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

May 7, 2009

ICF Incorporated, L.L.C. ATTN: Victoria Lessa 9300 Lee Highway Fairfax, VA 22031-1207

SUBJECT: TASK ORDER NO. 3 UNDER CONTRACT NO. NRC-02-05-001

Dear Ms. Lessa:

This confirms verbal authorization provided to you on February 3, 2009, with a temporary notto-exceed ceiling of \$30,000.00. Reference is made to ICF's proposal dated, January 23, 2009, as amended, February 24, 2009, and March 24, 2009.

In accordance with the Section G.4, Task Order Procedures, of the subject contract, this letter definitizes Task Order No. 3. This effort shall be performed in accordance with the enclosed Statement of Work.

Task Order No. 3 shall be in effect from February 4, 2009, through June, 29, 2009, with a cost ceiling of \$29,968.00. The amount of \$27,494.00, represents the total estimated reimbursable costs, and the amount of \$2,474.00, represents the fixed fee.

The amount presently obligated with respect to this task order is \$29,968.00, of which the amount of \$27,494.00 represents the reimbursable cost, and the amount of \$2,7474.00 represents the fixed fee.

In accordance with FAR Clause 52.232-22 - LIMITATION OF FUNDS, the contractor is not obligated to continue performance under this task order or otherwise incur costs in excess of the amount obligated, until the Contracting Officer notifies the contractor in writing that the obligated amount has been increased. In absence of such notification by the Contracting Officer, the Government is not obligated to reimburse the contractor for any costs in excess of the obligated amount specified herein.

Accounting data for Task Order No. 3 is as follows:

B&R No.:

9-5515-355-260

APPN No.:

31X0200

Job Code:

F1047

BOC:

252A

Commitment No.:

5509R030

OBLIGATED AMOUNT: \$29,968.00

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











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The Contractor agrees that such personnel shall not be removed from the effort under the task order without compliance with Contract Clause H.2, Key Personnel.

The issuance of this task order does not amend any terms or conditions of the subject contract.

Your contacts during the course of this task are:

Technical Matters:

Kenneth Kline, Technical Monitor

(301) 415-7075

Tira Patterson, Project Officer

(301) 415-7808

Contractual Matters: Michael Turner, Contracting Officer

(301) 492-3632

Please indicate your acceptance of this task order by having an official who is authorized to bind your organization, execute three copies of this document in the spaces provides below and return two copies to the Contracting Officer. You should retain the third copy for your records.

If you have any questions regarding the subject task order, please contact the undersigned on (301) 492-3632.

Sincerely,

Michael A. Turner, Contracting Officer Contract Management Branch No. 3

Division of Contracts Office of Administration

Enclosure: As stated

ACCEPTED:

STATEMENT OF WORK

REVIEWS OF NRC LICENSEE DECOMMISSIONING FINANCIAL ASSURANCE

TASK ORDER NO. 3:

TECHNICAL ASSISTANCE IN REVIEWING FINANCIAL ASSURANCE REQUIREMENTS FOR FUEL ENRICHMENT

FACILITY LICENSING PROCEEDINGS

JOB CODE:

F1047

B&R NO .:

9-5515-355260

NRC PROJECT OFFICER (PO):

Tira Patterson, (301) 415-7808

NRC TECHNICAL PROJECT

MANAGER (TPM):

Kenneth M. Kline, (301) 415-7075

FUEL ENRICHMENT FACILITY

Timothy C. Johnson, (301) 492-3121

PROJECT MANAGER:

and Breeda M. Reilly, (301) 492-3110

FEE RECOVERABLE:

No

1.0 Background

This project is being performed to provide FSME and NMSS with a readily available capability for reviewing decommissioning financial assurance documents submitted in support of fuel enrichment facility licensing proceedings. The contractor shall assist NMSS in the review of financial documents and instruments, financial assurance certifications, financial ratings, decommissioning cost estimates, and decommissioning funding plans. The contractor shall assist in preparation of requests for additional information and safety evaluation report input for decommissioning financial issues. The contractor may be called upon for depositions in licensing proceedings to explain the content of its reviews, and may be called upon to act as an expert witness in licensing proceedings. Applicable NRC regulations and regulatory guidance that the contractor shall use in its reviews shall include. but not be limited to, NUREG-1307, "Report on Burial Charges," latest revision; NUREG-1520, "Standard Review Plan for the Review of a License Application for a Fuel Cycle Facility"; NUREG-1757, Vol. 3, "Consolidated NMSS Decommissioning Guidance, Financial Assurance, Recordkeeping and Timeliness," dated September 2003; 10 CFR Part 70 and other relevant NRC regulations; and appropriate decommissioning cost studies prepared by Pacific Northwest National Laboratories (PNNL) and other NRC contractors.

2.0 Objective

The objective is to provide casework assistance for reviewing licensee financial assurance submittals for fuel enrichment facility licensing. Primary tasks are: (1) review of certifications of financial assurance for decommissioning, (2) review of financial instruments submitted as financial assurance, (3) review of decommissioning cost estimates, (4) review of decommissioning funding plans, (5) response to requests for depositions, (6) act as an expert witness in licensing proceedings, (7) preparation of requests for additional information, (8) review of decommissioning financial issues for the Environmental Impact Statement, and (9) input to the Safety Evaluation Report for the financial aspects of decommissioning.

3.0 Scope of Work

The contractor shall assist FSME and NMSS in the review of financial documents and instruments, financial assurance certifications, decommissioning cost estimates, decommissioning funding plans, environmental impact statements, and safety evaluation reports for major fuel cycle license application reviews and licensing proceedings.

The contractor shall review applicant/licensee submittals related to decommissioning financial assurance for completeness and validity as required by regulations and as recommended by regulatory guidance. The financial mechanisms shall be reviewed to determine if they meet the requirements of the decommissioning regulations and for consistency with NRC regulatory guidance. Decommissioning cost estimates shall be reviewed and recommendations provided as to the adequacy of the estimate. Where the financial mechanisms, certifications, cost estimates, or decommissioning funding plans do not conform to regulatory requirements or guidance, the contractor shall recommend changes that will bring the applicant/licensee submittal into conformance with such requirements and guidance. The contractor shall identify the reasons for its recommended changes.

The contractor shall review the decommissioning cost estimates for technical adequacy and completeness by comparing them to findings of appropriate PNNL cost studies, the format recommended by applicable regulatory guidance, or other sources that may be identified by the applicant/licensee in its submittals. The contractor may elect to use other sources of cost information that would provide useful information with regard to the cost of decommissioning, with prior approval from the NRC Technical Project Manager (TPM). The contractor shall prepare independent decommissioning cost estimates as tasked specifically by the TPM.

The contractor shall also review applicant/licensee responses to NRC requests for additional information, and make recommendations for resolution of differing positions proposed by the applicant/licensee and summarize the licensing financial assurance information for the License Tracking System (LTS).

The contractor shall also review applicant/licensee hearing testimony, prepare its own written hearing testimony, provide expert oral testimony, and participate in depositions and in hearings, as needed. Participation may be required in both contested and mandatory hearings.

4.0 Technical Expertise Required

Expertise is needed in decommissioning methods, NRC decommissioning financial assurance regulations and regulatory guidance, environmental science, health physics, engineering, and cost estimation.

5.0 Work Placement

The TPM will forward documents to be reviewed to the contractor.

6.0 Meetings and Travel

Travel for this review may include up to 6 trips per year from the contractor's offices to NRC Headquarters. Travel may also be required to hearing locations. Any other travel shall be negotiated through a modification to the task order. The Contractor shall comply with Subsection G.2 of the basic contract for reimbursement of travel costs.

7.0 NRC Furnished Materials

Licensee documents for review and other docketed material will be provided to the contractor on a case-by-case basis directly from the TPM. Where such materials are proprietary, the contractor shall be restricted to only those who have signed non-disclosure agreements.

8.0 Schedule for Deliveries

Conclusions from the contractor reviews shall be submitted to the TPM in the form of a letter report within 45 days from the date NRC sends the documents to the contractor for review.

However, where the contractor must respond within shorter time limits to meet deadlines imposed on the NRC staff, a shorter time frame will be mutually agree to.

9.0 Technical Progress Report

As required under Subsection F.3 of the basic contract.

10.0 Financial Status Report

As required under Subsection F.4 of the basic contract.

11.0 Level of Effort

The estimated level of effort is 250 man-hours for each review and 2 reviews performed over the period of performance.

12.0 Period of Performance

February 4, 2009 - June 19, 2009, with option to extend the term of the task order June 20 2009 - June 19, 2010, pursuant with Subsection F.4 and Subsection I.5 of the basic contract.