



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

SEP 28 1990

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

Dear Mr. Lofy:

Subject: Contract No. NRC-26-89-289, Task Order No. 4 Entitled "Diagnostic Evaluation at Oyster Creek Nuclear Generating Station, Design and, Engineering Support and Management and Organizational Evaluations"

This letter confirms verbal authorization provided to Lou Albers on September 28, 1990 by Sharlene McCubbin, of my staff, to commence work under Task Order No. 4, effective October 15, 1990.

In accordance with Section G.5, Accelerated Task Order Procedures, of the subject contract, this letter accepts Parameter's offer of September 28, 1990 to definitize Task Order No. 4 in the amount of \$69,868.99. This effort shall be performed in accordance with the enclosed Statement of Work and Parameter Inc.'s technical proposal dated September 21, 1990 incorporated herein by reference.

The period of performance for Task Order No. 4 is October 15, 1990 through December 22, 1990. The total cost ceiling is \$69,868.99. The amount of \$68,170.96 represents the total reimbursable costs, the amount of \$28.03 represents the facilities capital cost of money, and the amount of \$1,670.00 represents the fixed fee.

Accounting data for Task Order No. 4 is as follows:

B&R No.:	020-19-51-01-0
FIN No.:	G-2207-0
Appropriation No.:	31X0200.820
Obligated Amount:	\$69,868.99

The following individual is considered by the Government to be essential to the successful performance of the work hereunder:

S. Traiforos
H. Worsham

Richard A. Lofy

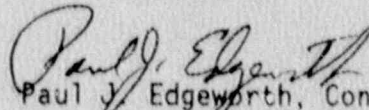
NRC-26-89-289
Task Order No. 4
Page 2 of 2

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

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

Should you have any questions regarding this matter, please feel free to contact Brenda DuBose, Contract Management Assistant on (301) 492-7442.

Sincerely,



Paul J. Edgeworth, Contracting Officer
Contract Administration Branch No. 1
Division of Contracts and
Property Management
Office of Administration

Enclosure:
As stated

ACCEPTED: Task Order No. 4

TASK ORDER REQUEST

TECHNICAL ASSISTANCE TO SUPPORT A
DIAGNOSTIC EVALUATION AT OYSTER CREEK NUCLEAR GENERATING STATION
DESIGN AND ENGINEERING SUPPORT AND
MANAGEMENT AND ORGANIZATION EVALUATIONS

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 are conducted with intensive team efforts beginning with a study of background information on plant design, procedures and organization, continuing with an onsite evaluation and concluding with a detailed report of the evaluation.

The task order is for the performance of both design and engineering support and management and organizational evaluations as a part of the Diagnostic Evaluation at OCNCS. The methods and techniques as described in the AEOD's Diagnostic Guidelines will be used to accomplish the evaluation. The Oyster Creek Nuclear Generating Station is located 2 miles south of Forked River, New Jersey and the Corporate office is located in Forked River, New Jersey.

II. STATEMENT OF WORK AND DELIVERABLES

Contractor personnel efforts will be directed by an NRC subteam leader who will coordinate the evaluation between the subteam and the team manager.

In the evaluation of design and engineering support, the contractor shall furnish one mechanical technical expert. The contractor will be responsible for:

1. Providing input to the engineering evaluation plan to guide the evaluation effort.
2. Reviewing the design and engineering support aspects of certain plant systems and/or technical issues which are to be selected by the NRC team manager. This review will focus on determination of system operational readiness, the adequacy of the plant's design and engineering support organizations to satisfy design and regulatory requirements

and plant material condition. This review will be conducted by document reviews, interviews and observations.

3. Written summary reports describing findings and concerns as they are developed during the evaluation, including documentation of preliminary findings during the team's onsite period.
4. Providing a draft evaluation report input detailing evaluation 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 organization, the contractor will provide one experienced expert to assist the Diagnostic Evaluation Team. The contractor will be responsible for:

1. Providing detailed input for a management and organization evaluation plan to guide the evaluation effort.
2. Performing a lead role in evaluating the effectiveness of the licensee (through document reviews and the conduct of a significant number of interviews of supervisory, management and senior management level licensee staff) in implementing and controlling activities associated with safe and efficient plant operation. Evaluating corporate functions, corporate oversight of site organizations and site organizations themselves, including plant management, operations, maintenance, engineering, quality assurance and training.
3. Assisting in the determination of root causes of significant plant and personnel performance deficiencies and concerns.
4. Written summary reports describing interview results and other findings and concerns as they are developed during the evaluation, including documentation of preliminary findings during the onsite period.
5. Providing a draft evaluation report of the contractor's evaluations (including root cause determinations) 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 October 15 to December 22, 1990. Work will be accomplished at the home offices of the contractor personnel, NRC offices in Bethesda, Maryland, the OCNCS and

the Corporate office of General Public Utilities, Forked River, New Jersey.

IV. TECHNICAL CONTACT

Ron Lloyd, Management and Organization Subteam 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. MEETING AND TRAVEL

One trip to NRC, Bethesda, Maryland on October 16-18, 1990, totaling 2 working days for each contractor.

Two (2) trips to onsite/Corporate Headquarters as follows: November 5-17 and December 3-7, 1990, totaling 16 working days for each contractor.

One trip to NRC, Bethesda, Maryland during December 1990 to participate in report writing, totaling 2 working days for each contractor.

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

	<u>Days</u>
NRC, Bethesda (Team meeting)	2
Home Office (preparation)	3
Onsite (1st)	11
Home Office (preparation for 2nd onsite)	5
Onsite (2nd)	5
Home Office (report writing)	4
NRC, Bethesda (report writing)	<u>2</u>
TOTAL	32