



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555-0001

SEP 13 1994

PDR

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

Dear Mr. Lofy:

Subject: Task Order No. 44, "Combustion Engineering Vendor Inspection," Under
Contract No. NRC-03-93-026

In accordance with Section G.4, Task Order Procedures, of the subject contract, this letter definitizes Task Order No. 44. The effort shall be performed in accordance with the enclosed Statement of Work and Parameter Inc.'s technical proposal dated September 13, 1994 incorporated herein by reference.

Task Order 44 shall be in effect from the September 13, 1994 through November 28, 1994 with a cost ceiling of \$40,137.92. The amount of \$39,036.50 represents the estimated reimbursable costs, the amount of \$47.55 represents the facilities capital cost of money, and the amount of \$1,053.87 represents the fixed fee. The amount presently obligated for this task order is \$18,400.00.

The obligated amount shall, at no time, exceed the task order ceiling. When and if the amount(s) paid and payable to the Contractor hereunder shall equal the obligated amount, the Contractor shall not be obligated to continue performance of the work unless and until the Contracting Officer shall increase the amount obligated with respect to this task order. Any work undertaken by the contractor in excess of the obligated amount specified above is done so at the Contractor's sole risk.

Accounting data for Task Order No. 44 are as follows:

B&R No.:	420-19-14-05-0
FIN No.:	J2166-4
BOC:	252A
RFPA No.:	20 94 226A
APPN No.:	31X0200.420
Obligated Amount:	\$18,400.00

The following individual is considered to be essential to the successful performance for work hereunder: Messrs. R. Cilimberg and R. Grow. 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.

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

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Your contacts during the course of this task order are:

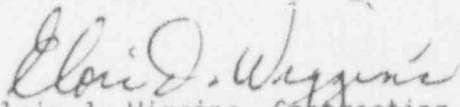
Technical Matters: Leta Brown, Project Officer
(301) 504-1232

Contractual Matters: Sharlene McCubbin, Contract Specialist
(301) 415-6565

Acceptance of Task Order No. 44 should be made 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 above Contract Specialist. You should retain the third copy for your records.

Should you have any questions regarding the subject document, please call Sharlene McCubbin, Contract Specialist on (301) 415-6565.

Sincerely,


Elois J. Wiggins, Contracting Officer
Technical Acquisition Branch No. 2
Division of Contracts
Office of Administration

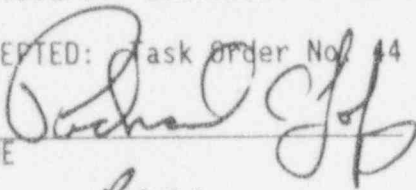
Enclosure: Statement of Work

ACCEPTED: Task Order No. 44

NAME

TITLE

DATE



PRES

8/16/99

**STATEMENT OF WORK
TASK ORDER NO. 44: JCN J-2166**

TITLE: ABB-Combustion Engineering Vendor Inspection
PROJECT MANAGER: LETA A. BROWN, DRIL/NRR, (301) 504-1232
LEAD ENGINEER: STEVEN M. MATTHEWS, VIB/DRIL, (301) 504-3191
INSPECTION REPORT: 99900002/94-01
NRR PRIORITY: 2

Background:

This inspection of ABB-Combustion Engineering Nuclear Operations (CENO) is conducted as part of the Task 1, "Inspections of Nuclear Fuel Vendors," activity of the NRR "Action Plan To Improve Core Performance." The action plan addresses the review of fuel fabrication, core design, and reload analysis issues.

CENO is a nuclear fuel vendor with facilities in Windsor, Connecticut and Hematite, Missouri. Beginning with the conversion of UF_6 gas to UO_2 powder to fuel pellets, and core reload design and safety analysis to fuel rod fabrication and fuel bundle assembly, CENO's engineering and manufacturing activities culminate in PWR fuel bundle assemblies and other related fuel-services.

Objective:

The objective of this task order is to obtain technical expertise from Parameter, Inc., to assist the staff of the Vendor Inspection Branch (VIB), Division of Reactor Inspection and Licensee Performance (DRIL) in conducting an inspection of the CENO's quality program and its implementation, at the facilities in Windsor, Connecticut and Hematite, Missouri. The inspection scope will include evaluating CENO's core reload design, safety analysis, neutronic methodologies, fuel fabrication, fuel bundle assembly, and related fuel-services.

Statement of Work
CENO Inspection

Technical and Special Qualifications Required:

Parameter shall provide two (2) qualified technical specialists who are required to possess knowledge of and experience with (a) Appendix B to 10 CFR Part 50, and the standard quality assurance requirements used by nuclear fuel manufacturers, (b) 10 CFR Part 21 and its applicability to nuclear fuel manufacturers, (c) VIB/DRIL inspection practices, procedures, and NRC report writing, and (d) fuel manufacturers. Specifically, one specialized technical expert (Specialist A) shall assist the NRC inspection team in evaluating (a) fuel fabrication processes including welding non-destructive examination and other testing, (b) fuel bundle component manufacturing, (c) fuel bundle assembly processes, and (d) issues regarding zirconium-based alloys for fuel cladding. The other specialized technical expert (Specialist B) shall assist the NRC inspection team in evaluating (a) PWR/BWR core reload design analysis, (b) neutronic methodologies, (c) fuel bundle mechanical design, and (d) applicable safety analyses.

It is the responsibility of Parameter to assign technical staff, employees, subcontractors, or specialists who have the required educational background, experience, or combination thereof to meet both the technical and regulatory objectives of the work specified in this Statement of Work. The NRC will rely on Parameter to ensure the accuracy and truthfulness of the representations it makes to the NRC concerning (a) the resumes and qualifications of the personnel assigned to this Task Order No. 44, (b) any technical and cost proposals, and (c) any disclosures of conflict of interest.

Work Requirements and Schedule:

Parameter's Specialist A and B shall assist the NRC staff in an inspection at the CENO facilities in Windsor, Connecticut and Hematite, Missouri. Parameter's specialists will meet with the Team Leader and prepare for the inspection, assist the staff during the inspection, and document the inspection results for the work that they have performed. The inspection will generally consist of the following:

- Review licensee purchase orders, characteristic specifications, requirements, and associated CENO documents.
- Review the fuel design engineering and neutronic methodology, and the implementation and documentation of the computerized fuel management tasks for core design, safety analysis, startup analysis, and operations support.
- Review the computerized fuel fabrication process and the associated quality controls and oversight activities.

Statement of Work
CENO Inspection

- Review the fuel services process and the associated quality controls.
- Review and evaluate CENO compensatory actions taken to address certain events and the recommendations of CENO's self-assessments.
- The inspection of CENO-Windsor is scheduled for October 3 - 7, 1994. The inspection of CENO-Hematite is scheduled for October 17 - 21, 1994.

Tasks	Scheduled Completion
1. Prepare for inspection by reviewing CENO's compensatory actions taken to address certain events and its investigation, the recommendations of CENO's self-assessments, NRC requirements, and the background information provided by the Team Leader.	September 14-16, 1994
2. Participate in the inspection at CENO's facility located in Windsor, Connecticut.	October 3-7, 1994
3. Participate in the inspection at CENO's facility located in Hematite, Missouri.	October 17-21, 1994
4. Prepare informal exit meeting input and outline of activities and submit to the Team Leader.	11:00 am on October 7, 1994, and October 21, 1994
5. Prepare and submit inspection report input to the Team Leader in WordPerfect 5.1 format in accordance with the instructions provided by the Team Leader.	November 7, 1994

Statement of Work
CENO Inspection

Estimated Level of Effort:

For planning purposes, the level of effort is estimated at 336 Professional Staff Hours (PSH), apportioned among the tasks described above, as follows:

<u>Tasks:</u>	<u>Level of Effort</u>
1	48 PSHs
2	100 PSHs
3	100 PSHs
4	8 PSHs
5	<u>80 PSHs</u>
	336 PSHs

Deliverables:

1. Parameter's specialist shall provide to the Team Leader informal exit meeting input and an outline of activities in a form specified by the Team Leader.
2. Parameter's specialist shall provide to the Project Manager, with a copy to the Team Leader, formal inspection report input in a format specified by the Team Leader.
3. Parameter's specialist shall submit, to the Project Manager, with a copy to the Team Leader, all reports and documents in draft form. Parameter's specialist shall incorporate NRC's comments on the draft and submit the final report input to the Project Manager, with a copy to the Team Leader, in a format specified by the Team Leader.

Meetings and Travel:

The following travel and meetings are anticipated:

- One two-person three day trip to NRC Headquarters in Rockville, Maryland to participate in pre-inspection preparation meetings on September 14 through 16, 1994.

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CENO Inspection

- One two-person five day trip to Windsor, Connecticut to conduct the first subject inspection. This trip would include a pre-entrance meeting with the Team Leader at the hotel in Windsor, Connecticut, on October 3, 1994, daily team meetings with the Team Leader during the inspection, and entrance and interim-exit meetings with CENO's management and staff, respectively, on October 3 and 7, 1994, in Windsor, Connecticut.
- One two-person five day trip to Hematite, Missouri, to conduct the second subject inspection. This trip would include a pre-entrance meeting with the Team Leader at the hotel in Hematite, Missouri, on October 17, 1994, daily team meetings with the Team Leader during the inspection, and entrance and interim-exit meetings with CENO's management and staff, respectively, on October 17 and 21, 1994, in Hematite, Missouri.

NRC Furnished Materials:

All necessary background information will be provided by the Team Leader.

Other Applicable Information:

The work specified in this Statement of Work is not licensee fee recoverable.