



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

JUL 29 1991

ICF, Incorporated
ATTN: Mr. Craig Dean
9300 Lee Highway
Fairfax, VA 22031-1207

Dear Mr. Dean:

Subject: Task Order 3, "Technical Assistance - GE and WE Petition for Rulemaking to Allow Self-Guarantee to Satisfy the Financial Requirements of the Decommissioning Rule," Contract No. NRC-02-91-001

In accordance with task order procedures of the contract, this letter definitizes Task Order 3. This effort shall be performed in accordance with the enclosed Statement of Work and ICF, Incorporated's proposal dated July 10, 1991 and revised proposal dated July 18, 1991, incorporated herein by this reference.

The total cost ceiling of subtasks 1 through 5 under Task Order 3 is \$95,250.00. The amount of \$87,690.00 represents the total estimated reimbursable costs and the amount of \$7,560.00 represents the fixed fee.

The total cost ceiling for optional subtask 6 under Task Order 3 is \$42,439. The amount of \$39,071 represents the total estimated reimbursable costs and the amount of \$3,368 represents the fixed fee. Work on this optional subtask 6 may begin only after receipt of written authorization by the Contracting Officer.

Accounting data for Task Order 3 is as follows:

B&R No.:	1601925060
FIN No.:	L19661
APPN No.:	31X0200.601
AMOUNT OBLIG:	\$86,000.00

The period of performance of Task Order 3 shall be from July 29, 1991 through January 28, 1992.

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: Joe Wang
Project Officer
(301) 492-3746

Contractual Matters: Sharlene McCubbin
Division of Contracts
(301) 492-7764

Your acceptance of this task order should be indicated by having an official authorized to bind your organization execute three copies of this document in the space provided below and returning two copies to the Contract Administrator. The third copy should be retained for your records.

Should you have any questions regarding this matter, please contact Sharlene McCubbin on (301) 492-7764.

Sincerely,

Mary Lynn Scott
for Mary Lynn Scott, Contracting Officer
Contract Administration Branch No. 1
Division of Contracts and
Property Management
Office of Administration

Enclosure:
Statement of Work

ACCEPTED. Task Order 3
Paul E. Bailey
Name
Paul E. Bailey Sr. Vice President
Title
7/31/91
Date

NRC - 02-91-001

STATEMENT OF WORK

Task Order No. 3

Technical Assistance - General Electric and Westinghouse
Petition for Rulemaking to Allow Self-guarantee to Satisfy
the Financial Requirements of the Decommissioning Rule

BACKGROUND:

A final decommissioning rule was published in July 1988 (53 FR 24018) which specified financial assurance requirements for the funding of licensee facility decommissioning costs. The present financial requirements in the decommissioning rule do not permit self-guarantee as a form of financial assurance, except for State and Federal licensees. Recently, General Electric (GE) and Westinghouse (WE) corporations have asked for reconsideration of the decommissioning financial assurance rule requirements that would now allow for additional financial assurance options for self-guarantee. Although the Commission supported the staff's denial of the GE and WE request, they indicated that a petition for rulemaking, if received, would be addressed on an expedited basis. The staff anticipate receipt of such a petition imminently.

Work Requirements:

The contractor will supply technical expertise in the area of financial assurance to assist the NRC staff in reviewing the petitioner's justification and proposed criteria for financial assurance. The contractor will also supply technical expertise to aid the NRC staff in resolving public comment expected subsequent to publication of the notice of the petition for rulemaking in the Federal Register. This contract will commence upon receipt of said petition for rulemaking from GE and WE.

Specifically, the contractor will:

- (1) Develop a method to compare the relative assurance of availability of decommissioning funds as provided by the Commission's regulations, with that proposed by GE and WE in their petition for rulemaking. The method shall allow comparison of GE and WE proposal against the Commission's current financial assurance requirements for non-power reactor licensees and power reactor licensees, both separately and together.
- (2) Upon direction of the NRC Project Manager, apply the method developed in task (1) to compare the level of assurance provided by the Commission's regulations with that proposed by the GE and WE petition.

(3) Upon direction of the NRC project manager, identify what methods might be used to ascertain, in sufficient time to allow the Commission to impose appropriate alternative criteria, that a licensee who initially satisfied the financial assurance criteria proposed by the GE and WE petition, may no longer meet those criteria.

(4) Upon direction of the NRC project manager, perform a preliminary regulatory analysis of the the petitioner's request for rulemaking, including the financial impact on the public, NRC licensees, and NRC staff resources as a result of the rulemaking.

(5) Perform a detailed analysis of the letters of public comment received in response to the notice of petition for rulemaking. This analysis will characterize (as indicated in the enclosed form) public response, identify problems raised in the public comments and catalogue all pro and con arguments. Based on all of the above, develop a draft NUREG technical basis document upon the direction of the Project Manager.

Notice: The Commission will reach a decision on an options paper prepared by the NRC staff and based upon the results of Tasks 1 thru 5. NRC assumes the Commission will reach its decision within 3 months of the completion of Task 5. The NRC will, if necessary, exercise the option to extend the services required hereunder to include Task 6. The option will be exercised by the NRC Contracting Officer.

OPTIONAL

(6) Provide the following tasks in the development of the proposed rule and the analysis of comments of the proposed rule:

(a) Develop the supporting documentation to the proposed rule such as the final NUREG document and regulatory analysis. Develop a draft issues paper on the proposed rule.

(b) Perform a detailed analysis of letters of public comment received in response to the proposed rule. This analysis will characterize public response, identify problems raised in the public comments and catalogue pro and con arguments.

(c) Develop a draft issues paper on the final rule and supporting documentation such as the final regulatory analysis.

(d) Develop a draft regulatory guide to support amendments to the decommissioning rule.

PERIOD OF PERFORMANCE:

The period of performance for task orders No. 1-5 is 7 months following receipt of the petition. It is assumed the Commission will take 3 months to

reach a decision. The period of performance for task 6 will run 11 months after the Commission decision for a total period of 21 months.

ESTIMATED LEVEL OF EFFORT:

The levels of effort are estimated as follows: Task 1 will require 60 days, Task 2 - 15 days, Task 3 - 60 days, Task 4 - 20 days, Task 5 - 20 days, and Task 6 - 75 days. It is estimated that Tasks 1, 2, and 3, will be completed within 4 months after receipt of the petitions; and Tasks 4 and 5 be completed within 6 months after receipt of the petition; and Task 6 within 11 months of the Commission decision.

TRAVEL AND MEETINGS:

Twelve trips (3 persons) between the contractor and NRC technical monitor should be planned to discuss technical issues.

OTHER:

The Contractor and the NRC Project Manager will discuss whether the information resulting from this study warrants publication in referred journals. Such publication will focus on advances in technology, but not conclusions and/or recommendations which have regulatory implications. The NRC Project Manager will make the determination whether the publication of the study results should be pursued. The Contractor will be notified of any requirements to publish the study results.

PROJECT OFFICER/TECHNICAL MONITOR:

The Project Manager for this task is Dr. Joseph Wang, RES (301) 492-3746, and the technical monitor is TBD.

REPORTING REQUIREMENTS:

Submit monthly letter status reports to the Project Manager and the technical monitor and the NRC Contracting Officer. The reports shall include a summary of work performed, problems encountered and how they are to be resolved, work elements not performed as scheduled, and a detailed summary of costs incurred. The report shall be submitted by the 15th of each month.

REQUIRED EXPERTISE:

Technical experts assigned to this task are subject to approval by the NRC Project Manager. Individuals assigned to this task must have extensive practical experience and demonstrable expertise in financial assurance practices, be knowledgeable regarding the NRC rulemaking and licensing process, and have practical experience in cost/benefit analysis.

DELIVERABLES:

Deliverables include:

- (1) Written evaluations under tasks 1-3 submitted within 4 months after receipt of petition from GE/WE.
- (2) Written evaluations under tasks 4 and 5 submitted within 6 months after receipt of petition from GE/WE, including the draft NUREG document.
- (3) Written evaluations under task 6 are as follows:
 - (a) Final NUREG, issues paper, and regulatory analysis submitted 1 month after the Commission decision.
 - (b) Complete analysis of comments, final issues paper, and final regulatory analysis submitted 7 months after the Commission decision.
 - (c) Draft regulatory guide submitted 11 months after the Commission decision.