

Kinney, Penelope

From: Cook, John
Sent: Tuesday, June 23, 2009 4:02 PM
To: Heumann, Elise
Cc: Kinney, Penelope; Glenny, Jessica
Subject: RE: Funding for J5546
Attachments: FW: RFP for JCN J5546 Spent Fuel Transport Risk Assessment (SFTRA)

Elise-

Thanks for providing the opportunity to consult on this subject, even if we can't discuss at the office until July 15.

We recently received SNL's response to our RFP for increasing the ceiling on this project to \$1,810K - I don't know if you have a copy (attached). The contractor's spending plan (see p. 23) shows that \$207K will be expended from June through December 2009. Combined with \$100K prior spending in FY09, this means that \$307 of the total \$350K in FY09 funding (87.8%) would be expended by January 2010. This estimated expenditure appears to compare favorably with the 90% financial management standard. Also, if \$75K in FY09 funding were removed from this project, it is not clear that the required analyses could be completed in time to support preparation of the draft NUREG document and the peer review schedule. Moreover, a CR is likely, and coming up with \$75K in new FY10 funds to replace the FY09 funds could be a challenge, particularly early in that FY. Finally, agree that it might be best to not change the funding information in the Chairman memo. Everything considered, I suggest the FY09 funds for this project not be reduced.

Hope this helps.

-John

From: Heumann, Elise
Sent: Monday, June 22, 2009 8:00 AM
To: Cook, John
Cc: Kinney, Penelope; Glenny, Jessica
Subject: Funding for J5546

John-

As part of the initial planning for use of FY 2010 contract support funds, I have been asked to forecast spending thru 9/30/2010.

If all the remaining FY 2009 funds (\$250K) are obligated for this SNL contract, these funds will not be completely spent by 9/30/2010. This is a problem. What I am contemplating is obligation of a smaller amount of FY 2009 funds (approximately \$75K less), that will result in expenditure by about January. This will better position SFST to meet the new financial management standard of 90% of prior year funds are expended by January 2010. This \$75K would then need to be found from FY 2010 budgeted funds, to provide all needed funds for planned FY 2010 expenditures.

What I **don't** want to do now, is change any of the funding information in the Chairman memo going forward, as I want to discuss this matter with you and I will be out of the office this week, and you will be out of the office next week, I believe.

What I do want to do is consult about how much of the FY 2009 funds to commit and obligate this year.