

AWARD/CONTRACT	1. THIS CONTRACT IS RATED ORDER UNDER DPAS (15 CFR 700)	RATING N/A	PAGE OF PAGES 1 33
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2. CONTRACT NO. (Proc. Inst. Ident.) NRC-38-10-705	3. EFFECTIVE DATE 09/30/2010	4. REQUISITION/PURCHASE REQUEST/PROJECT NO. 38-10-705 HR-10-705
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5. ISSUED BY U.S. Nuclear Regulatory Commission Div. of Contracts Attn: Jeffrey R. Mitchell 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
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7. NAME AND ADDRESS OF CONTRACTOR (No., street, city, county, State and ZIP Code) WESTINGHOUSE ELECTRIC COMPANY LLC 1000 WESTINGHOUSE DR CRANBERRY TOWNSHIP PA 160665228	8. DELIVERY <input type="checkbox"/> FOB ORIGIN <input checked="" type="checkbox"/> OTHER (See below)
9. DISCOUNT FOR PROMPT PAYMENT	
10. SUBMIT INVOICES (4 copies unless otherwise specified) TO THE ADDRESS SHOWN IN	

CODE 062661272	FACILITY CODE	11. SHIP TO/MARK FOR U.S. Nuclear Regulatory Commission Washington DC 20555	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
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13. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION: <input type="checkbox"/> 10 U.S.C. 2304(c)() <input type="checkbox"/> 41 U.S.C. 253(c)()	14. ACCOUNTING AND APPROPRIATION DATA 0-8415-171114 x8462 251F 31x0200.00 Obligate \$632,000.00
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15A. ITEM NO.	15B. SUPPLIES/SERVICES	15C. QUANTITY	15D. UNIT	15E. UNIT PRICE	15F. AMOUNT
	The contractor shall provide the U.S. Nuclear Regulatory Commission with the services described in the Statement of Work and terms and conditions attached to this contract. ORCA.GOV reps and certs incorporated by reference				

15G. TOTAL AMOUNT OF CONTRACT \$632,000.00

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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 1 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.
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19A. NAME AND TITLE OF SIGNER (Type or print) Kenneth B. Blanchard, Director FENOC Operations	20A. NAME OF CONTRACTING OFFICER Sheila Bumpass Contracting Officer
19B. NAME OF CONTRACTOR BY <u>Kenneth B. Blanchard</u> (Signature of person authorized to sign)	20B. UNITED STATES OF AMERICA BY <u>Sheila Bumpass</u> (Signature of Contracting Officer)
19C. DATE SIGNED 9/29/2010	20C. DATE SIGNED 9/29/2010

AUTHORIZED FOR LOCAL REPRODUCTION Previous edition is usable STANDARD FORM 26 (REV. 4/2008) Prescribed by GSA - FAR (48 CFR) 53.214(a)

TEMPLATE - ADM001

SUNSI REVIEW COMPLETE

OCT 04 2010

ADM002

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PART I - THE SCHEDULE

SECTION B - SUPPLIES OR SERVICES AND PRICE/COSTS

B.1 PRICE/COST SCHEDULE

PERIOD OF PERFORMANCE: SEPTEMBER 30, 2010 THROUGH SEPTEMBER 29, 2014

BASE					
CLIN	Description of Services	Est. Qty	Unit	Unit Price	Est. Total Price
001	TASK 1: KICK OFF MEETING		EACH		
002a	TASK 2: DEVELOPMENT OF THE AP1000 NRC INSTRUCTOR TRAINING COURSE: <u>DRAFT COURSE OUTLINE SUBMITTED TO THE NRC PROJECT OFFICER</u>		EACH		
002b	TASK 2: DEVELOPMENT OF THE AP1000 NRC INSTRUCTOR TRAINING COURSE: <u>SUBMISSION OF THE DRAFT COURSE MATERIALS TO THE NRC PROJECT OFFICER</u>		EACH		
002c	TASK 2: DEVELOPMENT OF THE AP1000 NRC INSTRUCTOR TRAINING COURSE: <u>SUBMISSION OF THE FINAL COURSE MATERIALS TO THE NRC PROJECT OFFICER</u>		EACH		
003	TASK 3: PRESENTATION OF THE AP1000 NRC INSTRUCTOR TRAINING COURSE (UP TO TWELVE PARTICIPANTS PER COURSE)		EACH		
004	TASK 7: FINAL REPORT		EACH		
				SUB TOTAL	\$632,000.00

OPTIONAL ITEMS					
CLIN	Description of Services	Est. Qty	Unit	Unit Price	Est. Total Price
005	OPTIONAL TASK 4; DEVELOPMENT OF THE AP1000 CROSS TRAINING COURSE		EACH		
006	OPTIONAL TASK 5; PRESENTATION OF THE AP1000 CROSS TRAINING COURSE (UP TO TWELVE PARTICIPANTS PER COURSE)		EACH (COURSE)		
				SUB TOTAL	

				ESTIMATED TOTAL PRICE	\$1,893,000.00
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B.2 PROJECT TITLE

The title of this project is as follows:

AP1000 CROSS TRAINING COURSE

B.3 CONSIDERATION AND OBLIGATION--DELIVERY ORDERS (JUN 1988)

(a) The total estimated amount of this contract (ceiling) for the products/services ordered, delivered, and accepted under this contract is \$632,000.00. 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 \$632,000.00. 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.

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

(a) Brief description of work:

The primary objective of this contract is to provide a course for NRC instructors to teach the AP1000 technology in the classroom and on the simulator and for the NRC simulator engineers to prepare them for working on an AP1000 simulator.

(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.

SECTION C - DESCRIPTION/SPECIFICATIONS/STATEMENT OF WORK**SECTION C - DESCRIPTION/SPECIFICATIONS/STATEMENT OF WORK****1 BACKGROUND**

The Nuclear Regulatory Commission inspects the facilities of licensees to determine whether the facility operations are conducted in compliance with license provisions and to identify conditions that might adversely affect the health and safety of the public or the environment.

In support of this mission, Nuclear Regulatory Commission personnel are trained in areas of nuclear power plant design, normal operation, abnormal operation, and emergencies. These areas are taught both in a classroom environment and on nuclear power plant control room simulators. The instructors for these classes have many years of experience in the operation of existing nuclear power plants.

2 CONTRACT OBJECTIVE

The primary objective of this contract is to provide a course for NRC instructors to teach the AP1000 technology in the classroom and on the simulator and for the NRC simulator engineers to prepare them for working on an AP1000 simulator.

An optional second objective of the contract is for a contractor to provide for training of NRC personnel that have been trained in existing Westinghouse technology to prepare them for inspecting the AP1000 design plants and examining operators for the AP1000 plants. This objective may be met in one of two ways.

- a. The contractor will provide classroom and simulator instruction to present to NRC personnel the AP1000 Cross Training Course.
- b. The contractor will provide simulator time for NRC instructors to teach NRC personnel the simulator portion of the AP1000 Cross Training Course.

3 SCOPE OF WORK

To meet the primary objective, the Contractor shall furnish qualified personnel, materials, and simulator time to develop and present an AP1000 NRC Instructor Training Course.

To meet the second objective, the Contractor shall furnish:

- a. Qualified personnel, materials, and simulator time to develop and present an AP1000 Cross Training Course.
- b. Qualified AP1000 simulator operator and time on an AP1000 simulator for NRC instructors to teach NRC personnel the simulator portion of the AP1000 Cross Training Course

4 TASK 1; KICK OFF MEETING**KICK OFF MEETING**

Within 30 days of contract award, a meeting will be held at the Contractor's facility with the NRC Project Officer and technical representatives to discuss the course outline, lesson objectives, material preparation, facility for presentation and any other information required for course presentation.

DELIVERABLES

Within thirty (30) days of contract award - a meeting at the Contractor's facility.

5 TASK 2; DEVELOPMENT OF THE AP1000 NRC INSTRUCTOR TRAINING COURSE

REQUIREMENTS:

For the NRC Instructor Training Course, the Contractor will be required to:

- a. Provide a detailed course schedule, including a breakdown of course topics and times to be spent on each topic.
- b. Provide appropriately bound training materials for student use during the course (course materials, handouts, etc.) unless specified otherwise in this contract. These materials shall be prepared using the Contractor's facilities and resources prior to course presentation.
- c. Provide a satisfactory facility for the conduct of classes. This should include the following:
 - an operational AP1000 control room simulator,
 - classroom with sufficient seating and desk area for students, and
 - all necessary presentation equipment (multimedia projectors, screens, speakers, etc.),
- d. Develop/furnish and utilize visual aids (viewgraphs, slides, etc.) as much as possible to assist student understanding.
- e. Provide the NRC Project Officer, sixty (60) days prior to the start of a course a copy of the following material: course schedule, texts and handouts to be provided to the students. The NRC Project Officer will approve/disapprove the material within twenty-one (21) days after receipt from the contractor. The contractor shall correct any deficiencies and resubmit the material. NRC approval of the material shall be required at least twenty-one (21) days prior to the start of the course.
- f. Provide the NRC Project Officer a map of the course locality clearly showing the training facility and nearby lodging available to the students.

Course goals should be accomplished through a combination of classroom presentations, demonstrations, and simulator operation. Most system discussions should concentrate on the differences between operating Westinghouse plants and the AP1000. For systems that are unique to the AP1000 design, the discussion should be more detailed. The following is a proposed schedule. Changes in, additions to, or deletions from the subjects listed below are permitted, however, the content of the final outline shall be approved by the NRC Project Officer.

SUGGESTED OUTLINE:

<u>Day</u>	<u>Title</u>	<u>Location</u>
1	Course Introduction	Classroom
	AP1000 Overview	Classroom
	Reactor Vessel and Core Construction	Classroom
	Reactor Coolant System	Classroom
	CVS, RNS, CCS, SWS, SFPCS	Classroom
	Secondary Plant	Classroom

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Section C

2	Startup Feedwater Other Cooling Water Systems Ovation Platform and Plant Control Systems Containment HVAC Systems Electrical Distribution	Classroom Classroom Classroom Classroom Classroom Classroom
3	Passive Core Cooling System Passive Containment Cooling System PMS Architecture	Classroom Classroom Classroom
4	Reactor Trips, ESF Actuation Signals DAS Procedure Overview: General Operating Procedures Normal Operating Procedures Alarm Response Procedures Abnormal Operating Procedures Emergency Operating Procedures Post-72-Hr Procedures Severe Accident Management Guidelines	Classroom Classroom Classroom
5	Plant H/U & S/U w/ Variable RCP Speed Control, ICRR Procedure* Power Escalation from 2% to 100%*	Simulator Simulator
6	Power Escalation (cont'd)* Normal At-Power Ops with Boron Concentration Changes* Normal Shutdown and Cooldown*	Simulator Simulator Simulator
7	Responses to Tube Leaks and Coolant Leaks, including Implementation of Rapid Plant Shutdown Procedure	Simulator
8	Responses to CVS Leak, Uncontrolled Cooldown, CEA and Control System Malfunctions	Simulator

<u>Day</u>	<u>Title</u>	<u>Location</u>
9	E-0, FR-S.1 Presentations Reactor Trip Scenarios, ATWS Scenarios, Implementation of E-0, ES-0.1, FR-S.1 (with variations)	Classroom Simulator
10	E-1, E-2, ES-1.1, ES-1.2 Presentations LOCA, Steam Break, and Feed Break Scenarios (with different sizes and variations), Implementation of E-1, E-2, ES-1.1 Post-LOCA Cooldown, Implementation of ES-1.2	Classroom Simulator Simulator
11	E-3, FR-P.1 Presentations SGTR Scenarios (with operator actions and with design-basis response), Implementation of E-3 FR-P.1 Implementation Scenario	Classroom Simulator Simulator

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12	FR-H.1, FR-C.1 Presentations FR-H.1, FR-C.1 Implementation Scenarios SDP-1, SDP-2 Presentations Shutdown Scenarios with Loss of RCS Inventory, Loss of RNS	Classroom Simulator Classroom Simulator
13	Presentation of Abnormal Procedures for I&C Failures Scenarios with Appropriate Implementation of Abnormal Procedure: Loss of Data Display and Processing System Loss of PLS Loss of PMS Loss of Computer Station(s)	Classroom Simulator
14	Loss of Defense-in-Depth Electrical Power Loss of Spent Fuel Pool Cooling Passive Cooling System Malfunctions/Misalignments	Simulator Simulator Simulator
15	Presentation of Post-72-Hr Procedures Implementation of Post-72-Hr Procedures (Use and Control of Ancillary Diesels, Passive Core and Containment Cooling) Overview of SAMGs Response to Core Damaging Event	Classroom Simulator Classroom Simulator

*With implementation of normal plant operating procedures as necessary.

DELIVERABLES

- a. Within forty-five (45) days of contract award - draft detailed course outline submitted to the NRC Project Officer for review.
- b. Within ninety (90) days of contract award - draft course materials (student manuals, etc.) submitted to the NRC Project Officer for review.
- c. Within one hundred twenty (120) days of contract award - ready for presentation of the first course.

6 TASK 3: PRESENTATION OF THE AP1000 NRC INSTRUCTOR TRAINING COURSE

The contractor shall furnish the necessary qualified personnel, materials and simulator training to conduct a fifteen (15) day training course entitled "AP1000 NRC Instructor Training Course" outlined above.

GENERAL INFORMATION

- a. The class size will be dictated by the number of people that can be taught effectively on the simulator. On present day simulators, this number is typically a maximum of six (6).
- b. An official NRC workday is 8 hours and 45 minutes. This includes 45 minutes for a lunch break. For example, the official hours for training at the Technical Training Center are 7:30 AM to 4:15 PM. Presentations are normally given from 8:00 AM to 4:00 PM. 10-minute breaks are given about every hour. The lunch break is usually one hour to allow students to catch up on e-mail, phone calls, etc.

If possible, it would be desirable to maintain the same hours for the NRC instructor/simulator engineer training and for the AP1000 Cross Training Course. The actual hours for the course will be arranged between the Contractor and the Project Officer. The NRC Instructor Training Course is expected to take a full 15 days to complete.

- c. On the first day of each class, the Contractor shall ensure required student registration forms are completed and shall inform participants of the requirements for satisfactorily completing the course.
- d. Projection graphics for classroom use shall be produced in computer presentation format (PowerPoint for example), with black and white hard copies provided in the student manual.
- e. The NRC Project Officer shall be responsible for the review and approval of contractor developed course materials.

NUMBER OF COURSES, COURSE SCHEDULING, AND LOCATION

- a. It is estimated that 12 people will need to complete the NRC Instructor Training Course (instructors and simulator engineers).
- b. Exact course dates will be arranged with the Contractor at least sixty (60) days before each course. Courses will be formally scheduled via a delivery order form signed by both parties.
- c. Should the NRC determine no later than 30 days prior to the time a course session is to begin that the need is insufficient to conduct the training; the NRC may reschedule the session without additional obligation to the government. A revised delivery order form will be completed by the parties with the new dates.

7 OPTIONAL TASK 4: DEVELOPMENT OF THE AP1000 CROSS TRAINING COURSE

REQUIREMENTS:

For the optional AP1000 Cross Training Course, the Contractor will be required to:

- a. Provide a detailed course schedule, including a breakdown of course topics and times to be spent on each topic.
- b. Provide appropriately bound training materials for student use during the course (course materials, handouts, etc.) in sufficient detail to act as a study guide for the course, unless specified otherwise in this contract. These materials shall be prepared using the Contractor's facilities and resources prior to course presentation and will be corrected for errors identified in previous courses.
- c. Use an instructor guide to support presentation of the course. As a minimum, the guide shall consist of a detailed course outline, clearly defined learning objectives for each topic, and a formal lesson plan for presenting each lecture/simulator lesson.
- d. Provide a satisfactory facility for the conduct of classes. This should include the following:
 - an operational AP1000 control room simulator,
 - classroom with sufficient seating and desk area for students, and
 - all necessary presentation equipment (multimedia projectors, screens, speakers, etc.),
- e. Develop/furnish and utilize visual aids (viewgraphs, slides, etc.) as much as possible to assist student understanding.
- f. Provide the NRC Project Officer, sixty (60) days prior to the start of the first course (and prior to the start of subsequent courses, if revised) a copy of the following material: course schedule, texts and handouts to be provided to the students. The NRC Project Officer will approve/disapprove the material within twenty-one (21) days after receipt from the contractor. The contractor shall correct any deficiencies and resubmit the material.

NRC approval of the material shall be required at least twenty-one (21) days prior to the start of each course.

- g. Provide the NRC Project Officer, thirty (30) days prior to the start of a course, a copy of two examinations for approval. The exams should be multiple choice questions, each worth one (1) point. Multiple choice questions should have one and only one correct answer. An exam shall not repeat more than 25% of the questions used on the last examination for that course.

The first exam will be given on the morning of the eighth day of class (the second Wednesday). This exam will cover the material covered up to the seventh day of class (the second Tuesday). The exam should contain 35 questions. The students should be given 2 hours to take the exam. The Contractor will grade the exam and report the grades to the NRC Project Officer by Monday of the third week of the course.

The second exam will be given on the morning of the last Friday of the course. This exam will cover the remainder of the material presented in the course and be a combination of a classroom and static simulator exam. This exam should also contain 35 questions. The students should be given 3 hours to complete this exam. The Contractor will grade this exam and report the results of this exam and the student average for the class to the NRC Project Officer by the Friday following the end of the course.

- h. Provide the NRC Project Officer a map of the course locality clearly showing the training facility and nearby lodging available to the students.
- i. Within thirty (30) days of the completion of the course, correct all errors noted during the course and/or identified on the course evaluation sheets and update the course materials. The correction of errors that do not change the content of the course (spelling, grammar, etc.) do not need to be approved by the NRC Project Officer.
- j. Notify the NRC Project Officer within forty-five (45) days of the start of a course of any changes that need to be made to the course material due to changes in the technology or due to recent events. The new material that will be added to the course shall be reviewed by the NRC Project Officer within fourteen (14) days after receipt from the Contractor. The Contractor shall correct any deficiencies and resubmit the material. NRC approval of the material shall be required at least fourteen (14) days prior to the start of each course.

Course goals should be accomplished through a combination of classroom presentations, demonstrations, and simulator operation. Most system discussions should concentrate on the differences between operating Westinghouse plants and the AP1000. For systems that are unique to the AP1000 design, the discussion should be more detailed. The following is a proposed schedule. Changes in, additions to, or deletions from the subjects listed below are permitted, however, the content of the final outline shall be approved by the NRC Project Officer.

SUGGESTED OUTLINE:

<u>Day</u>	<u>Title</u>	<u>Location</u>
1	Course Introduction	Classroom
	AP1000 Overview	Classroom
	Reactor Vessel and Core Construction	Classroom
	Incore Instrumentation	Classroom
	Reactor Coolant System	Classroom
2	Review	Classroom
	Chemical & Volume Control System	Classroom
	Normal Residual Heat Removal System	Classroom
	CCW, SWS, SFPCS	Classroom

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Section C

	Main Steam	Classroom
	Turbine & Auxiliaries	Classroom
	Condensate & Feedwater	Classroom
3	Review	Classroom
	Startup Feedwater System	Classroom
	Circulating Water, TB Closed Cooling Water	Classroom
	Ovation Platform	CR & Sim
	Plant Control Systems	CR & Sim
4	Review	Classroom
	Containment & Normal Containment Cooling System	Classroom
	Plant HVAC Systems, CR Emergency HVAC	Classroom
	Electrical Distribution System	Classroom
	Passive Core Cooling System	Classroom
5	Review	Simulator
	Passive Containment Cooling System	Simulator
	Protection & Safety Monitoring System Architecture	CR & Sim
	Rx Trips, ESF Actuations	Classroom
	Diverse Actuations	Classroom
6	Simulator Operation	Simulator
	Plant Operating Procedures	Simulator
	Alarm Response Procedures	Simulator
	Plant Heatup with Variable RCP Speed	Simulator
	Plant Startups & Power Maneuvering	Simulator
7	Additional Simulator Ops as Desired	Simulator
	Overview of Tech Specs	Classroom
	Self Study	
8	FIRST EXAM (50% of total grade)	Classroom
	Condition III & IV Events	Classroom
	Off-Normal Procedure & EOP Rules of Usage	Classroom
9	Plant Operations	Simulator
	Abnormal Operations	Simulator
	Computer Station Failure; Ovation Failure	Simulator
	Introduction to EOPs	Classroom
<u>Day</u>	<u>Title</u>	<u>Location</u>
10	EOP Entry & Rx Trip EOP	Classroom
	Uncomplicated Rx Trips	Simulator
	SLB/FLB EOP	Classroom
	SLB/FLB Response with Normal Systems	Simulator
	SLB/FLB Response with Passive Systems	Simulator
11	LOCA EOP	Classroom
	RCS Leak Response with Normal Systems	Simulator
	LOCA Response with Normal Systems	Simulator
	LOCA Response with Passive Systems	Simulator

12	SGTR Off-Normal and EOP SGTR Response with Normal Systems SGTR Response with Passive Systems Loss of All Feedwater EOP Loss of All Feedwater	Classroom Simulator Simulator Classroom Simulator
13	Loss of All AC Power EOP Loss of All AC Power Loss of All AC Power with LOCA Loss of All AC Power with Other Accidents	Classroom Simulator Simulator Simulator
14	Accident Response with Equipment Failures Accidents with PMS Failures and DAS Actuation Severe Accident Phenomena & Mitigation Self Study	Simulator Simulator Classroom
15	Review FINAL EXAM (50% of total)	Classroom & Simulator

To meet the option of running the simulator for NRC instructors to teach the AP1000 Cross Training Course, the Contractor will furnish a minimum of one (1) qualified AP1000 simulator operator and five (5) days of simulator time to conduct the simulator portion of the AP1000 Cross Training Course.

6 OPTIONAL TASK 5; PRESENTATION OF THE AP1000 CROSS TRAINING COURSE

To meet the requirement of the optional AP1000 Cross Training Course, the contractor shall furnish the necessary qualified personnel, materials and simulator training to conduct a fourteen and one-half day (14½) day training course entitled "AP1000 Cross Training Course" outlined above.

GENERAL INFORMATION

- a. The class size will be dictated by the number of people that can be taught effectively on the simulator. On present day simulators, this number is typically a maximum of six (6).
- b. An official NRC workday is 8 hours and 45 minutes. This includes 45 minutes for a lunch break. For example, the official hours for training at the Technical Training Center are 7:30 AM to 4:15 PM. Presentations are normally given from 8:00 AM to 4:00 PM. 10-minute breaks are given about every hour. The lunch break is usually one hour to allow students to catch up on e-mail, phone calls, etc.

If possible, it would be desirable to maintain the same hours for the NRC instructor/simulator engineer training and for the AP1000 Cross Training Course. The actual hours for the course will be arranged between the Contractor and the Project Officer.

The AP1000 Cross Training Course is expected to take 14 full days with a partial day on the last Friday.

- c. On the first day of each class, the Contractor shall ensure required student registration forms are completed and shall inform participants of the requirements for satisfactorily completing the course.
- d. Projection graphics for classroom use shall be produced in computer presentation format (PowerPoint for example), with black and white hard copies provided in the student manual.

- e. The NRC Project Officer shall be responsible for the review and approval of contractor developed course materials.

NUMBER OF COURSES, COURSE SCHEDULING, AND LOCATION

- a. If the Contractor is required to give the Cross Training Course, it is estimated that 60 students will need to attend the course over a two-year period.
- b. Exact course dates will be arranged with the Contractor at least sixty (60) days before each course. Courses will be formally scheduled via a delivery order form signed by both parties.
- c. Should the NRC determine no later than 30 days prior to the time a course session is to begin that the need is insufficient to conduct the training; the NRC may reschedule the session without additional obligation to the government. A revised delivery order form will be completed by the parties with the new dates.

7 OPTIONAL TASK 6;

There will be no Optional Task 6 as no vendor could support this task.

8 TASK 7; FINAL REPORT

The Contractor shall furnish a final report by the end date of the contract. Five copies shall be sent to the Project Officer and one copy to the Contract Administrator. The report shall contain as a minimum:

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

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

9 INSTRUCTOR QUALIFICATION REQUIREMENTS

The contractor shall have broad technical experience with the AP1000 design and expected operation.

The NRC Instructor Training Course or the AP1000 Cross Training Course shall be conducted by a minimum of three assigned course instructors with expertise in the AP1000 design and operation and with the operation of the AP1000 simulator. They shall be experienced in providing classroom and simulator instruction to experienced students in other Westinghouse technologies. As a minimum, these instructors shall have the following areas of expertise:

- a. Extensive knowledge in the design and operation of the systems of the AP1000.
- b. Extensive knowledge in the bases and use of AP1000 normal operating, system, and emergency procedures.
- c. Extensive knowledge in the design and operation of present day operating Westinghouse plants.
- d. Practical experience as an instructor in the classroom teaching nuclear power plant systems, procedures, and integrated plant operations.

e. Practical experience as a simulator instructor teaching system operation, integrated plant operation, abnormal condition response, and emergency response.

10 NRC FURNISHED MATERIAL

The NRC will be responsible for preparing course announcements, student registration, and preparing course completion certificates.

11 PERFORMANCE REQUIREMENTS SUMMARY

Task	Deliverable	Method of Surveillance	Standard	Incentive/Deduction
Task 2 – Course Development (AP1000 NRC Instructor Training 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 2 for each business day late for each submission. 2) 0.05% deduction in total CLIN amount of Task 2 for each comment not incorporated into each final submission.
Task 3 – Presentation of (AP100 NRC Instructor Training Course)	Course	NRC Project Officer and Participant Feedback	80% satisfactory feedback from the course participants	5% deduction in the total CLIN amount of Task 3 for a satisfactory rating below 80%.
Optional Task 4 – Course Development (AP1000 Cross Training 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 Optional Task 4 for each business day late for each submission. 2) 0.05% deduction in total CLIN amount of Optional Task 4 for each comment not incorporated into each final submission.
Optional Task 5 – Presentation of (AP1000 Cross Training Course)	Course	NRC Project Officer and Participant Feedback	80% satisfactory feedback from the course participants	5% deduction in the total CLIN amount of Optional Task 5 for a satisfactory rating below 80%.
Task 7- 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 7 for each business day overdue on submission. 2) 30% deduction in total CLIN amount of Task 7 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
52.246-4	FEDERAL ACQUISITION REGULATION (48 CFR Chapter 1) INSPECTION OF SERVICES--FIXED-PRICE	AUG 1996

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

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

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

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

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

F.2 DURATION OF CONTRACT PERIOD (MAR 1987) ALTERNATE 1 (JUN 1988)

The ordering period for this contract shall commence on September 30, 2010 and will expire September 29, 2014. Any orders issued during this period shall be completed within the time specified in the order, unless otherwise specified herein. (See 52.216-18 - Ordering).

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: Bobby Eaton

Address: U.S. Nuclear Regulatory Commission
5746 Marlin Rd. , Suite 400
Chattanooga, TN 37411-5677

Telephone Number: 423-855-6540

(b) The project officer shall:

(1) Monitor contractor performance and recommend changes in requirements to the contracting officer.

(2) Inspect and accept products/services provided under the contract.

(3) Review all contractor invoices/vouchers requesting payment for products/services provided under the contract and make recommendations for approval, disapproval, or suspension.

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

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

*To be incorporated into any resultant contract

G.2 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:

(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 209.570-2 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 WARRANTIES

"DEFINITIONS - Whenever used in this document with initial capitalization, the following definitions shall be applicable:

- A. "Course" shall mean each of the individual courses of Training furnished by Westinghouse under the Agreement.
- B. "Trainee" shall mean any employee, consultant, or customer of Purchaser who is either scheduled to or actually does participate in a Course.
- C. "Training" shall mean any or all of the Courses or related information and services furnished by Westinghouse under the Agreement.
- D. "Training Material" shall mean the specific set of material provided by Westinghouse hereunder which has application in a training environment such as: lesson plans, visual aids, student handouts, tests and models."

"WARRANTIES

A. Training (Excluding Training Material)

Contractor warrants that the Training will be performed by competent personnel skilled in their respective disciplines and will be performed in accordance with accepted standards and engineering practices. In the event any portion of the Training fails to comply with this warranty obligation and Contractor is promptly notified in writing one hundred eighty (180) days after completion of the Training which gives rise to the claim, Contractor will promptly reperform such portion of the Training without additional compensation from Purchaser, or, if reperformance is impracticable, Contractor will refund the amount of the compensation paid to Contractor for such portion of the Training. Contractor neither warrants nor represents that completion of the Training provided hereunder will necessarily result in the successful qualification or licensing of Trainees.

B. Training Material

Contractor warrants that the Training Material furnished will be free from defects that would adversely affect its ability to be used for training until one hundred eighty (180) days after the Delivery of the Training Material to the Purchaser. In the event any portion thereof fails to conform to this warranty and Contractor is promptly notified in writing within the warranty period, Contractor shall correct such nonconformity without additional compensation from Purchaser. Contractor neither warrants nor represents that use of the Training Material furnished will necessarily result in the successful qualification or licensing of Trainees, nor result in the successful performance by Trainees of activities contemplated by the Training Material.

C. Exclusivity of Warranties and Remedies

THE WARRANTIES SET FORTH IN THIS ARTICLE ARE EXCLUSIVE AND ARE IN LIEU OF ALL OTHER WARRANTIES WHETHER STATUTORY, EXPRESS, OR IMPLIED (INCLUDING ALL WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, AND ALL WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE). Correction of non-conformities in the manner and for the period of time provided above shall constitute Contractor's sole liability, and Purchaser's exclusive remedy for failure of Contractor to meet its warranty obligations whether claims of Purchaser are based in contract, in tort (including negligence and strict liability), or otherwise."

H.3 PROPRIETARY INFORMATION

Specifications, drawings, data, software, and other information transmitted by Westinghouse to Purchaser in connection with Westinghouse's offer and any resulting sale are the property of Westinghouse or its suppliers. Information marked proprietary shall be disclosed in confidence on a need to know basis on the condition that it is not to be reproduced, copied or used for any other purpose than the purpose for which it is provided and shall not be disclosed to third parties without the prior written permission of Westinghouse. The provisions of this article shall not apply to information which: (i) is or becomes generally available to the public through no act or fault of the Purchaser; (ii) is, prior to disclosure hereunder, already in the possession of the Purchaser and was received without restriction on disclosure; (iii) is hereafter rightfully received from a third party who did not receive the same from Westinghouse; or (iv) is required by law or governmental agency to be disclosed, after the Purchaser notifies Westinghouse of the disclosure requirements and affords Westinghouse an opportunity to object to and minimize such disclosure and Purchaser cooperates with Westinghouse in seeking confidential treatment of any information disclosed.

H.4 GOVERNMENT FURNISHED EQUIPMENT/PROPERTY - NONE PROVIDED (JUN 1988)

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

H.5 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.6 Annual and Final Contractor Performance Evaluations

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

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

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

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

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

H.7 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 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 Permanent Resident Card Form I-551, or must present other evidence from the U.S. Department of Homeland Security/U.S. Citizenship and Immigration Services that employment will not affect his/her immigration status. The U.S. Citizenship and Immigration Services provides information to contractors to help them understand the employment eligibility verification process for non-US citizens. This information can be found on their website, www.uscis.gov.

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.8 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.9 WHISTLEBLOWER PROTECTION FOR NRC CONTRACTOR AND SUBCONTRACTOR EMPLOYEES (JULY 2006)

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

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

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

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

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

NUMBER	TITLE	DATE
	FEDERAL ACQUISITION REGULATION (48 CFR Chapter 1)	
52.202-1	DEFINITIONS	JUL 2004
52.203-3	GRATUITIES	APR 1984
52.203-5	COVENANT AGAINST CONTINGENT FEES	APR 1984
52.203-7	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 DEBARMENT	SEP 2006
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
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
52.222-21	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
52.223-6	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
52.229-3	FEDERAL, STATE, AND LOCAL TAXES	APR 2003
52.232-1	PAYMENTS	APR 1984
52.232-8	DISCOUNTS FOR PROMPT PAYMENT	FEB 2002
52.232-11	EXTRAS	APR 1984
52.232-17	INTEREST	OCT 2008
52.232-18	AVAILABILITY 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
52.233-4	APPLICABLE LAW FOR BREACH OF CONTRACT CLAIM	OCT 2004
52.242-13	BANKRUPTCY	JUL 1995
52.243-1	CHANGES--FIXED PRICE ALTERNATE I (APR 1984)	AUG 1987
52.244-6	SUBCONTRACTS FOR COMMERCIAL ITEMS	DEC 2009
52.246-23	LIMITATION OF LIABILITY	FEB 1997
52.246-25	LIMITATION OF LIABILITY--SERVICES	FEB 1997
52.248-1	VALUE ENGINEERING	FEB 2000
52.249-2	TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (FIXED-PRICE)	MAY 2004
52.249-8	DEFAULT (FIXED-PRICE SUPPLY AND SERVICE)	APR 1984
52.253-1	COMPUTER GENERATED FORMS	JAN 1991

I.2 52.216-18 ORDERING (OCT 1995)

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

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

(a) Minimum order. When the Government requires supplies or services covered by this contract in an amount of less than N/A, 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 N/A;

(2) Any order for a combination of items in excess of N/A; or

(3) A series of orders from the same ordering office within N/A 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.

1.4 52.216-22 INDEFINITE QUANTITY (OCT 1995)

(a) This is an indefinite-quantity contract for the supplies or services specified, and effective for the period stated, in the Schedule. The quantities of supplies and services specified in the Schedule are estimates only and are not purchased by this contract.

(b) Delivery or performance shall be made only as authorized by orders issued in accordance with the Ordering clause. The Contractor shall furnish to the Government, when and if ordered, the supplies or services specified in the Schedule up to and including the quantity designated in the Schedule as the "maximum." The Government shall order at least the quantity of supplies or services designated in the Schedule as the "minimum."

(c) Except for any limitations on quantities in the Order Limitations clause or in the Schedule, there is no limit on the number of orders that may be issued. The Government may issue orders requiring delivery to multiple destinations or performance at multiple locations.

(d) 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.

1.5 52.217-7 OPTION FOR INCREASED QUANTITY--SEPARATELY PRICED LINE ITEM (MAR 1989)

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

1.6 52.219-28 POST-AWARD SMALL BUSINESS PROGRAM REREPRESENTATION (APR 2009)

(a) Definitions. As used in this clause-

Long-term contract means a contract of more than five years in duration, including options. However, the term does not include contracts that exceed five years in duration because the period of performance has been extended for a cumulative period not to exceed six months under the clause at 52.217-8, Option to Extend Services, or other appropriate authority.

Small business concern means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the criteria in 13 CFR part 121 and the size standard in paragraph (c) of this clause. Such a concern is "not dominant in its field of operation" when it does not exercise a controlling or major influence on a national basis in a kind of business activity in which a number of business concerns are primarily engaged. In determining whether dominance exists, consideration shall be given to all appropriate factors, including volume of business, number of employees, financial resources, competitive status or position, ownership or control of materials, processes, patents, license agreements, facilities, sales territory, and nature of business activity.

(b) If the Contractor represented that it was a small business concern prior to award of this contract, the Contractor shall rerepresent its size status according to paragraph (e) of this clause or, if applicable, paragraph (g) of this clause, upon the occurrence of any of the following:

(1) Within 30 days after execution of a novation agreement or within 30 days after modification of the contract to include this clause, if the novation agreement was executed prior to inclusion of this clause in the contract.

(2) Within 30 days after a merger or acquisition that does not require a novation or within 30 days after modification of the contract to include this clause, if the merger or acquisition occurred prior to inclusion of this clause in the contract.

(3) For long-term contracts-

(i) Within 60 to 120 days prior to the end of the fifth year of the contract; and

(ii) Within 60 to 120 days prior to the date specified in the contract for exercising any option thereafter.

(c) The Contractor shall rerepresent its size status in accordance with the size standard in effect at the time of this rerepresentation that corresponds to the North American Industry Classification System (NAICS) code assigned to this contract. The small business size standard corresponding to this NAICS code can be found at <http://www.sba.gov/services/contractingopportunities/sizestandardsttopics/>.

(d) The small business size standard for a Contractor providing a product which it does not manufacture itself, for a contract other than a construction or service contract, is 500 employees.

(e) Except as provided in paragraph (g) of this clause, the Contractor shall make the rerepresentation required by paragraph (b) of this clause by validating or updating all its representations in the Online Representations and Certifications Application and its data in the Central Contractor Registration, as necessary, to ensure that they reflect the Contractor's current status. The Contractor shall notify the contracting office in writing within the timeframes specified in paragraph (b) of this clause that the data have been validated or updated, and provide the date of the validation or update.

(f) If the Contractor represented that it was other than a small business concern prior to award of this contract, the Contractor may, but is not required to, take the actions required by paragraphs (e) or (g) of this clause.

(g) If the Contractor does not have representations and certifications in ORCA, or does not have a representation in ORCA for the NAICS code applicable to this contract, the Contractor is required to complete the following rerepresentation and submit it to the contracting office, along with the contract number and the date on which the rerepresentation was completed:

The Contractor represents that it [] is, [] is not a small business concern under NAICS Code 611430 assigned to contract number NRC-38-10-705.

[Contractor to sign and date and insert authorized signer's name and title].

I.7 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 (46 U.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.8 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	DATE	NO. PAGES
1	FIRM FIXED PRICE BILLING INSTRUCTIONS		
2	SUBPART 2009.5 ORGANIZATIONAL CONFLICTS OF INTEREST		

**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.

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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.