



AE347
AC01-2
PDR

April 14, 1992

Mr. William H. Foster
Chief, Policy Branch
Division of Contracts & Property Management
U. S. Nuclear Regulatory Commission
Mail Stop P-1118
Washington, D.C. 20555

Dear Mr. Foster:

Representatives of TENERA attended the meeting held by the NRC on March 26, 1992, in Bethesda, to present comments on the NRC's new policy regarding Organizational Conflicts of Interest. For the record, TENERA is submitting the following comments for your review and consideration.

Our first comments relate to item (c) entitled, "Work for Others". TENERA is a senior level consulting firm that is separated into eight divisions, two of which are the Government Services Division and the Nuclear Services Division. These divisions are separate entities and employ personnel who are exceptionally qualified to assist the NRC because of their background with the regulations from a utility perspective as well as from a regulator standpoint. The Nuclear Services Division, located primarily in Bethesda, MD, and Berkeley, CA, performs work for several nuclear utilities across the United States. The Government Services Division, located in Knoxville, TN, performs work primarily for the U.S. Department of Energy. Recently, the Government Services Division was unable to submit bids in response to six (6) NRC Requests for Proposals because our Nuclear Services Division performs work for nuclear utilities and TENERA would be in violation of item (c) "Work for Others".

Currently, under this revised policy on Organizational Conflicts of Interest, TENERA is not able to bid its highly qualified personnel on any RFPs issued by the NRC. This OCI policy seems to be at odds with the government objective of competitive bidding, because it could prevent the NRC from obtaining the most qualified consultants.

Since TENERA is diversified and has offices across the United States, it would be entirely possible for the Government Services Division to be performing a task for the NRC while other TENERA employees were working on a project or soliciting work from a utility affected by the NRC work and, thereby, violating item (c), "Work for Others". TENERA has made a serious effort to put into place communication systems to enhance communication among our offices, but 100% compliance is impossible to achieve in a large, multi-regional company.

9307140236 930608
PDR PR
48C2057FR61152 PDR

234

57



Mr. William H. Foster

Page 2

Finally, item (d) entitled "Disclosure after award", states that the contractor will disclose all proposed new work involving NRC licensees or applicants that come within the scope of work of the underlying contract at least 15 days before the proposed award date in any event. As stated above, TENERA does have a proven communication network in place to enhance our ability to comply with this requirement; however, with a diversified, multi-regional company such as TENERA, it will not always be possible to make the required disclosure to NRC at least 15 days before the proposed award date. We respectfully request that the wording be modified to state that the contractor will disclose any conflicts prior to contract award; thereby, deleting the 15 day time limit.

We appreciate the opportunity to comment on the NRC's new Organizational Conflicts of Interest Policy. If you have any questions regarding our comments, please contact me at 615/531-0806.

Sincerely,

A handwritten signature in cursive script, appearing to read "Steven B. Hosford for".

Steven B. Hosford
Sr. Vice President

SBH/jas