



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

SEP 22 1989

Parameter, Inc.  
ATTN: Dick Lofy  
13380 Watertown Plank Road  
Elm Grove, Wisconsin 53122

Dear Mr. Lofy:

Subject: Task Order No. 1. Entitled "Technical Assistance To Support A Diagnostic Evaluation At Arkansas Nuclear One, Units 1 and 2, Design and Engineering Support Evaluation Services and Management and Organizational Analysis" Under Contract No. NRC-26-89-289

This confirms verbal authorization provided to you on July 28, 1989 to commence work under the subject task order with a temporary ceiling of \$30,000.00.

In accordance with Section G.8 - Task Order Procedures of the subject contract, this letter definitizes Task Order No. 1. This effort shall be performed in accordance with the enclosed Statement of Work and the Contractor's proposal for this Task Order No. 1 dated July 25, 1989, incorporated herein by reference.

Task Order No. 1 shall be in effect from July 31, 1989 through November 30, 1989 with a total cost ceiling of \$164,602.89. The amount of \$160,831.66 represents the total estimated reimbursable costs and the amount of \$3,771.23 represents the fixed fee. The amount of \$164,602.89 includes the \$30,000.00 verbally authorized to you as stated above.

Accounting data for this Task Order No. 1 are as follows:

B&R: 982-19-01-01-0  
FIN No.: D22079  
APPN No.: 31X0200.829  
Obligated Amount: \$164,602.89

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

Your contacts during the course of this task order are:

Technical Matters: Dennis Allison  
Project Officer  
(301) 492-4148

Contractual Matters: Edna Knox  
Contract Administrator  
(301) 492-4731

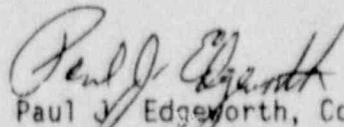
Parameter, Inc.

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Please indicate your acceptance of this Task Order No. 1 by having an official, authorized to bind your organization, execute three copies of this document in the space provided and return two copies to the Contract Administrator. You should retain the third copy for your records.

Since we are rapidly approaching September 30, our fiscal year ending date, you should expedite the execution and return of this document. Unless the signed documents are returned to me prior to that date, I cannot assure you of the continued availability of these funds.

Sincerely,



Paul J. Edgeworth, Contracting Officer  
Contract Administration Branch  
Division of Contracts and Property  
Management  
Office of Administration

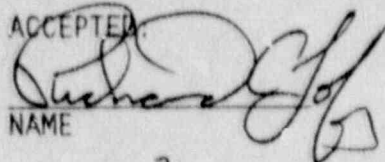
Enclosure:  
As stated

ACCEPTED:

NAME

TITLE

DATE



P. E. J.

9/25/89

## TASK ORDER

### TECHNICAL ASSISTANCE TO SUPPORT A DIAGNOSTIC EVALUATION AT ARKANSAS NUCLEAR ONE, UNITS 1 AND 2, DESIGN AND ENGINEERING SUPPORT EVALUATION SERVICES AND MANAGEMENT AND ORGANIZATIONAL ANALYSIS

#### I. BACKGROUND/OBJECTIVES

Diagnostic Evaluations at nuclear power plants provide NRC senior management with an independent assessment of licensee safety performance which augments information provided by the Systematic Assessment of Licensee Performance (SALP) Program, the Performance Indicator (PI) Program and the various inspections performed by NRC Headquarters and Regional Offices. The assessment is independent in the sense that the administration and management of the program is independent of the licensing, inspection and enforcement process. Diagnostic evaluations will be conducted with intensive team efforts beginning with about three weeks of preparation-studying background information on plant design, procedures and organizations.

The task order is for the performance of design and engineering support evaluations and management and organizational analysis as a part of the Diagnostic Evaluation at Arkansas Nuclear One. The methods and techniques as described in the AEOD's Diagnostic Evaluation Guidelines 1, 2, and 3 will be used to accomplish the evaluation. The Arkansas Nuclear One plant is located six miles West North West of Russellville, Arkansas and the Corporate Office is located in Little Rock, Arkansas.

#### II. STATEMENT OF WORK AND DELIVERABLES

In the technical area of design and engineering support the contractor shall furnish two technical experts to perform tasks related to the design evaluation. The contractor will be responsible for:

1. Reviewing the design and engineering support aspects of the sample plant systems which are to be selected by the NRC team manager. This review will focus on the determination of system operational readiness and the adequacy of the plant's design and engineering support organizations, to satisfy design and regulatory requirements.
2. Performing and documenting the design and engineering support evaluation. Contractor personnel efforts will be directed by an NRC subteam leader who will coordinate the evaluation between the subteam and the diagnostic deputy team manager.
3. Reviewing licensee responses to the evaluation report and providing written evaluations of the responses.

4. Reviewing any additional information (not covered above) furnished by the licensee as needed to close out any evaluation findings.
5. Providing a detailed evaluation plan to guide the evaluation effort.
6. Written reports describing findings and concerns as they are developed during the evaluation, including preliminary finding sheets to be completed during the team's onsite periods.
7. Providing a draft evaluation report detailing inspection results, findings; conclusions and root cause analyses provided to the team leader in a format and content suitable for inclusion in the draft diagnostic evaluation report.

In the areas of management and organizational analysis the contractor will provide two experienced experts to assist the Diagnostic Evaluation Team. The Contractor will be responsible for:

1. Study and evaluation of licensee management and organizational effectiveness by assessing management policies, practices, and organizational climate and culture, and human resource development programs in relationship to licensee (organizational and personnel) safety performance. The purpose of this evaluation is to assist in the diagnosis of root causes of significant plant and personnel safety performance deficiencies and concerns. The contractor personnel will perform as part of the team to conduct a significant number of interviews of performance, supervisory, management and senior management level licensee staff to evaluate and diagnose management/ organizational effectiveness and issues.
2. Performing and documenting the management and organizational evaluation. Contractor personnel efforts will be directed by an NRC sub-team leader who will coordinate the evaluation between the subteam and the diagnostic deputy team manager.
3. Reviewing licensee responses to the evaluation report and providing written evaluations of the responses.
4. Reviewing any additional information (not covered above) furnished by the licensee as needed to close out any evaluation findings.
5. Providing a detailed evaluation plan to guide the evaluation effort and interview questionnaires for use by the team members.
6. Written reports describing findings and concerns as they are developed during the evaluation, including preliminary finding sheets to be completed during the team's onsite periods.
7. Providing a draft evaluation report of the contractor's evaluations (including root cause evaluations) in these areas, provided to the team leader in a format and content suitable for inclusion in the draft diagnostic evaluation report.

III. PERIOD OF PERFORMANCE - PLACE OF PERFORMANCE

The period of performance for this task is from July 31 to November 30, 1989. Work will be accomplished at the home offices of the contractor personnel, NRC offices in Bethesda, Maryland, the Arkansas Nuclear One Plant and the Corporate Office of Arkansas Power and Light Company, Little Rock, Arkansas.

IV. TECHNICAL CONTACT

Henry Bailey, Management and Organizational Sub-Team Leader (301/492-3006) or Dennis Allison, Engineering Sub-Team Leader (301/492-4149).

V. REPORTING REQUIREMENTS

1. A Monthly Business Letter report describing expenditures and progress. Information for this task may be combined with routine reports concerning the overall contract. A standard licensee fee recovery costs report should be included.
2. Evaluation plans as described in Section II.
3. Progress reports as described in Section II.
4. Draft report as described in Section II.
5. Final report.

VI. MEETINGS AND TRAVEL

Four (4) trips to NRC, Bethesda, Maryland of various durations, totaling 9 days.

Two (2) trips to site/Corporate Headquarters near Russelville, Arkansas or Little Rock, Arkansas for 16 days total.

VII. NRC FURNISHED MATERIAL

The NRC will furnish necessary background information such as licensee organization charts, inspection reports, safety program descriptions, or other material/guidance specified by the Team Leader.

VIII. LEVEL OF EFFORT

Home Office	20
NRC, Bethesda	9
Onsite	<u>16</u>

45 Days for each of 4 persons

180 Days Total

IX. Key Personnel

The following individuals are considered to be essential to the successful performance of the work hereunder:

Donald Prevatte  
Paul Thurmond  
Robert Gura  
Robert Burns

The Contractor agrees that such personnel shall not be removed from the effort under the task order without compliance with Contract Clause H.1 Key Personnel.