Travel Regulations (FTR) for travel destinations. Hotel reservations will be made by the contractor and will be reimbursed for actual costs only, with back up documentation/receipts attached to the invoice. (Course will be taught at one of the following locations: NRC Technical Training Center in Chattanooga, TN, Region II - Atlanta, GA, and NRC Headquarters in Rockville, MD) | 1 | EST | \$ 6,786 | \$ 6,786.00 |
| 016 | OTHER DIRECT COSTS (COST REIMBURSABLE) | 1 | EST | \$ 3,024.00 | \$ 3,024.00 |
| 017 | ORDERING CEILING FOR ADDITIONAL COURSES VIA NEGOTIATED TASK ORDER | | | ORDERS NOT TO EXCEED | \$ 60,382.15 |
| TOTAL PRICE FOR OPTION YEAR 3: | | | | | \$ 117,847 |

OPTION YEAR 4: Period of Performance: Twelve (12) Months

| CLIN | DESCRIPTION | ESTIMATED QUANTITY | UNIT | UNIT PRICE | TOTAL AMOUNT |
|---|--|--------------------|----------------------|------------|-------------------|
| 018 | Presentation of Course | 2 | JOB | \$ 24,637 | \$ 49,274.24 |
| 019 | Travel Costs (COST REIMBURSABLE) - The government will pay up to the rates specified in the Government Federal Travel Regulations (FTR) for travel destinations. Hotel reservations will be made by the contractor and will be reimbursed for actual costs only, with back up documentation/receipts attached to the invoice. (Course will be taught at one of the following locations: NRC Technical Training Center in Chattanooga, TN, Region II - Atlanta, GA, and NRC Headquarters in Rockville, MD) | 1 | EST | \$ 6,786 | \$ 6,786.00 |
| 020 | OTHER DIRECT COSTS (Cost Reimburable) | 1 | EST | \$ 3,024 | \$ 3,024.00 |
| 021 | ORDERING CEILING FOR ADDITIONAL COURSES VIA NEGOTIATED TASK ORDER | | ORDERS NOT TO EXCEED | | \$ 62,434.99 |
| TOTAL PRICE FOR OPTION YEAR 4: | | | | | \$ 121,519 |
| TOTAL PRICE FOR BASE PERIOD AND OPTION YEARS 1-4 | | | | | \$ 733,285 |

Price Explanatory Notes:

Pricing for course presentation are firm fixed unit prices. The fixed unit price includes all costs and profit for the course, with the exception of instructor travel. Since the course location will only be known at the time a delivery order is placed, instructor travel will be cost reimbursable in accordance with Section G.2, NRCAR 2052.215-78, Travel Reimbursement. Other Direct Costs will also be cost reimbursable.

The pricing for the Specialized Courses will be negotiated on a task ordering basis. However, task order issued shall not exceed the not to exceed price for each year, as stated in the above schedule.

B.4 CONSIDERATION AND OBLIGATION--DELIVERY ORDERS (JUN 1988)

(a) The total estimated amount of this contract (ceiling) for the products/services ordered, delivered, and accepted under this contract is \$214,172. The Contracting Officer may unilaterally increase this amount as necessary for orders to be placed with the contractor during the contract period provided such orders are within any maximum ordering limitation prescribed under this contract.

(b) The amount presently obligated with respect to this contract is \$214,172. The Contracting Officer may issue orders for work up to the amount presently obligated. This obligated amount may be unilaterally increased from time to time by the Contracting Officer by written modification to this contract. The obligated amount shall, at no time, exceed the contract ceiling as specified in paragraph a above. When and if the amount(s) paid and payable to the Contractor hereunder shall equal the obligated amount, the Contractor shall not be obligated to continue performance of the work unless and until the Contracting Officer shall increase the amount obligated with respect to this contract. Any work undertaken by the Contractor in excess of the obligated amount specified above is done so at the Contractor's sole risk.

**SECTION C - DESCRIPTION/SPECIFICATIONS/STATEMENT OF WORK
for
QUALITY ASSURANCE PROGRAM COURSE**

C.1.1 PURPOSE

The purpose of this contract is to provide NRC Inspectors and other training personnel a course on Quality Assurance that will be used to conduct inspections at the nuclear power plants which the U.S. Nuclear Regulatory Commission (NRC) licenses and inspects to ensure compliance with applicable codes and standards during all phases of construction, testing and operation, in order to identify conditions which may adversely affect the health and safety of the public.

C.1.2 BACKGROUND

In support of this mission, the NRC provides a program of training for its inspectors and other technical personnel. The NRC licenses and inspects nuclear power plants and other nuclear facilities where Quality Assurance (QA) Programs are required. The NRC ensures that these programs are developed and implemented in compliance with applicable NRC regulations and license conditions, and identifies situations that may adversely affect the health and safety of workers and the public.

C.1.3 CONTRACT OBJECTIVE

The contractor shall furnish the necessary qualified personnel, materials and services to develop and present a training course in accordance with the list of proposed topics as outlined in Attachment 1.

C.1.4 SCOPE OF WORK

The training course shall provide inspectors with the necessary understanding of the following:

- a. Requirements of 10 CFR 50, Appendix B;
- b. ASME NQA-1-1994 and more recently endorsed versions as applicable;
- c. NRC Standard Review Plan for Quality Assurance Programs (Section 17.5 of NUREG 0800) ;
- d. ASME Section III Code requirements related to quality assurance and control requirements during fabrication of Code components;
- e. Requirements of 10 CFR Part 21;
- f. Commercial Grade Dedication Programs
- g. Case studies of QA related inspection findings;
- h. Development of proficiency in inspecting the adequacy of nuclear power plant construction quality assurance programs; and
- i. Overview of other internationally recognized quality assurance standards and guidance.

C.1.4 PERFORMANCE WORK STATEMENT

TASK 1 – **Requirement:** The contractor shall develop a Quality Assurance Course

A. Course Description

1. Course content
The Contractor shall develop a course outline that include as a minimum the topics listed in Attachment I. The content of the final outline shall be approved by the NRC Project Officer. The course objectives shall be accomplished through a combination of lectures, discussions, and case studies of QA inspection findings.
2. Course Duration
The course shall be approximately 4.5 days in duration. This typically allows for approximately 32 hours of instruction.
3. Course Materials
The contractor shall provide the course material (the student and instructor manuals and any reference material) to the current industry standards, and shall be utilized for the period of the contract, including optional periods. During the contract period, in the event of new regulatory requirements or significant changes to industry standards, the course material may need to be updated. If this is necessary, it will be done via a modification to the contract. All manuals, both instructor and student, shall be prepared in Microsoft Word 2003. Any graphics presentations used in the course will be developed in Microsoft PowerPoint format.

All course and reference materials as well as training aids prepared or created by the contractor or obtained for the NRC for use in the presentation of this course will become the property of the NRC upon completion of this contract.

4. The contractor shall provide the following items:
 - A. Student Manual
 - 1) The contractor shall prepare a student manual for use during the presentation of the course material. The student manual shall include printed copies of view graphs, slides and other visual aids required to present the course.
 - 2) Learning objectives shall be included at the beginning of each section or chapter.
 - 3) The student manual shall also include a Table of Contents, a glossary of common terms and copies of relevant reference material. Short references (approximately six pages or less) shall be included in the manual while lengthy references shall be listed in a bibliography which provides the student with sufficient information to determine what issues the reference covers and where a copy may be obtained.

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The contractor shall provide a draft copy of the student manual to the NRC Project Officer for review and approval. The contractor shall revise the draft student manual incorporating the NRC Project Officer's comments. The contractor shall provide the final student manual to the NRC Project Officer for review and approval. After receipt of approval, the contractor shall provide one copy to the NRC Project Officer, including computer data storage (e.g., disks, CDs, DVDs, etc.) containing both textual materials in Microsoft Word 2003 format and for graphics material in Microsoft PowerPoint format.

B. Instructor Manual

The contractor shall provide an instructor manual to supplement the student manual. The instructor manual shall include, as a minimum:

- 1) Detailed course outline;
- 2) Clearly defined learning objectives for each topic;
- 3) Copies or detailed descriptions for visual aids;
- 4) Detailed lesson plans indicating the manner in which the student material will be presented by the instructor. The lesson plans shall include appropriate references to visual aids and other materials required during the presentation and indicate when each is to be used during the presentation; or a Microsoft Power Point presentation may be used as a substitute if adequate instructor information is provided in the notes section.
- 5) Detailed references to course references, codes, and standards; and
- 6) The instructor manual shall be prepared in sufficient detail to allow a qualified individual who has not previously conducted the course to present the material in an organized fashion.

The contractor shall provide a draft copy of the instructor manual to the NRC Project Officer for review and approval. The contractor shall revise the draft instructor manual incorporating the NRC Project Officer's comments. The contractor shall provide the final instructor manual to the NRC Project Officer for review and approval. After receipt of approval, the contractor shall provide one copy to the NRC Project Officer, including computer data storage (e.g., disks, CDs, DVDs, etc.) containing the textual materials in Microsoft Word 2003 format and for graphics material in Microsoft PowerPoint format.

C. Visual Aids

The contractor shall develop or provide visual aids to assist students in understanding the course material. The contractor shall use these visual aids to supplement the presentation of the course material. Any visual aid which the contractor deems necessary for the presentation of this course must be provided to the NRC Project Officer as an integral part of the training package. A hard copy of each visual aid used during the course should be included in the student manual as a figure plate at the end of the applicable chapter.

The contractor shall provide a draft copy of the visual aids to the NRC Project Officer for review and approval. The contractor shall revise the draft visual aids incorporating the NRC Project Officer's comments. The contractor shall provide

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the final visual aids to the NRC Project Officer for review and approval. After receipt of approval, the contractor shall provide one hard copy to the NRC Project Officer, including computer data storage (e.g., disks, CDs, DVDs, etc.) containing the visual aid material in Microsoft Word 2003 format or Microsoft PowerPoint format.

D. Training Materials:

Training materials must be provided for each student including: a student manual which shall include learning objectives for each section, a copy of relevant industry standards and NRC Regulatory Guides, Generic Communications, and policy documents relevant to the subject matter; a copy of relevant view-graphs used during the course presentation and not already provided in the student manual; applicable case histories; and all handouts, (i.e., material not included in the student manual). The use of handouts shall be kept to a minimum and shall represent material that could not have been incorporated in the student manual prior to the start of the course.

E. Update Course Content

During the period of performance of this contract the contractor may be requested to make minor modifications to all or part of the training materials developed for a course to keep the course current. The contractor shall be responsible for ensuring that any such modifications are reflected in the materials provided to the students. If significant changes are required then a modification may be required to the contract.

Standard: The QA course shall be delivered on time and no more than one instance of the above referenced documents (student manual, instructor manual, visual aids, training materials, and updated course content) not being completed.

Method of Surveillance: Per the Deliverable Schedule the contractor is required to submit these deliverables to the NRC Project Officer within the specified due dates for review and approval – 100% inspection is required.

Incentives/Deductions: A 1% deduction from the submitted invoice will be taken off the total contract line item amount for the Development of the Course for each business day the contractor is late in the deliverable submission.

C.1.5.2 - TASK 2 – Requirement: The contractor shall provide qualified instructors.

The contractor must provide qualified instructors that have three or more year's commercial nuclear industry experience in quality assurance or related areas and no less than 3 years of nuclear power industry related training experience. The contractor must provide instructors with broad experience in implementation of QA programs or experience in assessing QA programs from a regulatory standpoint. The contractor must indicate which personnel will be subject to the Key Personnel clause 2052.215-70.

The contractor shall deliver one primary and one back-up instructors to present each course. These individuals will be considered key personnel under the contract. Substitution or replacement of key personnel shall require the concurrence from the NRC Project Officer and

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approval by the Contracting Officer. Course instructors must have related training experience (i.e., ability to teach technical material to large groups of professional adults).

Standard: The instructor must have knowledge of subject area and presentation and training experience as noted above, with no more than one instance of not meeting the requirement.

Method of Surveillance: The NRC Project Officer or his or her designee will attend the training session to evaluate the instructor's presentation skills and technical knowledge of Quality Assurance.

Incentive/Deduction: A 2% deduction in the CLIN price for presentation of the course will be taken from the submitted invoice if the NRC Project Officer determines the instructor's presentation skills and knowledge of quality assurance was not in accordance with these requirements.

C.1.5.3 - TASK 3 – Requirement: The contractor shall present the Quality Assurance Course.

The course shall accommodate up to twenty-four (24) students which includes two (2) additional observers designated by the NRC Project Officer. Observers will be provided with a copy of the student training materials. Observers may be used as regular student positions if the observers designated by the Project Officer do not attend.

1. Class hours shall start at approximately 8:00 a.m. and end about 4:00 p.m. each day, allowing sixty minutes for a lunch break, with approximately seven hours of instruction time available per day. Breaks shall be provided at a frequency of approximately ten (10) minutes following each 50 minutes of instruction. The first class shall begin at 8:00 a.m. on the first scheduled class day, and end at 12:00 p.m. on the last scheduled class day.
2. The NRC will provide the facilities and equipment (projectors, white boards, etc.) necessary to support the course presentation.
3. The contractor shall arrive in sufficient time prior to the start of the class to check/setup the training room, layout course materials, prepare equipment, etc. as necessary.
4. On the first day of class, the contractor shall ensure required student information sheets are completed and shall inform participants of the requirements for satisfactorily completing the objectives of the course.

Standard: No more than one instance of the contractor not conducting the training class in accordance with requirements shown above.

Method of Surveillance: The Project Officer will observe the Contractor's performance in conducting the training class for timeliness, quality, and accuracy of technical material.

Incentive/Deduction: A 2% deduction in the CLIN price for presentation of the course will be taken from the submitted invoice if the NRC Project Officer determines the instructor's presentation skills and knowledge of quality assurance is not in accordance with these requirements.

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Additional Guidance and/or References:

The NRC Technical Training Center, Chattanooga, TN and the NRC Project Officer will coordinate student attendance;

Student background and experience will vary. The contractor should not assume experience in quality assurance; and

The NRC reserves the right to supplement course presentations with NRC technical experts, if available. The Project Officer will notify the contractor in advance of the course presentation if technical experts will be used.

Number of Courses and Course Scheduling

1. The NRC will order at least one course during the period of this contract. Additional courses may be ordered if warranted by student demand. It is anticipated that one course per year will be necessary to meet the NRC's training requirement.
2. Exact dates for the course are to be arranged with the contractor at least sixty (60) days before the course. The NRC Project Officer and the contractor will mutually agree to the actual date the course will be conducted.
3. The NRC will notify the contractor no later than thirty (30) days prior to the time the course is scheduled to begin if rescheduling is necessary due to insufficient student enrollment.

C.1.5.4 - TASK 4 – Requirement: The contractor shall develop specialized courses. (OPTIONAL TASK)

As requested by the NRC Contracting Officer the contractor shall develop a specialized training course. Training shall commence within 30 to 60 days of notice by the NRC.

1. Via issuance of a firm fixed price task order pursuant to Section G of this contract, the NRC may request the contractor to develop and present specialized seminars or training courses related to those in this statement of work during the period of contract performance. A contract modification will be issued to cover the costs for any such work requested.
2. Materials developed for the specialized course shall be submitted to the NRC Project Officer for review prior to using in any subsequent course presentations and will meet the same specifications as the initial course materials developed as part of this contract as indicated under Task 1.

Standard: No more than one instance of the contractor not meeting the requirements stated above.

Method of Surveillance: All materials will be reviewed by the NRC Project Officer for review and approval.

Incentive/Deduction: A 1% deduction in the negotiated price for this CLIN if the contractor is not able to meet the due date for delivery of this course.

C.2 MEETINGS

The contractor shall attend a meeting within thirty (30) days after contract award to discuss the course outline, lesson objectives, material preparation, and classroom and laboratory facilities. This meeting will be held at the NRC Technical Training Center, Chattanooga, TN. This meeting may be canceled or rescheduled based upon mutual agreement of the NRC Project Officer and the contractor.

GOVERNMENT FURNISHED MATERIALS

The NRC will furnish the contractor with at least one copy of applicable NRC documents deemed necessary to support course development and presentation, such as inspection findings, Regulatory Guides, Information Notices, Bulletins and NUREGs. If these documents are available on the NRC website, the contractor may be provided with the URL and directed to download the appropriate information. The NRC will also furnish one copy of a student information sheet and a course evaluation form. The student information sheet and course evaluation forms shall be provided to each student at the start of each course.

C.4 PERFORMANCE REQUIREMENTS SUMMARY

| Task/Requirement | Standard | Method of Surveillance | Incentive/Deduction |
|--|--|---|--|
| Task 1 - Develop a Quality Assurance Course | The QA Course shall be delivered on time and no more than one instance of the requested documents under this Task 1 not being completed. | NRC Project Officer will review the documents for completeness and accuracy in accordance with the deliverable schedule. - 100% inspection of delivered materials | A 1% deduction from the submitted invoice will be taken off the total contract line item amount for Development of the Course for each business day the contractor is late in the deliverable submission. |
| Task 2 - Provide Qualified Instructors | The instructors must have knowledge of subject area and presentation and training skills as noted in Task 2 with no more than one instance of not meeting the requirement. | NRC Project officer will attend the training session to evaluate the instructor's presentation skills and technical knowledge of Quality Assurance | A 2% deduction from the submitted invoice will be taken from the CLIN price for the presentation of the course if the NRC Project Officer determines the instructor's presentation skills and knowledge of quality assurance is not in accordance with these requirements. |
| Task 3 - The Contractor Shall Present the Quality Assurance Course | No more than one instance of the contractor not conducting the training class in accordance with the requirements outlined in Task 3. | The Project Officer will observe the Contractor's performance in conducting the training class for timeliness, quality, and accuracy. | A 2% deduction in the CLIN price for the presentation of the course if the NRC Project Officer determines the instructor's presentation skills and knowledge of quality assurance is not sufficient in accordance with these requirements. |
| Task 4 - Develop Specialized Courses (OPTIONAL TASK) | No more than one instance of the contractor not meeting the requirements as outlined in Task No. 4. | All materials will be reviewed by the NRC Project Officer for review and approval. | A 1% deduction in the negotiated price for this CLIN will be taken from the submitted invoice if the contractor is not able to meet the due date for delivery of this course. |

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 |
|----------|--|----------|
| 52.246-4 | FEDERAL ACQUISITION REGULATION (48 CFR Chapter 1) INSPECTION OF SERVICES--FIXED-PRICE | AUG 1996 |

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

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

SECTION F - DELIVERIES OR PERFORMANCE

F.1 NOTICE LISTING CONTRACT CLAUSES INCORPORATED BY REFERENCE

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

| NUMBER | TITLE | DATE |
|-----------|---|----------|
| | FEDERAL ACQUISITION REGULATION (48 CFR Chapter 1) | |
| 52.242-15 | STOP-WORK ORDER | AUG 1989 |
| 52.247-34 | F.O.B. DESTINATION | NOV 1991 |
| 52.247-48 | F.O.B. DESTINATION--EVIDENCE OF SHIPMENT | FEB 1999 |

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

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

F.3 DELIVERY SCHEDULE

1. Within thirty (30) days after the initial meeting or within thirty (30) days after receipt of written cancellation of that meeting, provide a draft instructor manual outline and a draft student manual outline to the Project Officer. The NRC Project Officer will provide his review of the material within ten (10) working days after receipt from the contractor. The contractor shall correct any deficiencies and resubmit the material within ten (10) working days after receipt of the NRC Project Officer comments.
2. Within sixty (60) days after acceptance of the draft instructor manual outline and the student manual outline, provide two (2) draft copies of the instructor manual, student manual, and visual aids. The contractor shall carefully proof all materials submitted. The NRC Project Officer will provide his review of the material within twenty (20) working days after receipt from the contractor. The contractor shall correct any deficiencies and resubmit the material within 10 working days after receipt of the NRC Project Officer comments.
3. Within sixty (60) days after acceptance of the draft materials, submit three (3) copies of final course materials which include:

- Student Manual
- Instructor manual
- Problem sets/workshops and answers
- Visual aids (slides, view-graphs, videos, or other)

One copy of computer data storage (e.g., disks, CDs, DVDs, etc.) containing all materials in the required formats shall be forwarded to the NRC Project Officer.

4. Sixty (60) days prior to the start of each course, provide to the Project Officer a copy of the following material:

Course schedule (if different from those provided for previous courses), Texts and handouts to be provided to the students (if different from those provided for previous courses),

The Project Officer will provide a review of the material within ten (10) days after receipt from the contractor. The contractor shall correct any deficiencies and resubmit the material within twenty-one (21) days from receipt. NRC approval of the material shall be required at least one (1) week prior to the start of each course.

5. Prior to the start of a course, the contractor shall deliver to the course location the number of copies of the student materials necessary to support the number of students registered for the course.

6. Within thirty (30) days of completion of a course presentation, the contractor shall submit a Course Presentation Report to the NRC Project Officer. The report shall contain:

- A cover letter discussing accomplishments, problems, and recommendations for improvement. The recommendations shall consider the student evaluations.
- Examination booklets and graded answer sheets (original plus one copy) and a summary of student results including class average and standard deviation,
- Student information sheets providing the student's name, business address, business phone number, name of immediate supervisor, date of the course,
- Student evaluations (original plus one copy) and a summary of student comments.

7. Final Report

The contractor shall furnish a final report in accordance with NRC Management Directive 11.1 thirty days (30) prior to the end date of the contract. One copy shall be sent to the Project Officer and one copy to the Contract Specialist. The report shall contain as a minimum:

- a. A technical report of the work completed,
- b. Any problems or delays encountered and their solutions, and
- c. Recommendations for improvements.

The final report and transfer of all government furnished materials and all contract developed materials shall be done prior to the contract expiration date.

F.4 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 (02 copies) to be delivered to the following address:

U.S. Nuclear Regulatory Commission
Technical Training Center
5746 Marlin Road, Suite 200
Chattanooga, TN 37411-5677

(b) Contracting Officer (1 copy) delivered to the following address:

U.S. Nuclear Regulatory Commission
Two White Flint North
11545 Rockville Pike
Rockville, MD 20852-2738

F.5 DURATION OF CONTRACT PERIOD (MAR 1987) ALTERNATE 4 (JUN 1988)

The ordering period for this contract shall commence on April 30, 2008 and will expire on April 29, 2009. Any orders issued during this period shall be completed within the time specified in the order, unless otherwise specified herein. (See 52.216-18 - Ordering.) The term of this contract may be extended at the option of the Government for an additional four one-year option periods.

SECTION G - CONTRACT ADMINISTRATION DATA

G.1 PROJECT OFFICER AUTHORITY ALTERNATE 2 (FEBRUARY 2004)

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

Name: Russell L. Anderson
Address: U.S. Nuclear Regulatory Commission
Technical Training Center
5746 Marlin Road, Suite 200
Chattanooga, TN 37411-5677

Telephone Number: 423-855-6521

(b) The project officer shall:

- (1) Monitor contractor performance and recommend changes in requirements to the contracting officer.
- (2) Inspect and accept products/services provided under the contract.
- (3) Review all contractor invoices/vouchers requesting payment for products/services provided under the contract and make recommendations for approval, disapproval, or suspension.
- (4) 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.

(c) The project officer may not make changes to the express terms and conditions of this contract.

*To be incorporated into any resultant contract

G.2 2052.215-78 TRAVEL APPROVALS AND REIMBURSEMENT -ALTERNATE 1 (OCT 1999)

(a) Total expenditure for travel may not exceed \$6,786 without the prior approval of the contracting officer.

(b) All foreign travel must be approved in advance by the NRC on NRC Form 445, Request for Approval of Official Foreign Travel, and must be in compliance with FAR 52.247-63 Preference for U.S. Flag Air Carriers. The contractor shall submit NRC Form 445 to the NRC no later than 30 days prior to the commencement of travel.

(c) The contractor will be reimbursed only for those travel costs incurred that are directly related to this contract and which are allowable subject to the limitations prescribed in FAR 31.205-46.

(d) It is the responsibility of the contractor to notify the contracting officer in accordance with the FAR Limitations of Cost clause of this contract when, at any time, the contractor learns that travel expenses will cause the contractor to exceed the travel ceiling amount identified in paragraph (a) of this clause.

(e) Reasonable travel costs for research and related activities performed at State and nonprofit institutions, in accordance with Section 12 of Pub. L. 100-679, shall be charged in accordance with the contractor's institutional policy to the degree that the limitations of Office of Management and Budget (OMB) guidance are not exceeded. Applicable guidance documents include OMB Circular A-87, Cost Principles for State and Local Governments; OMB Circular A-122, Cost Principles for Nonprofit Organizations; and OMB Circular A-21, Cost Principles for Educational Institutions.

G.3 2052.216-72 TASK ORDER PROCEDURES (OCT 1999)

(a) Task order request for proposal. When a requirement within the scope of work for this contract is identified, the contracting officer shall transmit to the contractor a Task Order Request for Proposal (TORFP) which may include the following, as appropriate:

- (1) Scope of work/meetings/travel and deliverables;
- (2) Reporting requirements;
- (3) Period of performance - place of performance;
- (4) Applicable special provisions;
- (5) Technical skills required; and
- (6) Estimated level of effort.

(b) Task order technical proposal. By the date specified in the TORFP, the contractor shall deliver to the contracting officer a written or verbal (as specified in the TORFP technical proposal submittal instructions) technical proposal that provides the technical information required by the TORFP.

(c) Cost proposal. The contractor's cost proposal for each task order must be fully supported by cost and pricing data adequate to establish the reasonableness of the proposed amounts. When the contractor's estimated cost for the proposed task order exceeds \$100,000 and the period of performance exceeds six months, the contractor may be required to submit a Contractor Spending Plan (CSP) as part of its cost proposal. The TORP indicates if a CSP is required.

(d) Task order award. The contractor shall perform all work described in definitized task orders issued by the contracting officer. Definitized task orders include the following:

- (1) Statement of work/meetings/travel and deliverables;
- (2) Reporting requirements;
- (3) Period of performance;
- (4) Key personnel;
- (5) Applicable special provisions; and
- (6) Total task order amount including any fixed fee.

G.4 2052.216-73 ACCELERATED TASK ORDER PROCEDURES (JAN 1993)

(a) The NRC may require the contractor to begin work before receiving a definitized task order from the contracting officer. Accordingly, when the contracting officer verbally authorizes the work, the contractor shall proceed with performance of the task order subject to the monetary limitation established for the task order by the contracting officer.

(b) When this accelerated procedure is employed by the NRC, the contractor agrees to begin promptly negotiating with the contracting officer the terms of the definitive task order and agrees to submit a cost proposal with supporting cost or pricing data. If agreement on a definitized task order is not reached by the target date mutually agreed upon by the contractor and contracting officer, the contracting officer may determine a reasonable price and/or fee in accordance with Subpart 15.8 and Part 31 of the FAR, subject to contractor appeal as provided in 52.233-1, Disputes. In any event, the contractor shall proceed with completion of the task order, subject only to the monetary limitation established by the contracting officer and the terms and conditions of the basic contract.

G.5 ORDERING PROCEDURES (MAY 1991)

(a) In addition to the contracting officer, contract specialist, and project officer, the following individuals are authorized to issue delivery orders under this contract:

- Douglas S. Simpkins

(b) All delivery orders shall be prepared in accordance with FAR 16.506 and may be issued in writing, orally, or by written telecommunications.

SECTION H - SPECIAL CONTRACT REQUIREMENTS

H.1 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.

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

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

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

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

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

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

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

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

1. 
2. 

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.3 GOVERNMENT FURNISHED EQUIPMENT/PROPERTY (JANUARY 2001)

(a) The NRC will provide the contractor with the following items for use under this contract:

1. Copy of Applicable NRC documents (NRC Regulatory Guides, Information Notices, Bulletins and NUREGs);
2. Copy of a student information sheet;
3. Course Evaluation Form;
4. NRC will provide the facility and equipment (projectors, white boards, etc.)

(b) The above listed equipment/property is hereby transferred from contract/agreement .

(c) Only the equipment/property listed above in the quantities shown will be provided by the Government. The contractor shall be responsible and accountable for all Government property provided under this contract and shall comply with the provisions of the FAR Government Property Clause under this contract and FAR Subpart 45.5, as in effect on the date of this contract. The contractor shall investigate and provide written notification to the NRC Contracting Officer (CO) and the NRC Division of Facilities and Security, Physical Security Branch of all cases of loss, damage, or destruction of Government property in its possession or control not later than 24 hours after discovery. The contractor must report stolen Government property to the local police and a copy of the police report must be provided to the CO and to the Division of Facilities and Security, Physical Security Branch.

(d) All other equipment/property required in performance of the contract shall be furnished by the Contractor.

H.4 SEAT BELTS

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

H.5 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 Manger 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.6 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.7 SECURITY REQUIREMENTS RELATING TO THE PRODUCTION OF REPORT(S) OR THE PUBLICATION OF RESULTS UNDER CONTRACTS, AGREEMENTS, AND GRANTS

Review and Approval of Reports

(a) Reporting Requirements. The contractor/grantee shall comply with the terms and conditions of the contract/grant regarding the contents of the draft and final report, summaries, data, and related documents, to include correcting, deleting, editing, revising, modifying, formatting, and supplementing any of the information contained therein, at no additional cost to the NRC. Performance under the contract/grant will not be deemed accepted or completed until it complies with the NRC's directions. The reports, summaries, data, and related documents will be considered draft until approved by the NRC. The contractor/grantee agrees that the direction, determinations, and decisions on approval or disapproval of reports, summaries, data, and related documents created under this contract/grant remain solely within the discretion of the NRC.

(b) Publication of Results. Prior to any dissemination, display, publication, or release of articles, reports, summaries, data, or related documents developed under the contract/grant, the contractor/grantee shall submit them to the NRC for review and approval. The contractor/grantee shall not release, disseminate, display or publish articles, reports, summaries, data, and related documents, or the contents therein, that have not been reviewed and approved by the NRC for release, display, dissemination or publication. The contractor/grantee agrees to conspicuously place any disclaimers, markings or notices, directed by the NRC, on any articles,

reports, summaries, data, and related documents that the contractor/grantee intends to release, display, disseminate or publish to other persons, the public, or any other entities. The contractor/grantee agrees, and grants, a royalty-free, nonexclusive, irrevocable worldwide license to the government, to use, reproduce, modify, distribute, prepare derivative works, release, display or disclose the articles, reports, summaries, data, and related documents developed under the contract/grant, for any governmental purpose and to have or authorize others to do so.

(c) Identification/Marking of Sensitive Unclassified and Safeguards Information. The decision, determination, or direction by the NRC that information possessed, formulated or produced by the contractor/grantee constitutes sensitive unclassified or safeguards information is solely within the authority and discretion of the NRC. In performing the contract/grant, the contractor/ grantee shall clearly mark sensitive unclassified and safeguards information, to include for example, AOUI-Allegation Information@ or AOUI-Security Related Information@ on any reports, documents, designs, data, materials, and written information, as directed by the NRC. In addition to marking the information as directed by the NRC, the contractor shall use the applicable NRC cover sheet (e.g., NRC Form 461 ASafeguards Information@) in maintaining these records and documents. The contractor/grantee shall ensure that sensitive unclassified and safeguards information is handled, maintained and protected from unauthorized disclosure, consistent with NRC policies and directions. The contractor/grantee shall comply with the requirements to mark, maintain, and protect all information, including documents, summaries, reports, data, designs, and materials in accordance with the provisions of Section 147 of the Atomic Energy Act of 1954 as amended, its implementing regulations (10 CFR 73.21), Sensitive Unclassified and Non-Safeguards Information policies, and NRC Management Directive and Handbook 12.6.

(d) Remedies. In addition to any civil, criminal, and contractual remedies available under the applicable laws and regulations, failure to comply with the above provisions, and/or NRC directions, may result in suspension, withholding, or offsetting of any payments invoiced or claimed by the contractor/grantee. If the contractor/grantee intends to enter into any subcontracts or other agreements to perform this contract/grant, the contractor/grantee shall include all of the above provisions in any subcontracts or agreements.

H.8 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.

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 2007 |
| 52.204-4 | PRINTED OR COPIED DOUBLE-SIDED ON RECYCLED PAPER | AUG 2000 |
| 52.204-7 | CENTRAL CONTRACTOR REGISTRATION | JUL 2006 |
| 52.209-6 | PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT | SEP 2006 |
| 52.215-2 | AUDIT AND RECORDS--NEGOTIATION | JUN 1999 |
| 52.215-8 | ORDER OF PRECEDENCE--UNIFORM CONTRACT FORMAT | OCT 1997 |
| 52.219-4 | NOTICE OF PRICE EVALUATION PREFERENCE FOR HUBZONE SMALL BUSINESS CONCERNS | JUL 2005 |
| 52.219-8 | UTILIZATION OF SMALL BUSINESS CONCERNS | MAY 2004 |
| 52.219-25 | SMALL DISADVANTAGED BUSINESS PARTICIPATION PROGRAM--DISADVANTAGED STATUS AND REPORTING | OCT 1999 |
| 52.222-3 | CONVICT LABOR | JUN 2003 |
| 52.222-21 | PROHIBITION OF SEGREGATED FACILITIES | FEB 1999 |
| 52.222-26 | EQUAL OPPORTUNITY | MAR 2007 |
| 52.222-35 | EQUAL OPPORTUNITY FOR SPECIAL DISABLED VETERANS, 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 | SEP 2006 |

| | | |
|-----------|---|----------|
| | VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS | |
| 52.222-50 | COMBATING TRAFFICKING IN PERSONS | AUG 2007 |
| 52.223-5 | POLLUTION PREVENTION AND RIGHT-TO-KNOW INFORMATION ALTERNATE I (AUG 2003) | AUG 2003 |
| 52.223-6 | DRUG-FREE WORKPLACE | MAY 2001 |
| 52.225-5 | TRADE AGREEMENTS | NOV 2007 |
| 52.225-13 | RESTRICTIONS ON CERTAIN FOREIGN PURCHASES | FEB 2006 |
| 52.227-1 | AUTHORIZATION AND CONSENT | DEC 2007 |
| 52.227-2 | NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT | DEC 2007 |
| 52.227-14 | RIGHTS IN DATA--GENERAL | DEC 2007 |
| 52.228-5 | INSURANCE--WORK ON A GOVERNMENT INSTALLATION | JAN 1997 |
| 52.229-3 | FEDERAL, STATE, AND LOCAL TAXES | APR 2003 |
| 52.232-1 | PAYMENTS | APR 1984 |
| 52.232-8 | DISCOUNTS FOR PROMPT PAYMENT | FEB 2002 |
| 52.232-11 | EXTRAS | APR 1984 |
| 52.232-17 | INTEREST | JUN 1996 |
| 52.232-23 | ASSIGNMENT OF CLAIMS | JAN 1986 |
| 52.232-33 | PAYMENT BY ELECTRONIC FUNDS--CENTRAL CONTRACTOR REGISTRATION | OCT 2003 |
| 52.233-3 | PROTEST AFTER AWARD | AUG 1996 |
| 52.233-4 | APPLICABLE LAW FOR BREACH OF CONTRACT CLAIM | OCT 2004 |
| 52.237-2 | PROTECTION OF GOVERNMENT BUILDINGS, EQUIPMENT, AND VEGETATION | APR 1984 |
| 52.242-13 | BANKRUPTCY | JUL 1995 |
| 52.242-15 | STOP-WORK ORDER | AUG 1989 |
| 52.243-1 | CHANGES--FIXED PRICE ALTERNATE I (APR 1984) | AUG 1987 |
| 52.244-6 | SUBCONTRACTS FOR COMMERCIAL ITEMS | MAR 2007 |
| 52.245-1A | GOVERNMENT PROPERTY ALTERNATE I (JUNE 2007) | JUN 2007 |
| 52.245-9 | USE AND CHARGES | JUN 2007 |
| 52.246-25 | LIMITATION OF LIABILITY--SERVICES | FEB 1997 |
| 52.248-1 | VALUE ENGINEERING | FEB 2000 |
| 52.249-4 | TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (SERVICES) (SHORT FORM) | APR 1984 |
| 52.249-8 | DEFAULT (FIXED-PRICE SUPPLY AND SERVICE) | APR 1984 |
| 52.253-1 | COMPUTER GENERATED FORMS | JAN 1991 |

I.2 52.216-18 ORDERING (OCT 1995)

(a) Any supplies and services to be furnished under this contract shall be ordered by issuance of delivery orders or task orders by the individuals or activities designated in the Schedule. Such orders may be issued from April 30, 2008 through April 29, 2009.

(b) All delivery orders or task orders are subject to the terms and conditions of this contract. In the event of conflict between a delivery order or task order and this contract, the contract shall control.

(c) If mailed, a delivery order or task order is considered "issued" when the Government deposits the order in the mail. Orders may be issued orally, by facsimile, or by electronic commerce methods only if authorized in the Schedule.

I.3 52.216-19 ORDER LIMITATIONS (OCT 1995)

(a) Minimum order. When the Government requires supplies or services covered by this contract in an amount of less than \$300.00, the Government is not obligated to purchase, nor is the Contractor obligated to furnish, those supplies or services under the contract.

(b) Maximum order. The Contractor is not obligated to honor--

(1) Any order for a single item in excess of \$214,172 ;

(2) Any order for a combination of items in excess of \$214,172; or

(3) A series of orders from the same ordering office within 30 days that together call for quantities exceeding the limitation in paragraph (b)(1) or (2) of this section.

(c) If this is a requirements contract (i.e., includes the Requirements clause at subsection 52.216-21 of the Federal Acquisition Regulation (FAR)), the Government is not required to order a part of any one requirement from the Contractor if that requirement exceeds the maximum-order limitations in paragraph (b) of this section.

(d) Notwithstanding paragraphs (b) and (c) of this section, the Contractor shall honor any order exceeding the maximum order limitations in paragraph (b), unless that order (or orders) is returned to the ordering office within days after issuance, with written notice stating the Contractor's intent not to ship the item (or items) called for and the reasons. Upon receiving this notice, the Government may acquire the supplies or services from another source.

I.4 52.216-21 REQUIREMENTS (OCT 1995)

(a) This is a requirements contract for the supplies or services specified, and effective for the period stated, in the Schedule. The quantities of supplies or services specified in the Schedule are estimates only and are not purchased by this contract. Except as this contract may otherwise provide, if the Government's requirements do not result in orders in the quantities described as "estimated" or "maximum" in the Schedule, that fact shall not constitute the basis for an equitable price adjustment.

(b) Delivery or performance shall be made only as authorized by orders issued in accordance with the Ordering clause. Subject to any limitations in the Order Limitations clause or elsewhere in this contract, the Contractor shall furnish to the Government all supplies or services specified in the Schedule and called for by orders issued in accordance with the Ordering clause. The Government may issue orders requiring delivery to multiple destinations or performance at multiple locations.

(c) Except as this contract otherwise provides, the Government shall order from the Contractor all the supplies or services specified in the Schedule that are required to be purchased by the Government activity or activities specified in the Schedule.

(d) The Government is not required to purchase from the Contractor requirements in excess of any limit on total orders under this contract.

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(e) If the Government urgently requires delivery of any quantity of an item before the earliest date that delivery may be specified under this contract, and if the Contractor will not accept an order providing for the accelerated delivery, the Government may acquire the urgently required goods or services from another source.

(f) Any order issued during the effective period of this contract and not completed within that period shall be completed by the Contractor within the time specified in the order. The contract shall govern the Contractor's and Government's rights and obligations with respect to that order to the same extent as if the order were completed during the contract's effective period; provided, that the Contractor shall not be required to make any deliveries under this contract after .

I.5 52.217-7 OPTION FOR INCREASED QUANTITY--SEPARATELY PRICED LINE ITEM (MAR 1989)

The Government may require the delivery of the numbered line item, identified in the Schedule as an option item, in the quantity and at the price stated in the Schedule. The Contracting Officer may exercise the option by written notice to the Contractor within 30 to 60 days notice. Delivery of added items shall continue at the same rate that like items are called for under the contract, unless the parties otherwise agree.

I.6 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 30 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 five (5) years.

I.7 52.227-23 RIGHTS TO PROPOSAL DATA (TECHNICAL) (JUN 1987)

Except for data contained on pages , it is agreed that as a condition of award of this contract, and notwithstanding the conditions of any notice appearing thereon, the Government shall have unlimited rights (as defined in the "Rights in Data--General" clause contained in this contract) in and to the technical data contained in the proposal dated upon which this contract is based.

I.8 52.232-25 PROMPT PAYMENT (OCT 2003)

Notwithstanding any other payment clause in this contract, the Government will make invoice payments under the terms and conditions specified in this clause. The Government considers payment as being made on the day a check is dated or the date of an electronic funds transfer (EFT). Definitions of pertinent terms are set forth in sections 2.101, 32.001, and 32.902 of the Federal Acquisition Regulation. All days referred to in this clause are calendar days, unless otherwise specified. (However, see paragraph (a)(4) of this clause concerning payments due on Saturdays, Sundays, and legal holidays.)

(a) Invoice payments--

(1) Due date.

(i) Except as indicated in paragraphs (a)(2) and (c) of this clause, the due date for making invoice payments by the designated payment office is the later of the following two events:

(A) The 30th day after the designated billing office receives a proper invoice from the Contractor (except as provided in paragraph (a)(1)(ii) of this clause).

(B) The 30th day after Government acceptance of supplies delivered or services performed. For a final invoice, when the payment amount is subject to contract settlement actions, acceptance is deemed to occur on the effective date of the contract settlement.

(ii) If the designated billing office fails to annotate the invoice with the actual date of receipt at the time of receipt, the invoice payment due date is the 30th day after the date of the Contractor's invoice, provided the designated billing office receives a proper invoice and there is no disagreement over quantity, quality, or Contractor compliance with contract requirements.

(2) Certain food products and other payments.

(i) Due dates on Contractor invoices for meat, meat food products, or fish; perishable agricultural commodities; and dairy products, edible fats or oils, and food products prepared from edible fats or oils are--

(A) For meat or meat food products, as defined in section 2(a)(3) of the Packers and Stockyard Act of 1921 (7 U.S.C. 182(3)), and as further defined in Pub. L. 98-181, including any edible fresh or frozen poultry meat, any perishable poultry meat food product, fresh eggs, and any perishable egg product, as close as possible to, but not later than, the 7th day after product delivery.

(B) For fresh or frozen fish, as defined in section 204(3) of the Fish and Seafood Promotion Act of 1986 (16 U.S.C. 4003(3)), as close as possible to, but not later than, the 7th day after product delivery.

(C) For perishable agricultural commodities, as defined in section 1(4) of the Perishable Agricultural Commodities Act of 1930 (7 U.S.C. 499a(4)), as close as possible to, but not later than, the 10th day after product delivery, unless another date is specified in the contract.

(D) For dairy products, as defined in section 111(e) of the Dairy Production Stabilization Act of 1983 (7 U.S.C. 4502(e)), edible fats or oils, and food products prepared from edible fats or oils, as close as possible to, but not later than, the 10th day after the date on which a proper invoice has been received. Liquid milk, cheese, certain processed cheese products, butter, yogurt, ice cream, mayonnaise, salad dressings, and other similar products, fall within this classification. Nothing in the Act limits this classification to refrigerated products. When questions arise regarding the proper classification of a specific product, prevailing industry

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practices will be followed in specifying a contract payment due date. The burden of proof that a classification of a specific product is, in fact, prevailing industry practice is upon the Contractor making the representation.

(ii) If the contract does not require submission of an invoice for payment (e.g., periodic lease payments), the due date will be as specified in the contract.

(3) Contractor's invoice. The Contractor shall prepare and submit invoices to the designated billing office specified in the contract. A proper invoice must include the items listed in paragraphs (a)(3)(i) through (a)(3)(x) of this clause. If the invoice does not comply with these requirements, the designated billing office will return it within 7 days after receipt (3 days for meat, meat food products, or fish; 5 days for perishable agricultural commodities, dairy products, edible fats or oils, and food products prepared from edible fats or oils), with the reasons why it is not a proper invoice. The Government will take into account untimely notification when computing any interest penalty owed the Contractor.

(i) Name and address of the Contractor.

(ii) Invoice date and invoice number. (The Contractor should date invoices as close as possible to the date of the mailing or transmission.)

(iii) Contract number or other authorization for supplies delivered or services performed (including order number and contract line item number).

(iv) Description, quantity, unit of measure, unit price, and extended price of supplies delivered or services performed.

(v) Shipping and payment terms (e.g., shipment number and date of shipment, discount for prompt payment terms). Bill of lading number and weight of shipment will be shown for shipments on Government bills of lading.

(vi) Name and address of Contractor official to whom payment is to be sent (must be the same as that in the contract or in a proper notice of assignment).

(vii) Name (where practicable), title, phone number, and mailing address of person to notify in the event of a defective invoice.

(viii) Taxpayer Identification Number (TIN). The Contractor shall include its TIN on the invoice only if required elsewhere in this contract.

(ix) Electronic funds transfer (EFT) banking information.

(A) The Contractor shall include EFT banking information on the invoice only if required elsewhere in this contract.

(B) If EFT banking information is not required to be on the invoice, in order for the invoice to be a proper invoice, the Contractor shall have submitted correct EFT banking information in accordance with the applicable solicitation provision (e.g., 52.232-38, Submission of Electronic Funds Transfer Information with Offer), contract clause (e.g., 52.232-33, Payment by Electronic Funds Transfer--Central Contractor Registration, or 52.232-34, Payment by Electronic Funds Transfer--Other Than Central Contractor Registration), or applicable agency procedures.

(C) EFT banking information is not required if the Government waived the requirement to pay by EFT.

(x) Any other information or documentation required by the contract (e.g., evidence of shipment).

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(4) Interest penalty. The designated payment office will pay an interest penalty automatically, without request from the Contractor, if payment is not made by the due date and the conditions listed in paragraphs (a)(4)(i) through (a)(4)(iii) of this clause are met, if applicable. However, when the due date falls on a Saturday, Sunday, or legal holiday, the designated payment office may make payment on the following working day without incurring a late payment interest penalty.

(i) The designated billing office received a proper invoice.

(ii) The Government processed a receiving report or other Government documentation authorizing payment, and there was no disagreement over quantity, quality, or Contractor compliance with any contract term or condition.

(iii) In the case of a final invoice for any balance of funds due the Contractor for supplies delivered or services performed, the amount was not subject to further contract settlement actions between the Government and the Contractor.

(5) Computing penalty amount. The Government will compute the interest penalty in accordance with the Office of Management and Budget prompt payment regulations at 5 CFR part 1315.

(i) For the sole purpose of computing an interest penalty that might be due the Contractor, Government acceptance is deemed to occur constructively on the 7th day (unless otherwise specified in this contract) after the Contractor delivers the supplies or performs the services in accordance with the terms and conditions of the contract, unless there is a disagreement over quantity, quality, or Contractor compliance with a contract provision. If actual acceptance occurs within the constructive acceptance period, the Government will base the determination of an interest penalty on the actual date of acceptance. The constructive acceptance requirement does not, however, compel Government officials to accept supplies or services, perform contract administration functions, or make payment prior to fulfilling their responsibilities.

(ii) The prompt payment regulations at 5 CFR 1315.10(c) do not require the Government to pay interest penalties if payment delays are due to disagreement between the Government and the Contractor over the payment amount or other issues involving contract compliance, or on amounts temporarily withheld or retained in accordance with the terms of the contract. The Government and the Contractor shall resolve claims involving disputes and any interest that may be payable in accordance with the clause at FAR 52.233-1, Disputes.

(6) Discounts for prompt payment. The designated payment office will pay an interest penalty automatically, without request from the Contractor, if the Government takes a discount for prompt payment improperly. The Government will calculate the interest penalty in accordance with the prompt payment regulations at 5 CFR part 1315.

(7) Additional interest penalty.

(i) The designated payment office will pay a penalty amount, calculated in accordance with the prompt payment regulations at 5 CFR part 1315 in addition to the interest penalty amount only if--

(A) The Government owes an interest penalty of \$1 or more;

(B) The designated payment office does not pay the interest penalty within 10 days after the date the invoice amount is paid; and

(C) The Contractor makes a written demand to the designated payment office for additional penalty payment, in accordance with paragraph (a)(7)(ii) of this clause, postmarked not later than 40 days after the invoice amount is paid.

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(ii)(A) The Contractor shall support written demands for additional penalty payments with the following data. The Government will not request any additional data. The Contractor shall--

(1) Specifically assert that late payment interest is due under a specific invoice, and request payment of all overdue late payment interest penalty and such additional penalty as may be required;

(2) Attach a copy of the invoice on which the unpaid late payment interest is due; and

(3) State that payment of the principal has been received, including the date of receipt.

(B) If there is no postmark or the postmark is illegible--

(1) The designated payment office that receives the demand will annotate it with the date of receipt, provided the demand is received on or before the 40th day after payment was made; or

(2) If the designated payment office fails to make the required annotation, the Government will determine the demand's validity based on the date the Contractor has placed on the demand, provided such date is no later than the 40th day after payment was made.

(iii) The additional penalty does not apply to payments regulated by other Government regulations (e.g., payments under utility contracts subject to tariffs and regulation).

(b) Contract financing payment. If this contract provides for contract financing, the Government will make contract financing payments in accordance with the applicable contract financing clause.

(c) Fast payment procedure due dates. If this contract contains the clause at 52.213-1, Fast Payment Procedure, payments will be made within 15 days after the date of receipt of the invoice.

(d) Overpayments. If the Contractor becomes aware of a duplicate contract financing or invoice payment or that the Government has otherwise overpaid on a contract financing or invoice payment, the Contractor shall immediately notify the Contracting Officer and request instructions for disposition of the overpayment.

I.9 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 NUMBER</u> | <u>TITLE</u> | <u>NO. PAGES</u> |
|------------------------------|--|----------------------|
| 1 | Proposed Topics for Quality Assurance Program | 2 |
| 2 | Fixed Price Billing Instructions | 3 |
| 3 | 48 CFR Part 2009 Organizational Conflicts of Interest | 15 |

ATTACHMENT I

PROPOSED TOPICS FOR QUALITY ASSURANCE PROGRAM COURSE

| MAIN TOPIC | SUB-TOPIC |
|---|--|
| <p>Requirements of 10 CFR 50, Appendix B, ASME NQA-1-1994 and more recently endorsed versions as applicable</p> | <p>Review of the Criteria</p> <p>Detailed review of the Basic Requirements and Supplements relevant to nuclear power plant and fuel facility construction and operational programs.</p> <p>Overview of 10 CFR 50.34(b)(6)(ii) in that NQA-1-1994 provides guidance on how to implement the requirements of 10 CFR Part 50, Appendix B.</p> |
| <p>NRC Standard Review Plan for Quality Assurance Programs (Section 17.5 of NUREG 0800)</p> | <p>General overview of the SRP and selected examples of review criteria.</p> <p>Overview of NRC endorsed revision of NEI QA Program Template (NEI 06-14) and UniStar approved QAP. Overview of NRC related safety evaluation reports for these industry documents.</p> <p>Examples of exceptions taken to standards.</p> <p>Applicable Subparts of ASME NQA-1 required by the Standard Review Plan</p> |
| <p>ASME Section III Code requirements related to quality assurance and control requirements during fabrication of Code components</p> | <p>Provide a general overview of the QA/QC requirements of ASME Section III including Subsection NCA (General requirements for Division 1 and Division 2), identify the specific QA program requirements for Material Organizations in NCA-3800, and identify QA program requirements for nuclear facilities and N-Type certificate holders in ASME NQA-1-1994.</p> |
| <p>Requirements of 10 CFR Part 21</p> | <p>Overview of the relationship between 10 CFR Part 21 and 10 CFR Part 50 Appendix B requirements as they relate to the procurement of basic components. Overview of Inspection Procedure 36100.</p> |

Attachment 1

| | |
|---|--|
| Commercial Grade Dedication Programs | Overview of the guidance provided in Generic Letters 89-02 and 91-05. Overview of the guidance in Inspection Procedure 43004. |
| Case studies of QA related inspection findings | Focus on construction programs of power plants and fuel facilities |
| Development of proficiency in inspecting the adequacy of nuclear power plant construction quality assurance programs. | Use of the applicable NRC Inspection Manual Inspection Procedures |
| Overview of other internationally recognized quality assurance standards and guidance. | <p>Overview of IAEA Safety Standards related to Quality Assurance, including:</p> <ol style="list-style-type: none"> 1. GS-R-3, "The Management system for Facilities and Activities (2006)" (Ex DS338) - superceded 50-C-Q. 2. GS-G-3.1, "Application of the Management System for Facilities and Activities (2006)" (Ex DS339) - superceded 50-SG-Q1 to Q7 3. DS349, "Management Systems for Nuclear Facilities." (Combining 50-SG-Q, Safety Guides Q8 through Q14 (1996)). <p>Overview of ISO 9001 to the extent that it defines the requirements for Quality Management Systems and what it takes to for an organization to become ISO 9001 Registered.</p> |

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**BILLING INSTRUCTIONS FOR
FIXED PRICE 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 or invoices as prescribed herein. **FAILURE TO SUBMIT VOUCHERS/INVOICES IN ACCORDANCE WITH THESE INSTRUCTIONS WILL RESULT IN REJECTION OF THE VOUCHER/INVOICES AS IMPROPER.**

Form: Claims shall be submitted on the payee's letterhead, voucher/invoices, or on the Government's Standard Form 1034, "Public Voucher for Purchases and Services Other than Personal," and Standard Form 1035, "Public Voucher for Purchases Other than Personal--Continuation Sheet." These forms are available from the U.S. Government Printing Office, 710 North Capitol Street, Washington, DC 20401.

Number of Copies: An original and three copies shall be submitted. 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 - T-7-I-2
Washington, DC 20555-0001

A copy of any invoice which includes a purchase of property valued at the time of purchase at \$5000 or more, shall additionally be sent to:

NRC Property Management Officer
Administrative Services Center
Mail Stop -O-2G-112
Washington, DC 20555-0001

HAND-DELIVERY OF VOUCHERS/INVOICES IS DISCOURAGED AND WILL NOT EXPEDITE PROCESSING BY THE NRC. However, should you choose to deliver vouchers/invoices by hand, including delivery by any express mail service or special delivery service which uses a courier or other person to deliver the vouchers/invoices 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 - Mail Room
11555 Rockville Pike
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.

ATTACHMENT 2

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

Frequency: The contractor shall submit a voucher or invoice only after the NRC's final acceptance of services rendered or products delivered in performance of the contract unless otherwise specified in the contract.

Preparation and Itemization of the Voucher/Invoice: The voucher/invoice shall be prepared in ink or by typewriter (without strike-overs). Corrections or erasures must be initialed. To be considered a proper voucher/invoice, all of the following elements must be included:

1. Contractor's Data Universal Number (DUNS) or DUNS+4 number that identifies the contractor'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 contractor to identify alternative Electronic Funds Transfer (EFT) accounts for the same parent concern.
2. Contract number.
3. Sequential voucher/invoice number.
4. Date of voucher/invoice.
5. 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).
6. Description of articles or services, quantity, unit price, and total amount.
7. For contractor acquired property list each item purchased costing \$50,000 or more and having a life expectancy of more than 1 year and provide: (1) an item description, (2) manufacturer, (3) model number, (4) serial number, (5) acquisition cost, (6) date of purchase, and (7) a copy of the purchasing document.
8. Weight and zone of shipment, if shipped by parcel post.
9. Charges for freight or express shipments. Attach prepaid bill if shipped by freight or express.
10. Instructions to consignee to notify the Contracting Officer of receipt of shipment.

ATTACHMENT III

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Subpart 2009.5--Organizational Conflicts of Interest

Sec. 2009.570-1 Scope of policy.

(a) It is the policy of NRC to avoid, eliminate, or neutralize contractor organizational conflicts of interest. The NRC achieves this objective by requiring all prospective contractors to submit information

describing relationships, if any, with organizations or persons (including those regulated by the NRC) which may give rise to actual or potential conflicts of interest in the event of contract award.

(b) Contractor conflict of interest determinations cannot be made automatically or routinely. The application of sound judgment on virtually a case-by-case basis is necessary if the policy is to be applied to satisfy the overall public interest. It is not possible to prescribe in advance a specific method or set of criteria which would serve to identify and resolve all of the contractor conflict of interest

situations that might arise. However, examples are provided in the regulations in this chapter to guide application of this policy guidance. The ultimate test is as follows: Might the contractor, if awarded the contract, be placed in a position where its judgment may be biased, or where it may have an unfair competitive advantage?

(c) The conflict of interest rule contained in this subpart applies to contractors and offerors only. Individuals or firms who have other relationships with the NRC (e.g., parties to a licensing proceeding) are

not covered by the regulations in this chapter. This rule does not apply

to the acquisition of consulting services through the personnel appointment process. NRC agreements with other Government agencies, international organizations, or state, local, or foreign Governments. Separate procedures for avoiding conflicts of interest will be employed in these agreements, as appropriate.

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Sec. 2009.570-2 Definitions.

Affiliates means business concerns which are affiliates of each other when either directly or indirectly one concern or individual controls or has the power to control another, or when a third party controls or has the power to control both.

Contract means any contractual agreement or other arrangement with the NRC except as provided in 2009.570-1(c).

Contractor means any person, firm, unincorporated association, joint venture, co-sponsor, partnership, corporation, affiliates thereof, or their successors in interest, including their chief executives, directors, key personnel (identified in the contract), proposed consultants or subcontractors, which are a party to a contract with the NRC.

Evaluation activities means any effort involving the appraisal of a technology, process, product, or policy.

Offeror or prospective contractor means any person, firm, unincorporated association, joint venture, co-sponsor, partnership, corporation, or their affiliates or successors in interest, including their chief executives, directors, key personnel, proposed consultants, or subcontractors, submitting a bid or

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proposal, solicited or unsolicited, to the NRC to obtain a contract.

Organizational conflicts of interest means that a relationship exists whereby a contractor or prospective contractor has present or planned interests related to the work to be performed under an NRC contract which:

(1) May diminish its capacity to give impartial, technically sound, objective assistance and advice, or may otherwise result in a biased work product; or

(2) May result in its being given an unfair competitive advantage.

Potential conflict of interest means that a factual situation exists that suggests that an actual conflict of interest may arise from award of a proposed contract. The term potential conflict of interest is used to signify those situations that--

(1) Merit investigation before contract award to ascertain whether award would give rise to an actual conflict; or

(2) Must be reported to the contracting officer for investigation if they arise during contract performance.

Research means any scientific or technical work involving theoretical analysis, exploration, or experimentation.

Subcontractor means any subcontractor of any tier who performs work under a contract with the NRC except subcontracts for supplies and subcontracts in amounts not exceeding \$10,000.

Technical consulting and management support services means internal assistance to a component of the NRC in the formulation or administration of its programs, projects, or policies which normally require that the contractor be given access to proprietary information or to information that has not been made available to the public. These services typically include assistance in the preparation of program plans, preliminary designs, specifications, or statements of work.

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Subpart 2009.5--Organizational Conflicts of Interest

Sec. 2009.570-3 Criteria for recognizing contractor organizational conflicts of interest.

(a) General. (1) Two questions will be asked in determining whether actual or potential organizational conflicts of interest exist:

(i) Are there conflicting roles which might bias an offeror's or contractor's judgment in relation to its work for the NRC?

(ii) May the offeror or contractor be given an unfair competitive advantage based on the performance of the contract?

(2) NRC's ultimate determination that organizational conflicts of interest exist will be made in light of common sense and good business judgment based upon the relevant facts. While it is difficult to identify and to prescribe in advance a specific method for avoiding all of the various situations or relationships that might involve potential organizational conflicts of interest, NRC personnel will pay particular attention to proposed contractual requirements that call for the rendering of advice, consultation or evaluation activities, or similar activities that directly lay the groundwork for the NRC's decisions on regulatory activities, future procurements, and research programs. Any work performed at an applicant or licensee site will also be closely scrutinized by the NRC staff.

(b) Situations or relationships. The following situations or relationships may give rise to organizational conflicts of interest:

(1) The offeror or contractor shall disclose information that may give rise to organizational conflicts of interest under the following circumstances. The information may include the scope of work or specification for the requirement being performed, the period of performance, and the name and telephone number for a point of contact at

the organization knowledgeable about the commercial contract.

(i) Where the offeror or contractor provides advice and recommendations to the NRC in the same technical area where it is also providing consulting assistance to any organization regulated by the NRC.

(ii) Where the offeror or contractor provides advice to the NRC on the same or similar matter on which it is also providing assistance to any organization regulated by the NRC.

(iii) Where the offeror or contractor evaluates its own products or services,

or has been substantially involved in the development or marketing of the products or services of another entity.

(iv) Where the award of a contract would result in placing the offeror or contractor in a conflicting role in which its judgment may be biased in relation to its work for the NRC, or would result in an unfair competitive advantage for the offeror or contractor.

(v) Where the offeror or contractor solicits or performs work at an applicant or licensee site while performing work in the same technical area for the NRC at the same site.

(2) The contracting officer may request specific information from an offeror or contractor or may require special contract clauses such as provided in 2009.570-5(b) in the following circumstances:

(i) Where the offeror or contractor prepares specifications that are to be used in competitive procurements of products or services covered by the specifications.

(ii) Where the offeror or contractor prepares plans for specific approaches or methodologies that are to be incorporated into competitive procurements using the approaches or methodologies.

(iii) Where the offeror or contractor is granted access to information not available to the public concerning NRC plans, policies, or programs that could form the basis for a later procurement action.

(iv) Where the offeror or contractor is granted access to proprietary information of its competitors.

(v) Where the award of a contract might result in placing the offeror or contractor in a conflicting role in which its judgment may be biased in relation to its work for the NRC or might result in an unfair competitive advantage for the offeror or contractor.

(c) Policy application guidance. The following examples are illustrative only and are not intended to identify and resolve all contractor organizational conflict of interest situations.

(1)(i) Example. The ABC Corp., in response to a Request For Proposal (RFP), proposes to undertake certain analyses of a reactor component as called for in the RFP. The ABC Corp. is one of several companies considered to be technically well qualified. In response to the inquiry in the RFP, the ABC Corp. advises that it is currently performing similar analyses for the reactor manufacturer.

(ii) Guidance. An NRC contract for that particular work normally would not be awarded to the ABC Corp. because the company would be placed in a position in which its judgment could be biased in relationship to its work for the NRC. Because there are other well-qualified companies available, there would be no reason for considering a waiver of the policy.

(2)(i) Example. The ABC Corp., in response to an RFP, proposes to perform certain analyses of a reactor component that is unique to one type of advanced reactor. As is the case with other technically qualified companies responding to the RFP, the ABC Corp. is performing various projects for several different utility clients. None of the ABC

Corp. projects have any relationship to the work called for in the RFP. Based on the NRC evaluation, the ABC Corp. is considered to be the best qualified company to perform the work outlined in the RFP.

(ii) Guidance. An NRC contract normally could be awarded to the ABC Corp. because no conflict of interest exists which could motivate bias with respect to the work. An appropriate clause would be included in the

contract to preclude the ABC Corp. from subsequently contracting for work with the private sector that could create a conflict during the performance of the NRC contract. For example, ABC Corp. would be precluded from the performance of similar work for the company developing the advanced reactor mentioned in the example.

(3)(i) Example. The ABC Corp., in response to a competitive RFP, submits a proposal to assist the NRC in revising NRC's guidance documents on the respiratory protection requirements of 10 CFR part 20. ABC Corp. is the only firm determined to be technically acceptable. ABC Corp. has performed substantial work for regulated utilities in the past

and is expected to continue similar efforts in the future. The work has and will cover the writing, implementation, and administration of compliance respiratory protection programs for nuclear power plants.

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(ii) Guidance. This situation would place the firm in a role where its judgment could be biased in relationship to its work for the NRC. Because the nature of the required work is vitally important in terms of

the NRC's responsibilities and no reasonable alternative exists, a waiver of the policy, in accordance with 2009.570-9 may be warranted. Any waiver must be fully documented in accordance with the waiver provisions of this policy with particular attention to the establishment

of protective mechanisms to guard against bias.

(4)(i) Example. The ABC Corp. submits a proposal for a new system to evaluate a specific reactor component's performance for the purpose of developing standards that are important to the NRC program. The ABC Corp. has advised the NRC that it intends to sell the new system to industry once its practicability has been demonstrated. Other companies in this business are using older systems for evaluation of the specific reactor component.

(ii) Guidance. A contract could be awarded to the ABC Corp. if the contract stipulates that no information produced under the contract will

be used in the contractor's private activities unless this information has been reported to the NRC. Data on how the reactor component performs, which is reported to the NRC by contractors, will normally be disseminated by the NRC to others to preclude an unfair competitive advantage. When the NRC furnishes information about the reactor component to the contractor for the performance of contracted work, the information may not be used in the contractor's private activities unless the information is generally available to others. Further, the contract will stipulate that the contractor will inform the NRC contracting officer of all situations in which the information, developed about the performance of the reactor component under the contract, is proposed to be used.

(5)(i) Example. The ABC Corp., in response to a RFP, proposes to assemble a map showing certain seismological features of the Appalachian fold belt. In accordance with the representation in the RFP and 2009.570-3(b)(1)(i), ABC Corp. informs the NRC that it is presently doing seismological studies for several utilities in the eastern United States, but none of the sites are within the geographic area contemplated by the NRC study.

(ii) Guidance. The contracting officer would normally conclude that award of a contract would not place ABC Corp. in a conflicting role where its judgment might be biased. Section 2052.209-72(c) Work for Others, would preclude ABC Corp. from accepting work which could create a conflict of interest during the term of the NRC contract.

(6)(i) Example. AD Division of ABC Corp., in response to a RFP, submits a proposal to assist the NRC in the safety and environmental review of applications for licenses for the construction, operation, and decommissioning of fuel cycle facilities. ABC Corp. is divided into two separate and distinct divisions, AD and BC. The BC Division performs the same or similar services for industry. The BC Division is currently providing the same or similar services required under the NRC's contract for an applicant or licensee.

(ii) Guidance. An NRC contract for that particular work would not be awarded to the ABC Corp. The AD Division could be placed in a position to pass judgment on work performed by the BC Division, which could bias its work for NRC. Further, the Conflict of Interest provisions apply to ABC Corp. and not to separate or distinct divisions within the company. If no reasonable alternative exists, a waiver of the policy could be sought in accordance with 2009.570-9.

(7)(i) Example. The ABC Corp. completes an analysis for NRC of steam generator tube leaks at one of a utility's six sites. Three months later, ABC Corp. is asked by this utility to perform the same analysis at another of its sites.

(ii) Guidance. Section 2052.290-72(c)(3) would prohibit the contractor from beginning this work for the utility until one year after completion of the NRC work at the first site.

(8)(i) Example. ABC Corp. is assisting NRC in a major on-site analysis of a utility's redesign of the common areas between its twin reactors. The contract is for two years with an estimated

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value of \$5 million. Near the completion of the NRC work, ABC Corp. requests authority to solicit for a \$100K contract with the same utility to transport spent fuel to a disposal site. ABC Corp. is performing no other work for the utility.

(ii) Guidance. The Contracting Officer would allow the contractor to proceed with the solicitation because it is not in the same technical area as the NRC work; and the potential for technical bias by the

contractor because of financial ties to the utility is slight due to the relative value of the two contracts.

(9)(i) Example. The ABC Corp. is constructing a turbine building and installing new turbines at a reactor site. The contract with the utility is for five years and has a total value of \$100 million. ABC Corp. has responded to an NRC Request For Proposal requiring the contractor to participate in a major team inspection unrelated to the turbine work at the same site. The estimated value of the contract is \$75K.

(ii) Guidance. An NRC contract would not normally be awarded to ABC Corp. because these factors create the potential for financial loyalty to the utility that may bias the technical judgment of the contractor.

(d) Other considerations. (1) The fact that the NRC can identify and later avoid, eliminate, or neutralize any potential organizational conflicts arising from the performance of a contract is not relevant to a determination of the existence of conflicts prior to the award of a contract.

(2) It is not relevant that the contractor has the professional reputation of being able to resist temptations which arise from organizational conflicts of interest, or that a follow-on procurement is not involved, or that a contract is awarded on a competitive or a sole source basis.

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Sec. 2009.570-4 Representation.

(a) The following procedures are designed to assist the NRC contracting officer in determining whether situations or relationships exist which may constitute organizational conflicts of interest with respect to a particular offeror or contractor. The procedures apply to small purchases meeting the criteria stated in the following paragraph (b) of this section.

(b) The organizational conflicts of interest representation provision at 2052.209-71 must be included in solicitations and contracts resulting from unsolicited proposals. The contracting officer must also include this provision for task orders and contract modifications for new work for:

- (1) Evaluation services or activities;
- (2) Technical consulting and management support services;
- (3) Research; and
- (4) Other contractual situations where special organizational

conflicts of interest provisions are noted in the solicitation and would

be included in the resulting contract. This representation requirement also applies to all modifications for additional effort under the contract except those issued under the "Changes" clause. Where, however, a statement of the type required by the organizational conflicts of interest representation provisions has previously been submitted with regard to the contract being modified, only an updating of the statement is required.

(c) The offeror may, because of actual or potential organizational conflicts of interest, propose to exclude specific kinds of work contained in a RFP unless the RFP specifically prohibits the exclusion. Any such proposed exclusion by an offeror will be considered by the NRC in the evaluation of proposals. If the NRC considers the proposed excluded work to be an essential or integral part of the required work and its exclusion would be to the detriment of the competitive posture of the other offerors, the NRC shall reject the proposal as unacceptable.

(d) The offeror's failure to execute the representation required by paragraph (b) of this section with respect to an invitation for bids is considered to be a minor informality. The offeror will be permitted to

correct the omission.

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Sec. 2009.570-5 Contract clauses.

(a) General contract clause. All contracts and simplified acquisitions of the types set forth in 2009.570-4(b) must

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include the clause entitled, "Contractor Organizational Conflicts of Interest," set forth in 2052.209-72.

(b) Other special contract clauses. If it is determined from the nature of the proposed contract that an organizational conflict of interest exists, the contracting officer may determine that the conflict

can be avoided, or, after obtaining a waiver in accordance with 2009.570-9, neutralized through the use of an appropriate special contract clause. If appropriate, the offeror may negotiate the terms and

conditions of these clauses, including the extent and time period of any restriction. These clauses include but are not limited to:

(1) Hardware exclusion clauses which prohibit the acceptance of production contracts following a related non-production contract previously performed by the contractor;

(2) Software exclusion clauses;

(3) Clauses which require the contractor (and certain of its key personnel) to avoid certain organizational conflicts of interest; and

(4) Clauses which provide for protection of confidential data and guard against its unauthorized use.

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Sec. 2009.570-6 Evaluation, findings, and contract award.

The contracting officer shall evaluate all relevant facts submitted by an offeror and other relevant information. After evaluating this information against the criteria of 2009.570-3, the contracting officer shall make a finding of whether organizational conflicts of interest exist with respect to a particular offeror. If it has been determined that real or potential conflicts of interest exist, the contracting officer shall:

- (a) Disqualify the offeror from award;
- (b) Avoid or eliminate such conflicts by appropriate measures; or
- (c) Award the contract under the waiver provision of 2009.570-9.

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Sec. 2009.570-7 Conflicts identified after award.

If potential organizational conflicts of interest are identified after award with respect to a particular contractor and the contracting officer determines that conflicts do exist and that it would not be in the best interest of the Government to terminate the contract, as provided in the clauses required by 2009.570-5, the contracting officer shall take every reasonable action to avoid, eliminate, or, after obtaining a waiver in accordance with 2009.570-9, neutralize the effects of the identified conflict.

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Sec. 2009.570-8 Subcontracts.

The contracting officer shall require offerors and contractors to submit a representation statement from all subcontractors (other than a supply subcontractor) and consultants performing services in excess of \$10,000 in accordance with 2009.570-4(b). The contracting officer shall require the contractor to include contract clauses in accordance with 2009.570-5 in consultant agreements or subcontracts involving performance of work under a prime contract.

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Sec. 2009.570-9 Waiver.

(a) The contracting officer determines the need to seek a waiver for specific contract awards with the advice and concurrence of the program office director and legal counsel. Upon the recommendation of the Senior Procurement Executive, and after consultation with legal counsel, the Executive Director for Operations may waive the policy in specific cases if he determines that it is in the best interest of the United States to do so.

(b) Waiver action is strictly limited to those situations in which:

(1) The work to be performed under contract is vital to the NRC program;

(2) The work cannot be satisfactorily performed except by a contractor whose interests give rise to a question of conflict of interest.

(3) Contractual and/or technical review and surveillance methods can be employed by the NRC to neutralize the conflict.

(c) The justification and approval documents for any waivers must be placed in the NRC Public Document Room.