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

March 18, 1993

MEMORANDUM FOR: Mary Jo Mattia, Chief
Contract Administration Branch No. 2
Division of Contracts and Property Management
Office of Administration

FROM: R. Lee Spessard, Director
Division of Operational Assessment
Office for Analysis and Evaluation
of Operational Data

SUBJECT: CONTRACTOR SUPPORT FOR THE DIAGNOSTIC EVALUATION AT SOUTH TEXAS PROJECT, UNITS 1 and 2 (ENGINEERING DESIGN AND TECHNICAL SUPPORT EVALUATION)
NRC CONTRACT NO.: 26-93-290

You are requested to revise task order request 001 under NRC contract No. NRC-26-93-290, to provide for the following changes:

A revised Statement of Work and Deliverables that better reflects the language in the contract.

A revised Meetings and Travel schedule and scope.

A revised Level of Effort scope.

The revisions to the task order request are enclosed.

The justification for this request is based on instructions recently received from the EDO to conduct a diagnostic evaluation at the South Texas project. I have reviewed NRC Bulletin 5101-8, dated April 30, 1990 and "Justification for a Task Order Contract" that was prepared for the basic contract and have ensured that acquiring contractor support for this task is consistent with that justification and the above NRC Bulletin. The use of contractor employees rather than NRC personnel in the conduct of this task order is justified because of the professional skills and specialized experience required that is unavailable in the NRC staff.

Should you have any questions or require further information on this request, please contact Henry Bailey (X29006) or myself (X24147).

R. Lee Spessard, Director
Division of Operational Assessment
Office of Analysis and Evaluation
of Operational Data

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Should you have any questions or require further information on this request, please contact Henry Bailey (X29006).

/S/

R. Lee Spessard, Director
Division of Operational Assessment
Office of Analysis and Evaluation
of Operational Data

Enclosures:
1. Task Order Request
2. Task Cost Estimate

cc w/encl:
W. Hehl, RI
S. Crampton, ADM

Distribution (w/encls)

DCS (w/o encls)
ELJordan (w/o encls)
DFRoss (w/o encls)
RLSpessard
DOA R/F
DEIIB R/F
SRubin
HBailey
RLloyd
GThompson
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OFC	DEIIB:DOA	DEIIB:DOA	DEIIB:DOA	Staff:AEOD	DEIIB:DOA	DOA:AEOD
NAME	SPullani	RLloyd	HBailey	GThompson	SRubin	RSpessard
DATE	02/ /93	02/17/93	02/17/93	02/18/93	02/11/93	02/17/93

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ENCLOSURE 1

TASK ORDER REQUEST REVISIONS

TECHNICAL ASSISTANCE TO SUPPORT A
DIAGNOSTIC EVALUATION AT THE SOUTH TEXAS PROJECT, UNITS 1 AND 2
ENGINEERING DESIGN AND TECHNICAL SUPPORT EVALUATION

II. STATEMENT OF WORK AND DELIVERABLES

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

In the evaluation of engineering design and technical support, the contractor shall furnish two experts (one mechanical and one electrical). These experts shall be required to accomplish the following tasks:

1. Prepare for the diagnostic evaluation by a review of the overall Evaluation Plan (furnished by NRC), and a review of licensee background and technical information. The Evaluation Plan will outline the areas to be evaluated. The experts shall establish a specific engineering evaluation plan based upon the guidance in the overall Evaluation Plan.

2. The initial onsite evaluation shall concentrate on information gathering including an examination of the licensee's activities and performance in specific areas. The examination shall include interviews with key licensee personnel at all levels, programmatic reviews and assessments, reviews of selected safety systems, and direct observations of operations. Evaluation methodologies include a qualitative evaluation of licensee engineering management controls, oversight and involvement which are relevant to plant safety performance.

3. Following the initial onsite evaluation period, a 2-week break is scheduled. A portion of this time is used to further evaluate and validate any observations, brief NRC management on preliminary findings and refocus or redirect the evaluation as appropriate.

4. A follow-up onsite evaluation shall reinforce preliminary findings, perform special case study evaluation of specific issue areas, and establish and validate root-causes.

5. The final work product shall include the submittal of a draft report by the Contractor to the NRC engineering evaluation team leader. Guidelines for the preparation of the diagnostic

evaluation team report have been previously provided. Additional information on the format, style, level of detail and quality expected will be made known to the Contractor during the preparation phase of the evaluation. All predecisional data shall be returned to the NRC Project Officer upon completion of the report.

VI. MEETINGS AND TRAVEL

Two (2) trips to NRC, Bethesda, Maryland for preparation during March, 1993, totaling four (4) working days for each contractor.

Two (2) trips to onsite as follows: March 29-April 9 and April 26-30, 1993, totaling sixteen (16) working days for each contractor. Transportation between airports and site/corporate and transportation while onsite will be provided by the NRC.

One trip to NRC, Bethesda, Maryland in April, 1993 during the period between the two onsite periods, totaling three (3) working days for each contractor.

One (1) trip to NRC, Bethesda, Maryland during May/June, 1993 to participate in report writing, totaling five (5) working days for each contractor.

Contractors are expected to make reasonable efforts to obtain the most economical airline rates available. Some carriers will, if requested, give government rates to government contractors. A letter of certification from the NRC is usually required before tickets are actually issued. Current allowable daily per diem rates (lodging/meals & incidentals) are as follows: Bethesda; $110/$34, Site; $41/$26.

VIII. LEVEL OF EFFORT PER PERSON

	Days	Hours
NRC Bethesda (team meeting)	2	16
Home Office (preparation)	3	24
NRC Bethesda (team meeting)	2	16
Total-initial prep	7	56
Onsite (1st)*	11	110
Home Office (prep for 2nd onsite)	3	24
NRC Bethesda (team meeting)	3	24
Onsite (2nd)*	5	50
Total-onsite evaluation and additional prep	22	208

* Onsite days are nominally 10 hour days.

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VIII. LEVEL OF EFFORT PER PERSON, (cont)	Days	Hours
Home Office (report writing)	3	24
NRC Bethesda (report writing)	5	40
Total-report writing	8	64
TOTALS	37	328

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ENCLOSURE 2

TASK COST ESTIMATE REVISIONS

Task Order No. 001 for NRC Contract No. 26-93-290
Diagnostic Evaluation at South Texas Project, Units 1 and 2
Engineering Design and Technical Support Evaluation

	Hrs.	Rate/Hr.	Cost	TOTALS
1. DIRECT LABOR				
1a. Project Manager	8	$35	$ 280	
1b. Senior Engineer	656	$40	$26,240	
TOTAL DIRECT LABOR	664		$26,520	$26,520
2. OVERHEAD @ 84.0% of item 1b				$22,042
3. FRINGE BENEFITS @ 35.8% of item 1b				$ 9,394
4. DIRECT MATERIALS				$ 100

5. TRAVEL

Trans/misc to Beth	8 trips @ $1,200/trip = $9,600
Per diem in Beth	22 days @ $144/day = $3,168
Trans/misc to site	4 trips @ $1,200/trip = $4,800
Per diem at site	32 days @ $67/day = $2,144

TOTAL TRAVEL	$19,712
6. SUBTOTAL	$77,768
7. G&A EXPENSE @ 12.4%	$ 9,643
8. ESTIMATED COST	$ 87,411
9. FIXED FEE @ 5%	$ 4,370
10. TOTAL COST PLUS FIXED FEE	$91,782
11. COST OF MONEY	$ 184
12. GRAND TOTAL	$91,966

Reduced Proposed Charges for Engr Services
Charges Reduced or Eliminated

Total Hours for
Project Management
Secretary Support to Contractor
Travel Costs Trips to Bethesda
Time charged while ...

116,000
25,000