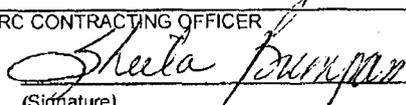


**U.S. NUCLEAR REGULATORY COMMISSION
NOTICE OF GRANT/ASSISTANCE AWARD**

| | | | |
|--|---|---|--|
| 1. GRANT/AGREEMENT NO. NRC-04-10-153 | 2. MODIFICATION NO. M001 | 3. PERIOD OF PERFORMANCE FROM: 9/30/2010 TO: 9/30/2013 | 4. AUTHORITY Pursuant to Section 31b and 141b of the Atomic Energy Act of 1954, as amended |
| 5. TYPE OF AWARD <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> COOPERATIVE AGREEMENT | 6. ORGANIZATION TYPE DUNS: 193326464 Non-profit Organization NAICS: 541712 | 7. RECIPIENT NAME, ADDRESS, and EMAIL ADDRESS ASME STANDARDS TECHNOLOGY, LLC THREE PARK AVE NEW YORK NY 100165902 | |
| 8. PROJECT TITLE: ANDE Certification Program: Development of a Non-Destructive Examination (NDE) Personnel Certification Program | | | |
| 9. PROJECT WILL BE CONDUCTED PER GOVERNMENT'S/RECIPIENT'S PROPOSAL(S) DATED AND APPENDIX A-PROJECT GRANT PROVISIONS | 10. TECHNICAL REPORTS ARE REQUIRED <input type="checkbox"/> PROGRESS AND FINAL <input type="checkbox"/> FINAL ONLY <input checked="" type="checkbox"/> OTHER (Conference Proceedings) | 11. PRINCIPAL INVESTIGATOR(S) NAME, ADDRESS and EMAIL ADDRESS Dr. James Ramirez ASME STANDARDS TECHNOLOGY, LLC THREE PARK AVE New York, NY 100165902 Email: ramirezj@asme.org | |
| 12. NRC PROGRAM OFFICE (NAME and ADDRESS) Robin Barnes, PM, robin.barnes1@nrc.gov MS: C6D20 (301) 251-7401 11545 Rockville Pike Rockville MD 20852 Wallace Norris, Tech. Analyst wallace.norris@nrc.gov | 13. ACCOUNTING and APPROPRIATION DATA APPN. NO: 31X0200.060 B&R NO: 060-15-111-127 JOB CODE: G6010 BOC NO: 4110 OFFICE ID NO: RFPA: RES-11-198 FAMS: | 14. METHOD OF PAYMENT <input type="checkbox"/> ADVANCE BY TREASURY CHECK <input type="checkbox"/> REIMBURSEMENT BY TREASURY CHECK <input type="checkbox"/> LETTER OF CREDIT <input checked="" type="checkbox"/> OTHER (SPECIFY) Electronic ASAP.gov (See Remarks in Item #20 "Payment Information") | |
| 15. NRC OBLIGATION FUNDS THIS ACTION \$0.00 PREVIOUS OBLIGATION \$50,000.00 TOTAL \$50,000.00 | 16. TOTAL FUNDING AGREEMENT NRC \$150,000.00 RECIPIENT \$2,355,600.00 TOTAL \$2,505,600.00 This action provides funds for Fiscal Year 2011 in the amount of \$0.00 | | |
| 17. NRC ISSUING OFFICE (NAME, ADDRESS and EMAIL ADDRESS) U.S. Nuclear Regulatory Commission Div. of Contracts Attn: M'Lita Carr Mail Stop: TWB-01-B10M Washington, DC 20555 Email: mlita.carr@NRC.GOV | | | |
| 18. Signature Not Required | 19. NRC CONTRACTING OFFICER <div style="text-align: right;">  (Signature) _____ 7/18/11 (Date) _____ </div> NAME (TYPED) Sheila Bumpass TITLE Contracting Officer TELEPHONE NO. 301-492-3484 Email: sheila.bumpass@nrc.gov | | |
| 20. PAYMENT INFORMATION Payment will be made through the Automated Standard Application for Payment (ASAP.gov) unless the recipient has failed to comply with the program objectives, award conditions, Federal reporting requirements or other conditions specified in 2 CFR 215 (OMB Circular A110). | | | |
| 21. Attached is a copy of the "NRC General Provisions for Grants and Cooperative Agreements Awarded to Non-Government Recipients. Acceptance of these terms and conditions is acknowledged when Federal funds are used on this project. | | | |
| 22. ORDER OF PRECEDENCE In the event of a conflict between the recipient's proposal and this award, the terms of the Award shall prevail. | | | |
| 23. By this award, the Recipient certifies that payment of any audit-related debt will not reduce the level of performance of any Federal Program. | | | |

TEMPLATE - ADM001

SUNSI REVIEW COMPLETE

ADM002

DESCRIPTION OF MODIFICATION:

The purpose of this modification M001 is:

1. Correct the total funding ceiling amount on the award document;
2. Incorporate a new program description to reflect the reduced budget;
3. Change the Project Manager;
4. Add Financial and Performance reporting requirements.

As a result of this modification:

1. Correct award document in section 16 entitled "TOTAL FUNDING AGREEMENT" delete in its entirety and replace with the following:

TOTAL FUNDING AGREEMENT

| | |
|-----------|----------------|
| NRC | \$150,000.00 |
| RECIPIENT | \$2,355,600.00 |
| TOTAL | \$2,505,600.00 |

2. In "ATTACHMENT A- SCHEDULE" of the grant delete pages 1-2 and the Program Description and replace with the attached documents;
3. Robin Barnes has replaced Wallace Norris as the Project Manager and Mr. Norris is hereby designated as the Technical Analyst.
4. In the Financial Requirements section entitled "Monitoring and Reporting" delete and replace with the following:

"b. Federal Financial Reports

Effective October 1, 2009, NRC transitioned from the SF-269, SF-269A, SF-272, and SF-272A to the Federal Financial Report (SF-425) as required by OMB:

Federal Register Notice: http://www.whitehouse.gov/omb/fedreg/2008/081308_ffr.pdf

Federal Financial Report Form (SF-425): http://www.whitehouse.gov/omb/grants_forms/

The Recipient shall submit a Federal Financial Report (SF-425) on a quarterly basis, for the periods ending 3/31, 6/30, 9/30 and 12/31. Reports are due within 30 calendar days following the end of each reporting period. The reports must be emailed to Grants_FFR@nrc.gov."

5. In the Programmatic Requirements section entitled "Performance (Technical) Reports" add the following:

"c. The required performance (technical) reports must be emailed to Grants_PPR@nrc.gov."

Base Period: September 30, 2010 – September 30, 2013 (unchanged)

Total Grant Amount: \$150,000.00 (changed)

Total Obligated Amount: \$50,000.00 (unchanged)

All terms and conditions remain the same.

ATTACHMENT A - SCHEDULE**A.1 PURPOSE OF THIS GRANT AWARD**

The purpose of this award is to provide support to develop ASME NDE Personnel Certification program as described in Attachment B entitled "Program Description."

A.2 PERIOD OF PERFORMANCE

1. The effective date of this award is September 30, 2010 with an estimated completion date of September 30, 2013.

2. Funds obligated hereunder are available for program expenditures for the estimated period: September 30, 2010 – September 30, 2013.

A. GENERAL

| | |
|-------------------------------------|--|
| 1. Total Estimated NRC Amount: | \$150,000.00 |
| 2. Total Obligated Amount: | \$50,000.00 |
| 3. Cost-Share/Other Agency Support: | \$2,355,600.00 |
| 4. Activity Title: | ANDE Certification Program: Development of a Non-Destructive Examination (NDE) Personnel Certification Program |
| 5. NRC Project Officer: | Robin Barnes |
| 6. DUNS No.: | 193326464 |

B. SPECIFIC

| | |
|-------------------|----------------|
| RFPA No.: | 04-10-153 |
| FFS: | RES-C10-859 |
| Job Code: | G6010 |
| BOC: | 4110 |
| B&R Number: | 060-15-111-127 |
| Appropriation #: | 31X0200.060 |
| Amount Obligated: | \$50,000 |

A.3 BUDGET

Revisions to the budget shall be made in accordance with Revision of Grant Budget in accordance with 2 CFR 215.25.

| | Year 1 | Year 2 | Year 3 |
|----------------|--------------------|--------------------|--------------------|
| Direct Costs | \$48,600.00 | \$48,600.00 | \$48,600.00 |
| Indirect Costs | <u>\$ 1,400.00</u> | <u>\$ 1,400.00</u> | <u>\$ 1,400.00</u> |
| Total Costs | \$50,000.00 | \$50,000.00 | \$50,000.00 |

All Travel must be in accordance with the ASME Standards Technology, LLC. Travel Regulations or the US Government Travel Policy in absence of grantee's regulations.

A.4 AMOUNT OF AWARD AND PAYMENT PROCEDURES

1. The total estimated amount of this Award is \$150,000.00 for three (3) years.

2. NRC hereby obligates the amount of \$50,000 for program expenditures during the period set forth above and in support of the Budget above. The grantee will be given written notice by the Contracting Officer when additional funds will be added. NRC is not obligated to reimburse the Cooperative Agreement for the expenditure of amounts in excess of the total obligated amount.

3. Payment shall be made to the grantee in accordance with procedures set forth in the Automated Standard Application for Payments (ASAP) Procedures set forth below.

Attachment B – Program Description

Overview

The proposed new ASME NDE Personnel Certification program will provide a much needed third party option addressing the programs associated with the historical owner-based NDE certification system. The ASME NDE Personnel Certification program will assist the nuclear NDE workforce development with a transportable certification credentials meeting ASME Section XI requirements; later this process will be expanded to serve other sections of the Boiler Code. Further, for international users and domestic users working with international customers, this will satisfy the requirements for third party certification imposed in some jurisdictions. Additionally, a new code case for ASME Section XI has been approved allowing third party NDE certification organizations to certify Level II and III NDE personnel in lieu of employer-based certification. The personnel certification program will meet the proposed Section XI requirements for a third party NDE organization, but will also be applicable to other nuclear and pressure technology codes (e.g., B&PVC Sections III and VIII, B31 codes). This will result in an effective standardized approach to certification of NDE examiners which will provide predictability of performance and eliminate the need to recertify when changing employers; for example, this is especially significant for the large contractor workforce supporting outages and turnarounds in power plants and refineries. This program is expected to add efficiency to the certification process while reducing the burden on the examiner.

With the potential for significant activity in the construction of new nuclear stations it will be necessary to have an effective, efficient industry standard method for qualifying and certifying NDE examiners and QC Inspectors. The ASME NDE Certification will support demand and that the quality of their skill sets meet the required standards for the nuclear industry.

Project Objectives

The objectives of this project include creating a third party NDE certification organization to provide a central NDE/QC certification program administered through ASME (or one of its Limited Liability Companies) and governed by a committee conformed of industry experts. The overall objective is to increase the quality and predictability of NDE/inspection, improve efficiency, and create a more attractive work environment for retention of personnel. The employer will remain responsible for verification of certification of personnel to the required level and releasing NDE and QC personnel for work.

Project Deliverables

The centralized NDE/QC certification program will include:

1. Certification criteria document. A new committee will be formed from stakeholder volunteers to develop and maintain the new "Criteria for Certification of Nondestructive Testing Personnel." This document will include the criteria against which the competence of the candidates will be evaluated, including an introduction, summary of duties and qualifications for each certification category, training and experience requirements, written and practical examination requirements, required knowledge areas upon which the exam questions are based, and the certification process. Consideration will be given to developing the certification criteria as a consensus standard using ANSI-accredited procedures. The criteria document will be presented to ASME Standards Committees for adoption in relevant ASME codes.
2. Standard secure written test question banks:
 - a. QC Inspectors in the disciplines of Electrical/I&C, Mechanical, Civil, Welding, and General to meet requirements for certification to Level I, II, and III.
 - b. NDE Examiners in the disciplines of Liquid Penetrant, Magnetic Particle, Radiography, Ultrasonics, Eddy Current, and Visual 1-3 to meet requirements for certification to Level I, II, and III.
 - c. A psychometrician will be engaged to assist with examination bank development.
 - d. Examination banks will be validated and cross-validated.
 - e. The security of the exam banks will be maintained, and written examinations will be administered in a secure environment.
3. Development of comprehensive Body of Knowledge documents shall be considered.
4. Practical performance-based examination. The practical examination features of the program should be emphasized.
5. Practical and Demonstration test specimens and separate specimens for training. Specimens will be maintained in a secure environment.
6. A centrally located facility and staff for testing and records retention. Partnerships with existing practical examination facilities shall be considered.
7. QA program to assure that applicable requirements of NQA-1 and 10 CFR 50 app. B are met.
8. Procedures and processes for administering the program in accordance with nuclear QA program requirements.
9. Procedures and processes for administering written examinations and practical demonstrations at a remote facility.
10. Procedures and processes for certifying remote facilities to administer examinations.
11. There will be a procedure and acceptance criteria for allowing a transition credential (or Credential Transfer). The procedure will require documentation that the individual meets stated criteria. Applications for Credential Transfer will be accepted for 1 year from the launch of program operations, and the transferred certification will be good for a 3 year transition period before full recertification per the ASME program is required.

12. ASME ST-LLC will provide the US NRC with Quarterly progress reports.

Schedule

It is anticipated that the program will be completed in a three (3) year period from the time of initiation. This will be just in time to assist Plant Vogtle and VC Summer in staffing new nuclear construction.

Project Personnel and Resources

Subject Matter Experts will be selected by ASME ST-LLC based upon technical skill set necessary.

Key ASME project management personnel include:

- ASME ST-LLC: Jim Ramirez
- ASME ST-LLC: Anthony Amato
- ASME ST-LLC: Dan Andrei