

AWARD/CONTRACT		1. THIS CONTRACT IS RATED ORDER UNDER DPAS (15 CFR 700)		RATING N/A	PAGE OF PAGES 1 40		
2. CONTRACT NO. (Proc. Inst. Ident.) NRC-38-10-699		3. EFFECTIVE DATE See Block 19c.		4. REQUISITION/PURCHASE REQUEST/PROJECT NO. HR-10-699			
5. ISSUED BY U.S. Nuclear Regulatory Commission Div. of Contracts Attn: Mark S. Lohrmann, 301-492-3461 Mail Stop: TWB-01-B10M Washington, DC 20555		CODE 3100	6. ADMINISTERED BY (If other than item 5) U.S. Nuclear Regulatory Commission Div. of Contracts Mail Stop: TWB-01-B10M Washington, DC 20555		CODE 3100		
7. NAME AND ADDRESS OF CONTRACTOR (No., street, city, county, State and ZIP Code) ADVANCED SYSTEMS TECHNOLOGY AND MANAGEMENT, INC. 8229 BOONE BLVD STE 520 VIENNA VA 221823822				8. DELIVERY <input type="checkbox"/> FOB ORIGIN <input checked="" type="checkbox"/> OTHER (See below)			
9. DISCOUNT FOR PROMPT PAYMENT Net 30				10. SUBMIT INVOICES (4 copies unless otherwise specified) TO THE ADDRESS SHOWN IN ITEM			
CODE 049192649	FACILITY CODE		11. SHIP TO/MARK FOR U.S. Nuclear Regulatory Commission Technical Training Center Attn: Doug Simpkins, Phone: 423-855-6521 5746 Marlin Road, Suite 200 Chattanooga TN 37411-5677				
12. PAYMENT WILL BE MADE BY Department of Interior / NBC NRCPayments@nbc.gov Attn: Fiscal Services Branch - D2770 7301 W. Mansfield Avenue Denver CO 80235-2230			CODE 3100				
13. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION: <input type="checkbox"/> 10 U.S.C. 2304(c) () <input type="checkbox"/> 41 U.S.C. 253(c)()			14. ACCOUNTING AND APPROPRIATION DATA Obligation Amount: \$244,713.62 B&R-0-8415-171114-JCN-X8488-BOC-252A-APPN 31X0200				
15A. ITEM NO.	15B. SUPPLIES/SERVICES		15C. QUANTITY	15D. UNIT	15E. UNIT PRICE	15F. AMOUNT	
	The contractor shall provide the development and delivery of Mechanical Codes and Standards course in accordance with the Statement of Work & Terms and Conditions of this contract. Contractor Representation and Certifications, found on ORCA.GOV, are hereby incorporated by reference.						
16G. TOTAL AMOUNT OF CONTRACT						\$431,757.19	
18. TABLE OF CONTENTS See Attached Table of Contents							
(X)	SEC.	DESCRIPTION	PAGE(S)	(X)	SEC.	DESCRIPTION	PAGE(S)
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	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 _____ copies to issuing office.) Contractor agrees to furnish and deliver all items or perform all the services set forth or otherwise identified above and on any continuation sheets for the consideration stated herein. The rights and obligations of the parties to this contract shall be subject to and governed by the following documents: (a) this award/contract, (b) the solicitation, if any, and (c) such provisions, representations, certifications, and specifications, as are attached or incorporated by reference herein. (Attachments are listed herein.)				18. <input type="checkbox"/> AWARD (Contractor is not required to sign this document.) Your offer on Solicitation Number _____ including the additions or changes made by you which additions or changes are set forth in full above, is hereby accepted as to the items listed above and on any condition sheets. This award consummates the contract which consists of the following documents: (a) the Government's solicitation and your offer, and (b) this award/contract. No further contractual document is necessary.			
18A. NAME AND TITLE OF SIGNER (Type or print) Bing Ran, CEO				20A. NAME OF CONTRACTING OFFICER Mark S. Lohrmann			
19B. NAME OF CONTRACTOR BY _____ (Signature of person authorized to sign)		19C. DATE SIGNED 7/12/2010		20B. UNITED STATES OF AMERICA BY _____ (Signature of Contracting Officer)		20C. DATE SIGNED 7/09/2010	

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TEMPLATE - ADM001

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ADM002

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PART I - THE SCHEDULE

SECTION B - SUPPLIES OR SERVICES AND PRICE/COSTS

B.1 HYBRID CONTRACT TYPE

The contract type is a hybrid containing: FFP/CR line items.

Clauses designated with "FP" to the left of the citation number are applicable to FIXED-PRICE line items only.

Clauses designated with "CR" to the left of the citation number are applicable to COST-REIMBURSEMENT line items only.

B.2 PRICE/COST SCHEDULE

Base Year: Twelve Months from Date of Award					
CLIN	Description of Services	Est. Qty.	Unit	Unit Price	Est. Total Price
001 FP	Task 1: Course Development (Develop/Update) (Mechanical Codes and Inspection Course)	[REDACTED]	LOT	[REDACTED]	[REDACTED]
002 FP	Task 2 Presentation of Mechanical Codes and Inspection Course	[REDACTED]	EA	[REDACTED]	[REDACTED]
002a FP	Student training materials for "Mechanical Codes and Inspection Course"	[REDACTED]	EA	[REDACTED]	[REDACTED]
003 FP	Task 3 Final Report	[REDACTED]	EA	\$ [REDACTED] 80	[REDACTED]
004 CR	Travel *	[REDACTED]	LOT	Not To Exceed	[REDACTED]
				TOTAL	\$244,713.62

Option Year 1: Twelve Months					
CLIN	Description of Services	Est. Qty.	Unit	Unit Price	Est. Total Price
005 FP	Task 2 Presentation of Mechanical Codes and Inspection Course	[REDACTED]	EA	[REDACTED]	[REDACTED]
005a FP	Student training materials for "Mechanical Codes and Inspection Course"	[REDACTED]	EA	[REDACTED]	[REDACTED]
006 FP	Task 3 Final Report	[REDACTED]	EA	[REDACTED]	[REDACTED]
007 CR	Travel *	[REDACTED]	LOT	Not To Exceed	[REDACTED]
				TOTAL	\$44,230.58

Option Year 2: Twelve Months					
CLIN	Description of Services	Est. Qty.	Unit	Unit Price	Est. Total Price
008 FP	Task 2 Presentation of Mechanical Codes and Inspection Course	[REDACTED]	EA	[REDACTED]	[REDACTED]
008a FP	Student training materials for "Mechanical Codes and Inspection Course"	[REDACTED]	EA	[REDACTED]	[REDACTED]
009 FP	Task 3 Final Report	[REDACTED]	EA	[REDACTED]	[REDACTED]
010 CR	Travel *	[REDACTED]	LOT	Not To Exceed	\$ [REDACTED]
				TOTAL	\$45,876.48

Option Year 3: Twelve Months					
CLIN	Description of Services	Est. Qty.	Unit	Unit Price	Est. Total Price
011 FP	Task 2 Presentation of Mechanical Codes and Inspection Course	[REDACTED]	EA	[REDACTED]	[REDACTED]
011a FP	Student training materials for "Mechanical Codes and Inspection Course"	[REDACTED]	EA	[REDACTED]	[REDACTED]
012 FP	Task 3 Final Report	[REDACTED]	EA	[REDACTED]	[REDACTED]
013 CR	Travel *	[REDACTED]	LOT	Not To Exceed	[REDACTED]
				TOTAL	\$47,583.74

Option Year 4: Twelve Months					
CLIN	Description of Services	Est. Qty.	Unit	Unit Price	Est. Total Price
014 FP	Task 2 Presentation of Mechanical Codes and Inspection Course	[REDACTED]	EA	[REDACTED]	[REDACTED]
014a FP	Student training materials for "Mechanical Codes and Inspection Course"	[REDACTED]	EA	[REDACTED]	[REDACTED]
015 FP	Task 3 Final Report	[REDACTED]	EA	[REDACTED]	[REDACTED]
016 CR	Travel *	[REDACTED]	LOT	Not To Exceed	\$ [REDACTED]
				TOTAL	\$49,352.77

TOTAL FOR BASE PERIOD AND OPTION YEARS: \$431,757.19

FP- Fixed unit price requirement type CLIN
 CR- represents cost reimbursement CLIN

* 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.
 The course will be taught at one of the following locations: NRC Technical Training Center in Chattanooga, TN or NRC Headquarters in Bethesda, MD at the Professional Development Center.

B.3 PROJECT TITLE

The title of this project is as follows:

"MECHANICAL CODES AND INSPECTION COURSE"

B.4 BRIEF DESCRIPTION OF WORK (MAR 1987) ALTERNATE 1 (JUN 1988)

(a) Brief description of work:

The purpose of this procurement is to obtain a course that will provide inspectors with the necessary understanding of the following:

- A. General Mechanical Codes and Standards commonly used during procurement, manufacturing and construction activities;
- B. NRC Regulatory Guides associated with Mechanical Codes and Inspection;
- C. NRC Standard Review Plan for Mechanical Systems (Sections 3.0, 4.0, 5.0, 6.0, 9.0, 14.0 and 17.0 of NUREG 0800);
- D. Requirements of 10 CFR Part 50, Appendix A;
- E. Requirements of 10 CFR Part 50, Appendix B;
- F. Mechanical Environmental Qualification (EQ) Testing;
- G. Case studies of construction related issues associated with Mechanical Systems, Structures and Components (SSCs); and
- H. Overview of other internationally and industry recognized Mechanical Codes and Standards and guidance.

(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.5 CONSIDERATION AND OBLIGATION--DELIVERY ORDERS (JUN 1988)

Fixed price delivery orders are issued by the NRC Project Officer for the Development and Presentation of the Courses.

(a) The total estimated amount of this contract (ceiling) for the products/services ordered, delivered, and accepted under this contract is \$431,757.19. 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 \$244,713.62. 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**MECHANICAL CODES AND INSPECTION COURSE****I. BACKGROUND**

As part of its overall mission, the U.S. Nuclear Regulatory Commission (NRC) licenses and inspects various facilities to ensure compliance with applicable Codes and Inspection in order to identify conditions which may adversely affect the health and safety of the public. 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 constructed within the US. The NRC ensures that these plants and facilities are designed in compliance with applicable NRC regulations and associated industry standards commonly used.

II. CONTRACT OBJECTIVE

The purpose of this procurement is to obtain a course that will provide inspectors with the necessary understanding of the following:

- A. General Mechanical Codes and Standards commonly used during procurement, manufacturing and construction activities;
- B. NRC Regulatory Guides associated with Mechanical Codes and Standards;
- C. NRC Standard Review Plan for Mechanical Systems (Sections 3.0, 4.0, 5.0, 6.0, 9.0, 14.0 and 17.0 of NUREG 0800);
- D. Requirements of 10 CFR Part 50, Appendix A;
- E. Requirements of 10 CFR Part 50, Appendix B;
- F. Mechanical Environmental Qualification (EQ) Testing;
- G. Case studies of construction related issues associated with Mechanical Systems, Structures and Components (SSCs); and
- H. Overview of other internationally and industry recognized Mechanical Codes and Standards and guidance.

III. SCOPE OF WORK

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 **Attachments 1, 2 and 3**.

A TASK 1 – COURSE DEVELOPMENT**A.1 REQUIREMENT**Course Description

The contractor shall develop a course entitled, "Mechanical Codes and Inspection" in accordance with the list of proposed topics as outlined in **Attachments 1, 2 and 3**. The course objectives shall be accomplished through a combination of lectures, discussions, and case studies of inspection findings. The content of the final outline shall be approved by the NRC Project Officer.

Course Duration

The course shall be approximately 9.5 days in duration. This typically allows for approximately 63 hours of instruction.

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.

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. Course materials should be in color where appropriate to aid in the value of the materials.
- 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.

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;

- 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 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

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. Course materials should be printed in color where appropriate to aid in the value of the materials.

e. Updating the 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.

A.2 DELIVERABLE**i DRAFT OUTLINES**

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.

ii DRAFT MATERIALS

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/her 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.

iii FINAL COPIES

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.

A.3 QUALITY ASSURANCE PLAN

(100% Inspection) The NRC Project Officer/Contracting Officer shall review all deliverables and provide comments on Contractor submitted draft documents. The Contractor shall incorporate all NRC comments into the final deliverables. All final deliverables will be reviewed and approved by the NRC Project Officer/Contracting Officer.

A.4 INCENTIVES/DEDUCTIONS

Standard – Training materials as described above must address all requirements identified in the Statement of Work and must be delivered on schedule.

Method of Surveillance – The NRC Project Officer or designee will review and approve these documents.

Incentives/Deduction – A 0.05% deduction will be taken off the total contract line item amount (CLIN) for Task 1 for each business day late for each deliverable submission. A 0.05% deduction will be taken off the total CLIN for Task 1 for each NRC comment not incorporated into the Contractor's final deliverable submissions.

A.5 MEETINGS AND TRAVEL

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

A.6 NRC FURNISHED MATERIALS

Upon request, 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 Regulatory Guides, Information Notices, Bulletins and NUREGs.

The NRC will furnish, during the draft course material development phase student information sheets and student course evaluation forms. These will be used to collect student data and information during the course presentation.

The NRC shall be responsible for preparing course announcements, student registration, scheduling classrooms and other course administrative details.

A.7 ADDITIONAL INFORMATION/GUIDANCE

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.

B TASK 2 – INSTRUCT/PRESENT THE “MECHANICAL CODES AND INSPECTION COURSE”

B.1 REQUIREMENT

General Information

The number of students in each course shall be limited to thirty five (35) with up to two (2) additional observers designated by the NRC Project Officer. Observers will be provided with a copy of the student training materials. These two optional observer positions may be used as regular student positions if the observers designated by the Project Officer do not attend.

1. Class hours should typically start at approximately 8:00 a.m. and end about 4:30 p.m. each day, allowing sixty minutes for a lunch break, with approximately eight 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 08:00 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 and 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.
5. The NRC Technical Training Center, Chattanooga, TN and the NRC Project Officer will coordinate student attendance.
6. Student background and experience will vary. The contractor should not assume experience in mechanical codes and inspection application.

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.

TECHNICAL QUALIFICATION REQUIREMENTS

The courses shall be conducted by a contractor with broad experience in the interpretation, application and implementation of mechanical codes and inspection or experience in assessing proper application of mechanical codes and Inspection from a regulatory standpoint.

The contractor shall propose at least two (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 approval of the NRC Project Officer. For each proposed instructor, a résumé shall be submitted to the NRC Project Officer for approval. Résumés shall also be provided for those individuals preparing the student and instructor manuals, if different from the instructors. Course instructors must have both academic and practical expertise in the areas being taught. Proposed course instructors must have related training experience (i.e., ability to teach technical material to large groups of professional adults).

B.2 DELIVERABLE

PRE-COURSE SUBMISSION

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.

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.

POST-COURSE SUBMISSION

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 and a summary of student comments.

B.3 QUALITY ASSURANCE PLAN

(100% Inspection) The NRC Project officer/Contracting Officer shall review the Contractor's Pre-Course Material Submission and ensure that all materials submitted meet all requirements. The NRC Project Officer and/or designee may attend the course for observation. The NRC Project Officer/Contracting Officer will also review the Course Presentation Report, including the student evaluations.

B.4 INCENTIVES/DEDUCTIONS

Standard – The instructors must have broad knowledge of subject areas. In addition, the instructors must have presentation and training experience, also 100% timely submission of Pre-Course Material, Course Presentation Report, and reexaminations.

Method of Surveillance – The NRC Project Officer or his or designee will attend the training session to evaluate the instructors presentation skill and technical knowledge of Mechanical Codes and Inspection. The NRC Project Officer or his or designee will review submission of Pre-Course Material, Course Presentation Report, and reexaminations.

Incentive/Deduction - Full payment in accordance with the price schedule for 100% compliance; or a deduction of 2% for Presentation of the course if the NRC Project Officer determines the instructor's presentation skills and knowledge of the subject area was not in accordance with these requirements. Also a 0.05% deduction in total CLIN amount of Task 2 for each business day late on each submission.

B.5 PLACE OF PERFORMANCE

The course will be presented at a Regional Office, the NRC Technical Training Center in Chattanooga, TN or NRC Headquarters, Bethesda, MD as necessary.

B.6 NRC FURNISHED MATERIALS

Upon request, 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 Regulatory Guides, Information Notices, Bulletins and NUREGs.

The NRC will furnish, during the draft course material development phase student information sheets and student course evaluation forms. These will be used to collect student data and information during the course presentation.

The NRC shall be responsible for preparing course announcements, student registration, scheduling classrooms and other course administrative details.

B.7 ADDITIONAL INFORMATION/GUIDANCE

- 1) The NRC will order at least one course during the base year and option periods of this contract.
- 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 TASK 3 – FINAL REPORT**C.1 REQUIREMENT**

The contractor shall furnish a final report in accordance with NRC Management Directive 11.1

The report shall contain as a minimum:

1. A technical report of the work completed,
2. Any problems or delays encountered and their solutions, and
3. Recommendations for improvements.

Standard – 100% timely submission of final report.

Method of Surveillance – The NRC Project Officer or designee will review and approve these documents.

Incentives/Deduction – Full payment in accordance with the price schedule for 100% compliance; or A 1% deduction in total CLIN amount of Task 3 will be taken for each business day overdue. A 30% deduction in total CLIN amount will be taken for each missing minimum requirement (see Section C.1).

C.2 DELIVERABLES

The final report shall be submitted 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 Contracting Officer.

C.3 QUALITY ASSURANCE PLAN

(100% Inspection) The NRC Project Officer/Contracting Officer will review the final report and ensure that all three minimum requirements are contained in the report.

C.4 ADDITIONAL INFORMATION GUIDANCE

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

PERFORMANCE REQUIREMENTS SUMMARY

Task	Deliverable	Quality Assurance Plan (QAP)	Performance Requirement	Incentive/Deduction
Task 1 – Course Development (Mechanical Codes and Inspection Course)	Course Materials	All draft and final deliverables will be reviewed by the NRC Project Officer.	1) 100% timely submission of outline, draft, and, final. 2) 100% incorporation of NRC comments on draft materials into final submissions.	1) 0.05% deduction in total CLIN amount of Task 1 for each business day late for each submission. 2) 0.05% deduction in total CLIN amount of Task 1 for each comment not incorporated into each final submission.
Task 2 – Instruct/Present of (Mechanical Codes and Inspection Course)	Course	NRC Project Officer review of Pre-Course Material Submission and Course Presentation Report.	1) 100% instructor presentation skills and knowledge of the subject area 2) 100% timely submission of Pre-Course Material, Course Presentation Report, and reexaminations.	1) 2% deduction for instructor's presentation skills and knowledge of the subject area was not in accordance with these requirements 2) 0.05% deduction in total CLIN amount of Task 2 for each business day late on each submission.
Task 3- Final Report	Final Report	NRC Project Officer review for minimum requirements.	1) 100% timely submission of Final Report. 2) All three stated minimum requirements contained in report.	1) 1% deduction in total CLIN amount of Task 3 for each business day overdue on submission. 2) 30% deduction in total CLIN amount of Task 3 for each missing minimum requirement.

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
FP 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
FP 52.242-15	FEDERAL ACQUISITION REGULATION (48 CFR Chapter 1) 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 DELIVERY SCHEDULE

Task	Deliverable Item	Delivery Date/Time frame
Task 1 – Course Development	Course Materials - Draft Outlines	Draft instructor and student manual outlines within thirty (30) days after initial meeting or within thirty (30) days after receipt of written cancellation of that meeting. The NRC Project Officer will provide his review of the material within ten (10) days of receipt. Correction of any deficiencies and resubmission of material within ten (10) days after receipt of the NRC Project Officer comments.
Task 1 – Course Development	Course Materials - Draft Materials	Two (2) draft copies of the instructor manual, student manual, exam questions, draft problems for use during workshops, and visual aids within sixty (60) days after acceptance of the draft instructor manual outline and the student manual outline. The NRC Project Officer will provide his review of the material within twenty (20) days after receipt from the contractor. Correction of any deficiencies and resubmission of the material within ten (10) days after receipt of the NRC Project Officer comments.
Task 1 – Course Development	Course Materials - Final Copies	Three (3) copies of final course materials and one (1) copy of computer data storage within sixty (60) days after acceptance of the draft materials.
Task 2 – Delivery of (Civil/Structural Codes and Inspection Course)	Pre-Course Submission	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), and course examination with an answer key delivered to the NRC Project Officer (60) days prior to the start of each course.
Task 2 – Delivery of (Civil/Structural Codes and Inspection Course)	Course Presentation/ Delivery	Exact course dates will be arranged with the contractor at least sixty (60) days before each course.
Task 2 – Delivery of (Civil/Structural Codes and Inspection Course)	Post-Course Submission	Course Presentation Report delivered to the NRC Project Officer/Contracting Officer within thirty (30) days of completion of a course presentation.
Task 3– Final Report	Final Report	One (1) copy submitted thirty days (30) prior to the end date of the contract year to both the NRC Project Officer and NRC Contracting Officer.

F.3 DURATION OF CONTRACT PERIOD (MAR 1987) ALTERNATE 4 (JUN 1988)

The ordering period for this contract shall commence on the effective date of award and will expire 12 months after. 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.

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)

Name: Douglas Simpkins

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

Telephone Number: 423-855-6521

(b) Contracting Officer (1 copy)

Name: Mark S. Lohrmann

Address: U.S. Nuclear Regulatory Commission
Division of Contracts, RRG Branch
Mail Stop: TWB-01-B10M
Washington, DC 20555

Telephone Number: 301-492-3461

F.5 PAYMENT SCHEDULE FOR CLIN 001

Below please find a Progress Payment Schedule for CLIN 001 – Task 1: Course Development (Mechanical Codes and Inspection Course):

1. PAYMENT 1 – 20% of total contract price - \$39,860.00 – Upon submission and Acceptance of Draft Instructor Manual Outline and a Draft Student Manual Outline (Within approx. 30 days);
2. PAYMENT 2 – 55% of total contract price - \$109,625.00 – Upon submission and acceptance of Draft Copies of the Instructor Manual, Student Manual, and Visual Aids (Within approx. 60 days of above Item 1 Acceptance);
3. PAYMENT 3 - 25% of total contract price - \$49,831.91 – Upon submission and acceptance of FINAL Course Materials (Within approx. 60 days of above Item 2 acceptance)

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: Douglas Simpkins

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

Telephone Number: 423-855-6521

E-mail Address: douglas.simpkins@nrc.gov

(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.

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

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

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

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

(d) It is the responsibility of the contractor to notify the contracting officer in accordance with the Limitations of Cost clause of this contract when, at any time, the contractor learns that travel expenses will cause the contractor to exceed the estimated costs specified in the Schedule.

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

G.3 ORDERING PROCEDURES (MAY 1991)

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

Doug Tharp, NRC SR. TECH TRAINING PROGRAM SPECIALIST, Phone: 423-855-6513,
email: Doug.Tharp@nrc.gov

(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.

(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.

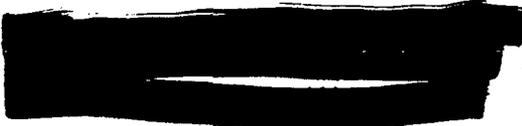
(i) Follow-on effort. The contractor shall be ineligible to participate in NRC contracts, subcontracts, or proposals therefor (solicited or unsolicited), which stem directly from the contractor's performance of work under this contract. Furthermore, unless so directed in writing by the contracting officer, 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:



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. Upon request, 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.
2. The NRC will provide the facilities and equipment (projectors, white boards, etc.) necessary to support the course presentation.

(b) 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 Manager to attend a meeting to discuss the performance evaluation.

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

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

The completed annual performance evaluation will be used to support future award decisions in accordance with FAR 42.1502(a) and 42.1503(c). During the period the information is being used to provide source selection information, the completed annual performance evaluation will be released to only two parties - the Federal government personnel performing the source selection evaluation and the contractor under evaluation if the contractor does not have a copy of the report already.

H.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.

(End of Clause)

H.7 NRC INFORMATION TECHNOLOGY SECURITY TRAINING (AUG 2003)

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

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

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

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

H.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.

(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.

PART II - CONTRACT CLAUSES**SECTION I - CONTRACT CLAUSES****I.1 NOTICE OF HYBRID CONTRACT**

This is a FFP/CR type contract.

See the listing below for applicable contract types:

FFP = Firm Fixed Price

CR = Cost Reimbursement (No Fee) Completion

When applicable, the following symbols will appear next to the applicable clauses and provisions through out this document.

FP = applicable to FIXED-PRICE line items only.

CR = applicable to COST-REIMBURSEMENT line items only.

I.2 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
52.203-7	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	APR 2008
52.209-6	PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR	SEP 2006

		DEBARMENT	
FP	52.215-2	AUDIT AND RECORDS--NEGOTIATION	MAR 2009
	52.215-8	ORDER OF PRECEDENCE--UNIFORM CONTRACT FORMAT	OCT 1997
	52.215-14	INTEGRITY OF UNIT PRICES	OCT 1997
CR	52.216-11	COST CONTRACT--NO FEE	APR 1984
	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
	52.222-3	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 VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS	SEP 2006
	52.222-50	COMBATING TRAFFICKING IN PERSONS	FEB 2009
	52.223-5	POLLUTION PREVENTION AND RIGHT-TO-KNOW INFORMATION	AUG 2003
	52.223-6	DRUG-FREE WORKPLACE	MAY 2001
	52.225-5	TRADE AGREEMENTS	AUG 2009
	52.225-13	RESTRICTIONS ON CERTAIN FOREIGN PURCHASES	JUN 2008
	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
CR	52.228-7	INSURANCE--LIABILITY TO THIRD PERSONS	MAR 1996
FP	52.229-3	FEDERAL, STATE, AND LOCAL TAXES	APR 2003
FP	52.232-1	PAYMENTS	APR 1984
FP	52.232-8	DISCOUNTS FOR PROMPT PAYMENT	FEB 2002
FP	52.232-11	EXTRAS	APR 1984
	52.232-17	INTEREST	OCT 2008
	52.232-18	AVAILABILITY OF FUNDS	APR 1984
CR	52.232-22	LIMITATION OF FUNDS	APR 1984
	52.232-23	ASSIGNMENT OF CLAIMS	JAN 1986
	52.232-25	PROMPT PAYMENT	OCT 2008
	52.232-33	PAYMENT BY ELECTRONIC FUNDS--CENTRAL CONTRACTOR REGISTRATION	OCT 2003
	52.233-1	DISPUTES	JUL 2002
	52.233-3	PROTEST AFTER AWARD	AUG 1996
CR	52.233-3	PROTEST AFTER AWARD ALTERNATE I (JUN 1985)	AUG 1996
	52.233-4	APPLICABLE LAW FOR BREACH OF CONTRACT CLAIM	OCT 2004
	52.237-2	PROTECTION OF GOVERNMENT BUILDINGS, EQUIPMENT, AND VEGETATION	APR 1984
	52.242-1	NOTICE OF INTENT TO DISALLOW COSTS	APR 1984

	52.242-13	BANKRUPTCY	JUL 1995
FP	52.243-1	CHANGES--FIXED PRICE ALTERNATE I (APR 1984)	AUG 1987
CR	52.243-2	CHANGES--COST REIMBURSEMENT ALTERNATE I (APR 1984)	AUG 1987
	52.244-6	SUBCONTRACTS FOR COMMERCIAL ITEMS	DEC 2009
	52.245-1	GOVERNMENT PROPERTY	JUN 2007
	52.245-9	USE AND CHARGES	JUN 2007
	52.246-23	LIMITATION OF LIABILITY	FEB 1997
	52.246-25	LIMITATION OF LIABILITY--SERVICES	FEB 1997
	52.248-1	VALUE ENGINEERING	FEB 2000
FP	52.249-2	TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (FIXED-PRICE)	MAY 2004
CR	52.249-6	TERMINATION (COST-REIMBURSEMENT)	MAY 2004
FP	52.249-8	DEFAULT (FIXED-PRICE SUPPLY AND SERVICE)	APR 1984
	52.253-1	COMPUTER GENERATED FORMS	JAN 1991

I.3 52.215-23 LIMITATIONS ON PASS-THROUGH CHARGES (OCT 2009)

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

"Added value" means that the Contractor performs subcontract management functions that the Contracting Officer determines are a benefit to the Government (e.g., processing orders of parts or services, maintaining inventory, reducing delivery lead times, managing multiple sources for contract requirements, coordinating deliveries, performing quality assurance functions).

"Excessive pass-through charge," with respect to a Contractor or subcontractor that adds no or negligible value to a contract or subcontract, means a charge to the Government by the Contractor or subcontractor that is for indirect costs or profit/fee on work performed by a subcontractor (other than charges for the costs of managing subcontracts and any applicable indirect costs and associated profit/fee based on such costs).

"No or negligible value means" the Contractor or subcontractor cannot demonstrate to the Contracting Officer that its effort added value to the contract or subcontract in accomplishing the work performed under the contract (including task or delivery orders).

"Subcontract" means any contract, as defined in FAR 2.101, entered into by a subcontractor to furnish supplies or services for performance of the contract or a subcontract. It includes but is not limited to purchase orders, and changes and modifications to purchase orders.

"Subcontractor," as defined in FAR 44.101, means any supplier, distributor, vendor, or firm that furnishes supplies or services to or for a prime Contractor or another subcontractor.

(b) General. The Government will not pay excessive pass-through charges. The Contracting Officer shall determine if excessive pass-through charges exist.

(c) Reporting. Required reporting of performance of work by the Contractor or a subcontractor. The Contractor shall notify the Contracting Officer in writing if--

(1) The Contractor changes the amount of subcontract effort after award such that it exceeds 70 percent of the total cost of work to be performed under the contract, task order, or delivery order. The notification shall identify the revised cost of the subcontract effort and shall include verification that the Contractor will provide added value; or

(2) Any subcontractor changes the amount of lower-tier subcontractor effort after award such that it exceeds 70 percent of the total cost of the work to be performed under its subcontract. The notification shall identify the revised cost of the subcontract effort and shall include verification that the subcontractor will provide added value as related to the work to be performed by the lower-tier subcontractor(s).

(d) Recovery of excessive pass-through charges. If the Contracting Officer determines that excessive pass-through charges exist;

(1) For other than fixed-price contracts, the excessive pass-through charges are unallowable in accordance with the provisions in FAR subpart 31.2; and

(2) For applicable DoD fixed-price contracts, as identified in 15.408(n)(2)(i)(B), the Government shall be entitled to a price reduction for the amount of excessive pass-through charges included in the contract price.

(e) Access to records.

(1) The Contracting Officer, or authorized representative, shall have the right to examine and audit all the Contractor's records (as defined at FAR 52.215-2(a)) necessary to determine whether the Contractor proposed, billed, or claimed excessive pass-through charges.

(2) For those subcontracts to which paragraph (f) of this clause applies, the Contracting Officer, or authorized representative, shall have the right to examine and audit all the subcontractor's records (as defined at FAR 52.215-2(a)) necessary to determine whether the subcontractor proposed, billed, or claimed excessive pass-through charges.

(f) Flowdown. The Contractor shall insert the substance of this clause, including this paragraph (f), in all cost-reimbursement subcontracts under this contract that exceed the simplified acquisition threshold, except if the contract is with DoD, then insert in all cost-reimbursement subcontracts and fixed-price subcontracts, except those identified in 15.408(n)(2)(i)(B)(2), that exceed the threshold for obtaining cost or pricing data in accordance with FAR 15.403-4.

1.4 52.216-7 ALLOWABLE COST AND PAYMENT (DEC 2002)

(a) Invoicing.

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

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

(3) The designated payment office will make interim payments for contract financing on the 30 day after the designated billing office receives a proper payment request.

In the event that the Government requires an audit or other review of a specific payment request to ensure compliance with the terms and conditions of the contract, the designated payment office is not compelled to make payment by the specified due date.

(b) Reimbursing costs.

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

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

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

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

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

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

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

(C) Direct labor;

(D) Direct travel;

(E) Other direct in-house costs; and

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

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

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

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

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

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

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

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

(d) Final indirect cost rates.

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

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

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

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

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

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

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

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

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

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

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

(1) Shall be the anticipated final rates; and

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

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

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

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

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

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

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

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

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

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

1.5 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 day of award through contract expiration.

(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.

1.6 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 \$1,000.00, 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 \$244,713.62;

(2) Any order for a combination of items in excess of \$244,713.62; 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 5 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.

1.7 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.

(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 contract expiration.

I.8 52.217-8 OPTION TO EXTEND SERVICES (NOV 1999)

The Government may require continued performance of any services within the limits and at the rates specified in the contract. These rates may be adjusted only as a result of revisions to prevailing labor rates provided by the Secretary of Labor. The option provision may be exercised more than once, but the total extension of performance hereunder shall not exceed 6 months. The Contracting Officer may exercise the option by written notice to the Contractor within 60 days.

I.9 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.10 52.222-54 EMPLOYMENT ELIGIBILITY VERIFICATION (JAN 2009)

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

Commercially available off-the-shelf (COTS) item--

(1) Means any item of supply that is--

(i) A commercial item (as defined in paragraph (1) of the definition at 2.101);

(ii) Sold in substantial quantities in the commercial marketplace; and

(iii) Offered to the Government, without modification, in the same form in which it is sold in the commercial marketplace; and

(2) Does not include bulk cargo, as defined in section 3 of the Shipping Act of 1984 (46U.S.C. App. 1702), such as agricultural products and petroleum products. Per 46 CFR 525.1(c)(2), "bulk cargo" means cargo that is loaded and carried in bulk onboard ship without mark or count, in a loose unpackaged form, having homogenous characteristics. Bulk cargo loaded into intermodal equipment, except LASH or Seabee barges, is subject to mark and count and, therefore, ceases to be bulk cargo.

Employee assigned to the contract means an employee who was hired after November 6, 1986, who is directly performing work, in the United States, under a contract that is required to include the clause prescribed at 22.1803. An employee is not considered to be directly performing work under a contract if the employee--

(1) Normally performs support work, such as indirect or overhead functions; and

(2) Does not perform any substantial duties applicable to the contract.

Subcontract means any contract, as defined in 2.101, entered into by a subcontractor to furnish supplies or services for performance of a prime contract or a subcontract. It includes but is not limited to purchase orders, and changes and modifications to purchase orders.

Subcontractor means any supplier, distributor, vendor, or firm that furnishes supplies or services to or for a prime Contractor or another subcontractor.

United States, as defined in 8 U.S.C. 1101(a)(38), means the 50 States, the District of Columbia, Puerto Rico, Guam, and the U.S. Virgin Islands.

(b) Enrollment and verification requirements.

(1) If the Contractor is not enrolled as a Federal Contractor in E-Verify at time of contract award, the Contractor shall--

(i) Enroll. Enroll as a Federal Contractor in the E-Verify program within 30 calendar days of contract award;

(ii) Verify all new employees. Within 90 calendar days of enrollment in the E-Verify program, begin to use E-Verify to initiate verification of employment eligibility of all new hires of the Contractor, who are working in the United States, whether or not assigned to the contract, within 3 business days after the date of hire (but see paragraph (b)(3) of this section); and

(iii) Verify employees assigned to the contract. For each employee assigned to the contract, initiate verification within 90 calendar days after date of enrollment or within 30 calendar days of the employee's assignment to the contract, whichever date is later (but see paragraph (b)(4) of this section).

(2) If the Contractor is enrolled as a Federal Contractor in E-Verify at time of contract award, the Contractor shall use E-Verify to initiate verification of employment eligibility of--

(i) All new employees.

(A) Enrolled 90 calendar days or more. The Contractor shall initiate verification of all new hires of the Contractor, who are working in the United States, whether or not assigned to the contract, within 3 business days after the date of hire (but see paragraph (b)(3) of this section); or

(B) Enrolled less than 90 calendar days. Within 90 calendar days after enrollment as a Federal Contractor in E-Verify, the Contractor shall initiate verification of all new hires of the Contractor, who are working in the United States, whether or not assigned to the contract, within 3 business days after the date of hire (but see paragraph (b)(3) of this section); or

(ii) Employees assigned to the contract. For each employee assigned to the contract, the Contractor shall initiate verification within 90 calendar days after date of contract award or within 30 days after assignment to the contract, whichever date is later (but see paragraph (b)(4) of this section).

(3) If the Contractor is an institution of higher education (as defined at 20 U.S.C. 1001(a)); a State or local government or the government of a Federally recognized Indian tribe; or a surety performing under a takeover agreement entered into with a Federal agency pursuant to a performance bond, the Contractor may choose to verify only employees assigned to the contract, whether existing employees or new hires. The Contractor shall follow the applicable verification requirements at (b)(1) or (b)(2), respectively, except that any requirement for verification of new employees applies only to new employees assigned to the contract.

(4) Option to verify employment eligibility of all employees. The Contractor may elect to verify all existing employees hired after November 6, 1986, rather than just those employees assigned to the contract. The Contractor shall initiate verification for each existing employee working in the United States who was hired after November 6, 1986, within 180 calendar days of--

(i) Enrollment in the E-Verify program; or

(ii) Notification to E-Verify Operations of the Contractor's decision to exercise this option, using the contact information provided in the E-Verify program Memorandum of Understanding (MOU).

(5) The Contractor shall comply, for the period of performance of this contract, with the requirements of the E-Verify program MOU.

(i) The Department of Homeland Security (DHS) or the Social Security Administration (SSA) may terminate the Contractor's MOU and deny access to the E-Verify system in accordance with the terms of the MOU. In such case, the Contractor will be referred to a suspension or debarment official.

(ii) During the period between termination of the MOU and a decision by the suspension or debarment official whether to suspend or debar, the Contractor is excused from its obligations under paragraph (b) of this clause. If the suspension or debarment official determines not to suspend or debar the Contractor, then the Contractor must reenroll in E-Verify.

(c) Web site. Information on registration for and use of the E-Verify program can be obtained via the Internet at the Department of Homeland Security Web site: <http://www.dhs.gov/E-Verify>.

(d) Individuals previously verified. The Contractor is not required by this clause to perform additional employment verification using E-Verify for any employee--

(1) Whose employment eligibility was previously verified by the Contractor through the E-Verify program;

(2) Who has been granted and holds an active U.S. Government security clearance for access to confidential, secret, or top secret information in accordance with the National Industrial Security Program Operating Manual; or

(3) Who has undergone a completed background investigation and been issued credentials pursuant to Homeland Security Presidential Directive (HSPD)-12, Policy for a Common Identification Standard for Federal Employees and Contractors.

(e) Subcontracts. The Contractor shall include the requirements of this clause, including this paragraph (e) (appropriately modified for identification of the parties), in each subcontract that--

(1) Is for--(i) Commercial or noncommercial services (except for commercial services that are part of the purchase of a COTS item (or an item that would be a COTS item, but for minor modifications), performed by the COTS provider, and are normally provided for that COTS item); or

(ii) Construction;

(2) Has a value of more than \$3,000; and

(3) Includes work performed in the United States.

I.11 52.249-14 EXCUSABLE DELAYS (APR 1984)

(a) Except for defaults of subcontractors at any tier, the Contractor shall not be in default because of any failure to perform this contract under its terms if the failure arises from causes beyond the control and without the fault or negligence of the Contractor. Examples of these causes are (1) acts of God or of the public enemy, (2) acts of the Government in either its sovereign or contractual capacity, (3) fires, (4) floods, (5) epidemics, (6) quarantine restrictions, (7) strikes, (8) freight embargoes, and (9) unusually severe weather. In each instance, the failure to perform must be beyond the control and without the fault or negligence of the Contractor. "Default" includes failure to make progress in the work so as to endanger performance.

(b) If the failure to perform is caused by the failure of a subcontractor at any tier to perform or make progress, and if the cause of the failure was beyond the control of both the Contractor and subcontractor, and without the fault or negligence of either, the Contractor shall not be deemed to be in default, unless--

(1) The subcontracted supplies or services were obtainable from other sources;

(2) The Contracting Officer ordered the Contractor in writing to purchase these supplies or services from the other source; and

(3) The Contractor failed to comply reasonably with this order.

(c) Upon request of the Contractor, the Contracting Officer shall ascertain the facts and extent of the failure. If the Contracting Officer determines that any failure to perform results from one or more of the causes above, the delivery schedule shall be revised, subject to the rights of the Government under the termination clause of this contract.

I.12 52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)

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

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

PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS

SECTION J - LIST OF ATTACHMENTS

ATTACHMENT NUMBER	TITLE
1	TOPICS FOR MECHANICAL CODES AND INSPECTION COURSE
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PROPOSED TOPICS FOR MECHANICAL CODES AND INSPECTION COURSE

MAIN TOPIC	SUB-TOPIC
Requirements of 10 CFR 50, Appendix A and 10 CFR 50, Appendix B.	<p>Review in detail the criteria of 10 CFR 50, Appendix A as it pertains to construction and manufacturing related activities associated with Mechanical SSC(s).</p> <p>Provide a general overview of 10 CFR 50, Appendix B and state how its criterion relate to construction and manufacturing activities associated with Mechanical SSC(s).</p>
ASME NQA-1-1994 and more recently endorsed versions, as applicable.	<p>General overview of the Basic Requirements and Supplements relevant to nuclear power plant and fuel facility construction and operational programs with an emphasis on Mechanical SSC(s).</p> <p>Overview of 10 CFR 50.34 in that NQA-1-1994 provides guidance on how to implement the requirements of 10 CFR Part 50, Appendix B.</p>

NRC Standard Review Plan (SRP) for Mechanical Systems, Structures and Components (SSCs).

NUREG 0800 Chapters:

- 3.0 - Design of Structures, Components, Equipment, and Systems;
- 4.0 - Reactor;
- 5.0 - Reactor Coolant System (RCS) and Connected Systems;
- 6.0 - Engineered Safety Features;
- 9.0 - Auxiliary Systems;
- 10.0 - Steam and Power Conversion System *(as it relates to safety-related systems that utilize these systems for safety and/or design purposes - e.g., AFW, RCIC, HPSI/HCIC, LPSI, etc.);*
- 14.0 - Initial Test Program; and
- 17.0 - Quality Assurance

General overview of the SRP and selected examples of review criteria.

Upon completion of this section, the student should be able to successfully demonstrate an understanding of basic characteristics of:

- Seismic Classifications and Qualifications;
- External Environmental Loadings;
- SSCs Testing and Analysis;
- Materials Testing and Analysis;
- Environmental Qualification (EQ) Classifications;
- Quality and Code Classifications of SSCs;
- Internally and Externally Generated Missiles;
- Design Requirements for SSCs;
- Overpressure Protection;
- Reactor Coolant Pressure Boundary Materials and SSCs;
- Pressure-Temperature Limits and Pressurized Thermal Shock;
- Applicable Code Cases;
- Materials used for Construction & Fabrication of Reactor Vessels; NSSS, ECCS and other Safety-Related SSCs;
- Protective Coatings;
- Design, Use and Functions of HVAC SSCs;
- Isolation Functions and Requirements (i.e. - Main Steam, Feedwater, Containment, etc.);
- Chemistry Control, Degradation and Failures;
- Crane Functions, Loading, Ratings & Design;
- Piping Supports Design and Testing;
- Quality Assurance (QA) and Quality Control (QC) Program and Implementation – overview only.

Demonstrate an understanding of the basic installation and testing requirements for fluid process systems and physical parameters, such as: temperature, flow, pressure, level & chemistry.

Discuss the basic installation and testing requirements specific to mechanical system components.

Compare and contrast the installation processes and testing criteria for the different types of mechanical components and systems.

Industry and Manufacturing Codes & Standards directly related to application, implementation and installation of Mechanical SSC(s) important to safety, e.g. –

Provide a general overview of Industry Codes & Standards applicable to Mechanical SSCs important to safety to include, but not limited to:

- Emergency Diesel Generators (EDGs) and other types of mechanical equipment and systems used for Emergency Back-Up Power (i.e. - gas turbines, hydro turbines, etc.);
- Emergency Core Cooling Systems (ECCS);
- Pumps;
- Valves;
- Piping;
- Welding – overview only;
- Non-Destructive Examination (NDE) – overview only;
- Pressure Vessels (incl. Active & Passive Tanks);
- Heat Exchangers;
- Motors;
- Alternate Mechanical Drive devices (i.e.- steam & gas turbines, diesels, variable speed drives, etc.);
- Gearboxes;
- Actuators (electric, pneumatic, hydraulic, etc.);
- Fans, Blowers and Compressors;
- HVAC;
- Dampers and Louvers;
- Bolted Connections (incl. bolting & fasteners);
- Hangers, Supports and Snubbers;
- Bellows and Expansion Joints;
- Cable Trays and Supports;
- Piping and Instrument Racks and/or Stands;
- Anchorages of components to walls, floors, structural members etc.;
- Personnel and Equipment Hatches/Air-Locks;
- Waterproof/ Watertight Doors;
- etc.

- 1) ASME Section III – RULES FOR CONSTRUCTION OF NUCLEAR FACILITY COMPONENTS;
- 2) ASME Section III - Subsection NCA General Requirements for Division 1 and Division 2 RULES FOR CONSTRUCTION OF NUCLEAR FACILITY COMPONENTS;
- 3) ASME Section III Division 1 – RULES FOR CONSTRUCTION OF NUCLEAR FACILITY COMPONENTS
 - a) Subsection NB Class 1 Components,
 - b) Subsection NC Class 2 Components,
 - c) Subsection ND Class 3 Components,
 - d) Subsection NE Class MC Components,
 - e) Subsection NF Supports,
 - f) Subsection NG Core Support Structures,
 - g) Subsection NH Class 1 Components in Elevated Temperature Service;
- 4) ASME Section III Division 1 – Appendices RULES FOR CONSTRUCTION OF NUCLEAR FACILITY COMPONENTS;
- 5) ASME NQA-1, Quality Assurance Requirements for Nuclear Facility Applications – overview only;
- 6) ASME Code for Operation and Maintenance (OM) of Nuclear Power Plants (including an overview of some applicable Code Cases);
- 7) ASME Section II – Materials
 - a) Part A - Ferrous Material Specifications,
 - b) Part B - Nonferrous Material Specifications,
 - c) Part C - Specifications for Welding Rods, Electrodes, and Filler Metals,
 - d) Part D - Properties;
- 8) ASME Section V – Nondestructive Examination – overview only;
- 9) ASME Section VIII – RULES FOR CONSTRUCTION OF PRESSURE VESSELS;
- 10) ASME Section IX – Qualification Standard for Welding and Brazing Procedures, Welders, Brazers, and Welding and Brazing Operators – overview only;
- 11) ASME AG-1, Code on Nuclear Air and Gas Treatment;
- 12) ANSI/ASME B16.5, Pipe Flanges and Flanged Fittings NPS 1/2" Through NPS 24";
- 13) ANSI/ASME B16.11, Forged Fittings, Socket-Welding and

Threaded;

- 14) ANSI/ASME B16.34, Valves - Flanged, Threaded, and Welding End;
- 15) ANSI/ASME B16.47, Large Diameter Steel Flanges NPS 26" Through NPS 60";
- 16) ANSI/ASME (USAS) B31.1, Power Piping - overview only;
- 17) ANSI/ASME (USAS) B31.3, Process Piping - overview only;
- 18) ANSI/ANS 51.1, Nuclear Safety Criteria for the Design of Stationary Pressurized Water Reactor Plants;
- 19) ANSI/ANS 52.1, Nuclear Safety Criteria for the Design of Stationary Boiling Water Reactor Plants;

Provide an overview summary of the various Codes & Standards listed in "Attachment 2" and how they relate to construction and manufacturing activities associated with Mechanical SSC(s).

Provide a separate table/attachment of the additional references listed in "Attachment 3"; which the students can use as a reference outside the context of this course.

Upon completion of this section, the student/ attendee should be able to successfully:

- Summarize the Code requirements and standards applicable to this functional area of Mechanical SSCs;
- Understand and describe piping system design fundamentals and fabrication requirements;
- Describe pipe support systems and their design function;
- Describe the function, installation and operational testing requirements for centrifugal and positive displacement pumps;
- Understand the potential causes of water hammer and pressure spiking;
- Summarize the design, installation and operational requirements of pressure regulating, temperature control, and flow control valves in a process system;
- Explain the basic design, installation and operational testing Code and QA/QC requirements for a heat exchanger used in a process system;
- Explain the basic design, installation and operational testing Code and QA/QC requirements of a typical heating, ventilation and air conditioning (HVAC) system, including supporting chilled water systems and isolation dampers for fire protection and radiation control; and
- Determine whether mechanical component installation and related QA/QC activities are being performed in accordance with Design Specifications, and Code or Regulatory

ATTACHMENT 1

	<p>requirements.</p>
<p>NRC Regulatory Guides (RG) associated with Mechanical Codes & Standards, and Mechanical SSCs</p>	<p>Review a few current Regulatory Guides associated with Mechanical Codes & Standards to provide the student with an overall understanding and purpose of Regulatory Guides as they relate to construction and manufacturing activities associated with Mechanical SSC(s):</p> <p>RG 1.43, Control of Stainless Steel Weld Cladding of Low-Alloy Steel Components;</p> <p>RG 1.73, Qualification Tests of Electric Valve Operators Installed Inside the Containment of Nuclear Power Plants;</p> <p>RG 1.87, Guidance for Construction of Class 1 Components in Elevated-Temperature Reactors.</p>
<p>Requirements for Seismic and Environmental Qualification of Mechanical SSC(s)</p>	<p>Overview of guidance provided in Regulatory Guides to include, but not limited to:</p> <p>RG 1.29, Seismic Design Classification;</p> <p>RG 1.40, Qualification Tests of Continuous-Duty Motors Installed Inside the Containment of Water-Cooled Nuclear Power Plants;</p> <p>RG 1.60, Design Response Spectra for Seismic Design of Nuclear Power Plants;</p> <p>RG 1.61, Damping Values for Seismic Design of Nuclear Power Plants;</p> <p>RG 1.73, Qualification Tests of Electric Valve Operators Installed Inside the Containment of Nuclear Power Plants;</p> <p>RG 1.92, Combining Modal Responses and Spatial Components in Seismic Response Analysis; and</p> <p>RG 1.100, Seismic Qualification of Electric and Mechanical Equipment for Nuclear Power Plants.</p> <p><u>Other:</u></p> <p>ASME QME-1, Qualification of Active Mechanical Equipment Used in Nuclear Power Plants;</p> <p>ASCE 4, Seismic Analysis of Safety-Related Nuclear Structures and Commentary;</p> <p>ANSI/ANS 2.26, Categorization of Nuclear Facility SSCs for Seismic Design; and</p> <p>AISC 341, Seismic Provisions for Structural Steel Buildings.</p> <p>Upon successful completion of this section, the student/attende should be able to successfully summarize Equipment Qualification requirements (for both mild and harsh environments), age and service related degradation, explain types of testing and/or similarity analyses, discuss requirements for an acceptable test report, and how test and/or analyzed</p>

ATTACHMENT 1

	<p>conditions must replicate as-built installations, seismic requirements and classifications.</p>
<p>Case studies of Mechanical related issues</p>	<p>Focus on construction programs of nuclear power plants and fuel facilities with emphasis on the activities associated with Mechanical SSC(s).</p>
<p>Overview of other internationally and industry recognized Mechanical standards and guidance.</p>	<p>General overview of Industry, IAEA or other internationally recognized Safety Standards or Codes related to Mechanical SSC(s) to include, but not limited to:</p> <ol style="list-style-type: none"> 1) ISO 389, Shielding for Nuclear Plants. Erection and Testing; 2) ISO 921, Nuclear Energy Glossary; 3) ISO 6258, Nuclear Power Plants. Design Against Seismic Hazards; 4) ISO 899-1, Nuclear Plants. Supports, Attachments and Anchors for Piping. Testing; 5) ISO 899-2, Nuclear Plants. Supports, Attachments and Anchors for Piping. Certification and Documentation; 6) ISO 2818, Nuclear Plants. Supports, Attachments and Anchors for Piping. Supports; 7) ISO 3167, Nuclear Plants. Supports, Attachments and Anchors for Piping. Anchors; 8) ISO 10555, Nuclear Plants. Supports, Attachments and Anchors for Piping. Design; 9) ISO 11380, Nuclear Plants. Supports, Attachments and Anchors for Piping. Nomenclature and Definitions; 10) ISO 5893, Nuclear Power Plants. Power Reactors. Criteria for Protection Systems; 11) ISO 8856, Nuclear Facilities. Criteria, Requirements and Recommendations for a Quality Assurance Program; 12) ISO 9563, Protective Coatings in Laboratories and Nuclear Plants. Characteristics and Classification System; 13) ISO 11985, Protective Coatings (Paints) for Light Water Nuclear Reactor Containment Structures and Components. Determination of Resistance under LOCA conditions.

PROPOSED INDUSTRY CODES

- 1) ASME PTC 32.1, Nuclear Steam Supply Systems.
- 2) ASME NOG-1, Rules for Construction of Overhead and Gantry Cranes.
- 3) ASME Code Case N-253-12, Construction of Class 2 or Class 3 Components for Elevated Temperature Service Section III, Division 1.
- 4) ASME Code Case N-307-3, Ultrasonic Examination of Class 1 Bolting, Table IWB-2500-1, Examination Category B-G-1 Section XI, Division 1.
- 5) ANSI/ASME N278.1, Self-Operated and Power-Operated Safety-Related Valves Functional Specification Standard.
- 6) ANSI/ANS 56.2, Containment Isolation Provisions for Fluid Systems After a LOCA.
- 7) ANSI/ANS 56.3, Overpressure Protection of Low Pressure Systems Connected to the Reactor Coolant Pressure Boundary.
- 8) ANSI/ANS 56.4, Pressure and Temperature Transient Analysis for Light Water Reactor Containments.
- 9) ASTM E-748, Standard Practices for Thermal Neutron Radiography of Materials.
- 10) ANSI/ISA-67.02.01, Nuclear Safety-Related Instrument Sensing Line Piping and Tubing Standard for Use in Nuclear Power Plants.

ASME Codes:

The following list should be provided to the students in the form of an attachment or table in the Student Manual for the course. This listing of other references to Codes & Standards, or guidances used for Mechanical SSCs in nuclear power plants can then be used by the student outside of the course, other than those being described and expanded upon in more detail within the course itself as outlined above in the body of this 'scope of work'.

ASME Performance Test Code (PTC) 7.1, Displacement Pumps;

ASME PTC 8.2, Centrifugal Pumps;

ASME PTC 11, Fans;

ASME PTC 12.5, Single Phase Heat Exchangers;

ASME PTC 18, Hydraulic Turbines and Pump-Turbines;

ASME PTC 22, Performance Test Code on Gas Turbines;

ASME PTC 23, Atmospheric Water Cooling Equipment;

ANSI/ASME PTC 23.1, Code on Spray Cooling Systems;

ASME PTC 25, Pressure Relief Devices;

ASME PTC 32.1, Nuclear Steam Supply Systems;

ASME NOG-1, Rules for Construction of Overhead and Gantry Cranes;

ASME Code Case N-253-12, Construction of Class 2 or Class 3 Components for Elevated Temperature Service Section III, Division 1;

ASME Code Case N-307-3, Ultrasonic Examination of Class 1 Bolting, Table IWB-2500-1, Examination Category B-G-1 Section XI, Division 1;

ASME Code Case N-323-1, Alternative Examination for Welded Attachments to Pressure Vessels Section XI, Division 1-Supplement 1;

ASME Code Case N-416-3, Alternative Pressure Test Requirement for Welded or Brazed Repairs, Fabrication Welds or Brazed Joints for Replacement Parts and Piping Subassemblies, or Installation of Replacement Items by Welding or Brazing, Classes 1, 2, and 3 Section XI, Division 1;

ASME Code Case N-622, Ultrasonic Examination of RPV and Piping, Bolts, and Studs Section XI, Division 1-Supplement 1;

ASME Code Case N-648-1 Alternative Requirements for Inner Radius Examinations of Class 1 Reactor Vessel Nozzles Section XI, Division 1;

ASME Code Case N-653, Qualification Requirements for Full Structural Overlaid Wrought Austenitic Piping Welds Section XI, Division 1;

ANSI/ASME N278.1, Self-Operated and Power-Operated Safety-Related Valves Functional Specification Standard;

ANSI/ASME N509, Nuclear Power Plant Air-Cleaning Units and Components;

ANSI/ASME N510, Testing of Nuclear Air Treatment Systems;

ANS Standards:

- ANSI/ANS 56.2, Containment Isolation Provisions for Fluid Systems After a LOCA;
- ANSI/ANS 56.3, Overpressure Protection of Low Pressure Systems Connected to the Reactor Coolant Pressure Boundary;
- ANSI/ANS 56.4, Pressure and Temperature Transient Analysis for Light Water Reactor Containments;
- ANSI/ANS 56.5, PWR and BWR Containment Spray System Design Criteria;
- ANSI/ANS 56.6, Pressurized Water Reactor Containment Ventilation Systems;
- ANSI/ANS 56.7, Boiling Water Reactor Containment Ventilation Systems;
- ANSI/ANS 56.10, Subcompartment Pressure and Temperature Transient Analysis in Light Water Reactors;
- ANSI/ANS 56.11, Design Criteria for Protection Against the Effects of Compartment Flooding in Light Water Reactor Plants;
- ANSI/ANS 58.2, Design Basis for Protection of Light Water Nuclear Power Plants Against Effects of Postulated Pipe Rupture;
- ANSI/ANS 58.3, Physical Protection for Nuclear Safety-Related Systems and Components;
- ANSI/ANS 59.1, Nuclear Safety Related Cooling Water Systems for Light Water Reactors;
- ANSI/ANS 59.3, Nuclear Safety Criteria for Control Air Systems;

AWS Standards:

- ANSI/AWS A2.4, Standard Symbols for Welding, Brazing, and Nondestructive Examination;
- ANSI/AWS A3.0, Standard Welding Terms and Definitions Including Terms for Brazing, Soldering Thermal Spraying and Thermal Cutting;
- ANSI/AWS B2.1, Specification for Welding Procedure and Performance Qualification;
- ANSI/AWS D14.1, Specification for Welding of Industrial and Mill Cranes and Other Material Handling Equipment;
- ANSI/AWS Form E-7, Report of Radiographic Examination of Welds;
- ANSI/AWS Form E-8, Report of Magnetic-Particle Examination of Welds;

Regulatory Guides:

- RG 1.1, Net Positive Suction Head for Emergency Core Cooling and Containment Heat Removal System Pumps (Safety Guide 1);
- RG 1.9, Application and Testing of Safety-Related Diesel Generators in Nuclear Power Plants;
- RG 1.11, Instrument Lines Penetrating Primary Reactor Containment (Safety Guide 11);
- RG 1.13, Spent Fuel Storage Facility Design Basis;
- RG 1.14, Reactor Coolant Pump Flywheel Integrity;

- RG 1.26, Quality Group Classifications and Standards for Water-, Steam-, and Radioactive-Waste-Containing Components of Nuclear Power Plants;
- RG 1.28, Quality Assurance (QA) Program Requirements (Design and Construction);
- RG 1.31, Control of Ferrite Content in Stainless Steel Weld Metal;
- RG 1.37, QA Requirements for Cleaning of Fluid Systems and Associated Components of Water-Cooled Nuclear Power Plants;
- RG 1.38, QA Requirements for Packaging Shipping, Receiving, Storage and Handling of Items for Water-Cooled Nuclear Power Plants;
- RG 1.43, Control of Stainless Steel Weld Cladding of Low-Alloy Steel Components;
- RG 1.44, Control of the Use of Sensitized Stainless Steel;
- RG 1.45, Reactor Coolant Pressure Boundary Leakage Detection Systems;
- RG 1.50, Control of Preheat Temperature for Welding of Low-Alloy Steel;
- RG 1.52, Design, Testing and Maintenance Criteria for Post-accident Engineered-Safety-Feature Atmosphere Cleanup System Air Filtration and Adsorption Units of Light-Water-Cooled Nuclear Power Plants;
- RG 1.54, Service Level I, II, And III Protective Coatings Applied to Nuclear Power Plants;
- RG 1.65, Materials and Inspections for Reactor Vessel Closure Studs;
- RG 1.68, Initial Test Programs for Water-Cooled Nuclear Power Plants;
- RG 1.71, Welder Qualification for Areas of Limited Accessibility;
- RG 1.72, Spray Pond Piping Made from Fiberglass-Reinforced Thermosetting Resin;
- RG 1.73, Qualification Tests of Electric Valve Operators Installed Inside the Containment of Nuclear Power Plants;
- RG 1.78, Evaluating the Habitability of a Nuclear Power Plant Control Room during a Postulated Hazardous Chemical Release;
- RG 1.82, Water Sources for Long-Term Recirculation Cooling Following a Loss-of-Coolant Accident;
- RG 1.84, Design, Fabrication, and Materials Code Case Acceptability, ASME Section III;
- RG 1.87, Guidance for Construction of Class 1 Components in Elevated-Temperature Reactors;
- RG 1.96, Design of Main Steam Isolation Valve Leakage Control Systems for Boiling Water Reactor Nuclear Power Plants;
- RG 1.99, Radiation Embrittlement of Reactor Vessel Materials;
- RG 1.115, Protection Against Low-Trajectory Turbine Missiles;
- RG 1.116, Quality Assurance Requirements for Installation, Inspection, and Testing of Mechanical Equipment and Systems;
- RG 1.124, Service Limits and Loading Combinations for Class 1 Linear-Type Supports;
- RG 1.125, Physical Models for Design and Operation of Hydraulic Structures and Systems for Nuclear Power Plants;
- RG 1.130, Service Limits and Loading Combinations for Class 1 Plate-and-Shell-Type Component Supports;
- RG 1.133, Loose-Part Detection Program for the Primary System of Light-Water-Cooled Reactors;
- RG 1.137, Fuel-Oil Systems for Standby Diesel Generators;
- RG 1.139, Guidance for Residual Heat Removal;
- RG 1.140, Design, Inspection, and Testing Criteria for Air Filtration and Adsorption Units of Normal Atmosphere Cleanup Systems in Light-Water-Cooled Nuclear Power Plants;

- RG 1.141, Containment Isolation Provisions for Fluid Systems;
- RG 1.143, Design Guidance for Radioactive Waste Management Systems, Structures, and Components Installed in Light-Water-Cooled Nuclear Power Plants;
- RG 1.148, Functional Specification for Active Valve Assemblies in Systems Important to Safety in Nuclear Power Plants;
- RG 1.151, Instrument Sensing Lines;
- RG 1.153, Criteria for Safety Systems;
- RG 1.154, Format and Content of Plant-Specific Pressurized Thermal Shock Safety Analysis Reports for Pressurized Water Reactors;
- RG 1.161, Evaluation of Reactor Pressure Vessels with Charpy Upper-Shelf Energy Less Than 50 Ft-Lb;
- RG 1.162, Format and Content of Report for Thermal Annealing of Reactor Pressure Vessels;
- RG 1.163, Performance-Based Containment Leak-Test Program;
- RG 1.192, Operation and Maintenance Code Case Acceptability, ASME OM Code;
- RG 1.193, ASME Code Cases Not Approved for Use;
- RG 1.199, Anchoring Components and Structural Supports in Concrete;
- RG 1.201, Guidelines for Categorizing Structures, Systems, and Components in Nuclear Power Plants According to Their Safety Significance.

Other Codes & Standards:

- ASTM E-213, Standard Practice for Ultrasonic Examination of Metal Pipe and Tubing;
- ASTM E-748, Standard Practices for Thermal Neutron Radiography of Materials;
- ANSI/ASNT CP-189, Qualification and Certification of Nondestructive Testing Personnel;
- ANSI/ISA-67.02.01, Nuclear Safety-Related Instrument Sensing Line Piping and Tubing Standard for Use in Nuclear Power Plants;
- Society for Nondestructive Testing, Recommended Practice No. SNT-TC-1A and Supplements;

**BILLING INSTRUCTIONS FOR
FIXED PRICE CONTRACTS (JUNE 2008)**

General: During performance and through final payment of this contract, the contractor is responsible for the accuracy and completeness of data within the Central Contractor Registration (CCR) database and for any liability resulting from the Government's reliance on inaccurate or incomplete CCR data.

The contractor shall prepare vouchers/invoices as prescribed herein. FAILURE TO SUBMIT VOUCHERS/INVOICES IN ACCORDANCE WITH THESE INSTRUCTIONS WILL RESULT IN REJECTION OF THE VOUCHER/INVOICE AS IMPROPER.

Form: Claims shall be submitted on the payee's letterhead, voucher/invoice, 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."

Number of Copies: A signed original shall be submitted. If the voucher/invoice includes the purchase of any property with an initial acquisition cost of \$50,000 or more, a copy of the signed original is also required.

Designated Agency Billing Office: The preferred method of submitting vouchers/invoices is electronically to the Department of the Interior at NRCPayments@nbc.gov

If the voucher/invoice includes the purchase of any property with an initial acquisition cost of \$50,000 or more, a copy of the signed original shall be electronically sent to: Property@nrc.gov

However, if you submit a hard-copy of the voucher/invoice, it shall be submitted to the following address:

Department of the Interior
National Business Center
Attn: Fiscal Services Branch - D2770
7301 West Mansfield Avenue
Denver, CO 80235-2230

If you submit a hard-copy of the voucher/invoice and it includes the purchase of any property with an initial acquisition cost of \$50,000 or more, a copy of the signed original shall be mailed to the following address:

U.S. Nuclear Regulatory Commission
NRC Property Management Officer
Mail Stop: O-4D15
Washington, DC 20555-0001

HAND-CARRIED SUBMISSIONS WILL NOT BE ACCEPTED

**BILLING INSTRUCTIONS FOR
FIXED PRICE CONTRACTS (JUNE 2008)**

Agency Payment Office: Payment will continue to be made by the office designated in the contract in Block 12 of the Standard Form 26, Block 25 of the Standard Form 33, or Block 18a. of the Standard Form 1449, whichever is applicable.

Frequency: The contractor shall submit a voucher/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. A description of articles or services, quantity, unit price, and total amount.
7. For contractor acquired property, list each item with an initial acquisition cost of \$50,000 or more 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.

**BILLING INSTRUCTIONS FOR
FIXED PRICE CONTRACTS (JUNE 2008)**

11. For Indefinite Delivery contracts or contracts under which progress payments are authorized, the final voucher/invoice shall be marked "FINAL VOUCHER" OR "FINAL INVOICE."

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

Supersession: These instructions supersede any previous billing instructions.

RS-38-10-699

Subpart 2009.5 Organizational Conflicts of Interest

§2009.500 Scope of subpart.

In accordance with 42 U.S.C. 2210a., NRC acquisitions are processed in accordance with §2009.570, which takes precedence over FAR 9.5 with respect to organizational conflicts of interest. Where non-conflicting guidance appears in FAR 9.5, that guidance must be followed.

§2009.570 NRC organizational conflicts of interest.

§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 these regulations 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 this regulation. 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.

§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 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.

§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.

(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 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.

§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.

§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 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.

§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.

§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.

§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.

§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.

§2009.570-10 Remedies.

In addition to other remedies permitted by law or contract for a breach of the restrictions in this subpart or for any intentional misrepresentation or intentional nondisclosure of any relevant interest required to be provided for this section, the NRC may debar the contractor from subsequent NRC contracts.