



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

May 26, 2000

Advanced Technologies and Laboratories  
International, Inc.  
ATTN.: Ms. Ray-way Hwang  
20251 Century Boulevard, Suite 200  
Germantown, Maryland 20874

SUBJECT: TASK ORDER NO. 1 ENTITLED "TECHNICAL ASSISTANCE FOR THE  
DEVELOPMENT OF AN ENVIRONMENTAL IMPACT STATEMENT FOR  
THE DECOMMISSIONING OF SEQUOYAH FUELS CORPORATION  
FACILITY IN GORE, OKLAHOMA" UNDER CONTRACT NO. NRC-02-00-010

Dear Ms. Hwang:

In accordance with Section G.5(c) entitled "Task Order Award," of the subject contract, this letter definitizes the subject Task Order. This effort shall be performed in accordance with the enclosed Statement of Work .

Task Order No. 1 shall be in effect from May 30, 2000 through March 2, 2001. The total cost ceiling is \$624,843.23, of which the sum of \$583,966.00 represents the reimbursable costs and the sum of \$40,878.00 represents the fixed fee.

This task order obligates funds in the amount of \$235,000.00.

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 this task order is as follows:

B&R No.:	05015303120
Job Code No.:	J5299
BOC:	252A
APPN No.:	31X0200
FFS No. :	5000R058 (Obligated Amount \$100,000.00)
FFS No.:	5000R065 (Obligated Amount \$100,000.00)
FFS No.:	5000R076 (Obligated Amount \$ 35,000.00)

TOTAL OBLIGATED AMOUNT: \$235,000.00

Template = ADM-001

ADMO2

NRC-02-00-010 - Task Order No. 1

The following individuals are considered essential to the successful performance of the work hereunder: [REDACTED]

The Contractor agrees that such personnel shall not be removed from the effort under the task order without compliance with Contract Clause H.5, Key Personnel.

Your contacts during the course of this task are:

Technical Matters: Phyllis Sobel, Technical Monitor  
(301) 415-6714


Penelope Kinney, Project Officer  
(301) 415-7805

Contractual Matters: Joyce Fields, Contracting Officer  
(301) 415-6564

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

Please indicate your acceptance of this task order by having an official, authorized to bind your organization, execute three (3) copies of this document in the space provided below and return two (2) copies to the U.S. Nuclear Regulatory Commission, ATTN: Ms. Joyce Fields, Division of Contracts and Property Management, T-712, ADM/DCPM/CMB2, Washington, D.C. 20555. You should retain the third copy for your records.

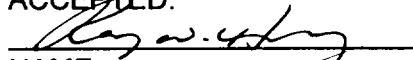
Sincerely,



Joyce A. Fields, Contracting Officer  
Contract Management Branch No. 2  
Division of Contracts and  
Property  
Office of Administration

Enclosure:  
As stated

ACCEPTED:



NAME  
Chief Financial Officer

TITLE  
June 1, 2000

DATE

PROJECT TITLE: TECHNICAL ASSISTANCE FOR THE DEVELOPMENT OF AN ENVIRONMENTAL IMPACT STATEMENT FOR THE DECOMMISSIONING OF THE SEQUOYAH FUELS CORPORATION FACILITY IN GORE, OKLAHOMA

JOB CODE: J5299  
TASK ORDER NUMBER: TBD  
B&R NUMBER: 05015303120  
NRC ISSUING OFFICE: NMSS  
NRC TECHNICAL ASSISTANCE  
PROJECT MANAGER (TAPM): Penelope Kinney (301) 415-7805  
TECHNICAL PROJECT  
MANAGER (TPM): Phyllis Sobel (301) 415-6714  
FEE RECOVERABLE: Yes  
TAC NUMBER: L50984  
DOCKET NUMBER: 04008027

## 1.0 BACKGROUND

Sequoyah Fuels Corporation (SFC) operated a uranium conversion facility near Gore, Oklahoma, from 1970 to 1993. There were two major operations at the facility: conversion of uranium oxide (yellow cake) to uranium hexafluoride ( $UF_6$ ), and conversion of depleted uranium hexafluoride ( $DUF_6$ ) to depleted uranium tetrafluoride ( $DUF_4$ ). The facility is listed in the U.S. Nuclear Regulatory Commission's (NRC's) Site Decommissioning Management Plan (SDMP) because it has large volumes of contaminated waste and soils that will be difficult to dispose of for site decommissioning, and there is uncertainty about the funding for decommissioning. In November 1992, following a release of nitrous oxide, SFC notified the NRC that it had permanently shutdown its  $UF_6$  operation and would shut down the  $DUF_6$  operation by the end of July 1993.

By letter dated July 6, 1993, SFC notified NRC that, in accordance with 10 CFR Section 40.42, it had ceased all production activities and was seeking license termination. Disposal of waste at SFC's facility is the company's largest liability. SFC has stated that its plan for decommissioning is on-site disposal of all wastes. On August 20, 1997, the NRC amended 10 CFR 20 to add Subpart E that allows restricted releases of facilities where the residual contamination results in doses less than 100 mrem/yr. On-site disposal at the SFC facility may exceed 100 mrem/yr if institutional controls fail.

An NRC decision on the acceptability of on-site disposal of the waste at this facility must be supported by an appropriate evaluation of the environmental impacts and alternatives under the National Environmental Policy Act (NEPA) and NRC's requirements in 10 CFR Part 51. NRC is initiating an Environmental Impact Statement (EIS) for this site because the licensee's suggested alternative, on-site disposal, involves a long-term commitment of land and may cause other significant impacts on the human environment.

On October 20, 1995, NRC published in the *Federal Register* (60 FR 54260) a Notice of Intent (NOI) to prepare an EIS for the proposed decommissioning of the SFC facility and to conduct scoping for the EIS. The NOI invited written comments on the proposed action, announced a public scoping meeting, offered a proposed outline for the EIS, and discussed the alternatives considered. On November 15, 1995, NRC conducted a scoping meeting for the SFC site EIS. All comments and suggestions received during the scoping meeting, as well as those submitted to NRC in writing during the scoping period, were addressed in an EIS Scoping Process Summary Report, dated February 1997.

## 2.0 OBJECTIVE

The contractor shall assist NRC in the development of a draft EIS (DEIS) and a final EIS (FEIS) for the SFC site in Gore, Oklahoma. The EIS will be developed to support NRC's decisions related to the ultimate disposition of waste present at this facility. Also, cooperating agencies may adopt the FEIS to satisfy their statutory requirements.

## 3.0 LEVEL OF EFFORT

The estimated level of effort required to perform this work is 40 staff months. The breakdown is provided below:

Subtask A	2.0 staff months
Subtask B	3.0 staff months
Subtask C (1)	15.0 staff months
Subtask C (2)	5.0 staff months
Subtask D	8.0 staff months
Subtask E	7.0 staff months

Performance of subtasks A, B, and C1 are anticipated in FY00, subtasks C2, & D in FY01, and subtask E in FY02.

Subtask F is optional and may be needed by NRC during the period of performance. However, for the purposes of proposing on this subtask, the estimated effort is 0.5 staff months.

## 4.0 TECHNICAL QUALIFICATIONS/DISCIPLINES REQUIRED

The contractor shall commit the appropriate number of qualified staff to the project encompassing the required disciplines to develop the EIS. The principal investigators should have professional credentials in the technical areas assigned to them. They should have a clear understanding of the depth of review generally required by the NRC and specifically required by the type of activity proposed by the licensee for the disciplines they represent. The actual technical expertise needed for this task should include the areas of review common to environmental assessments related to decommissioning facilities, such as air quality, ecology, socio-economics, cost-benefit, hydrology, geochemistry, health physics, and cultural resource

impacts. The Project Manager shall be experienced in managing preparation of EIS's and be familiar with the regulatory nature of the decommissioning process.

## 5.0 PERIOD OF PERFORMANCE

The period of performance for the work specified in this SOW shall commence on the effective date of this Task Order and shall continue through August 1, 2002. The completion dates for each subtask are shown in Section 7 - Schedule. Optional subtask F is contingent on events and may not be required. If it is required, the period of performance may be extended.

## 6.0 SCOPE OF WORK

The contractor shall review documents related to the potential impacts of alternatives for the decommissioning and disposition of radioactive waste presently at SFC's facility in Gore, Oklahoma, and prepare a DEIS and FEIS. The contractor shall use information contained in the documents noted in Section 8.0.

Based on the above review, the contractor shall provide assistance with the following subtasks.

### Subtask A. Prepare an Outline and Develop Scope of EIS

Meet with NRC staff at NRC headquarters to discuss the NRC's draft outline and the proposed scope for an EIS. The contractor shall assist NRC in determining the types of information needed in the EIS. The contractor should develop and submit for NRC review Section 2 of the EIS (Description of Proposed Action and Alternatives), a proposed outline of the EIS, and recommendations on the scope and level of detail for the EIS. NRC will approve Section 2 before the contractor begins the development of the remaining sections of the EIS. After NRC review, the contractor shall send NRC a revised outline and Chapter 2.

### Subtask B. Review and Comment on EIS Documentation

Review the documents noted in Section 8.0. Visit the SFC site and surrounding area to: (1) familiarize the reviewers; (2) assess potential environmental impacts; and (3) attend a meeting updating the public on the contents of the DEIS. Develop questions if information is needed from the licensee to complete the DEIS. Send draft questions to NRC for review. After NRC's review, send the final questions to NRC.

### Subtask C. Develop Preliminary DEIS

1. Select reasonable alternatives to the proposed action. Evaluate the environmental impacts from the proposed action and the reasonable alternatives for decommissioning the SFC facility. Develop the first preliminary DEIS in written form for NRC review. The preliminary DEIS will contain gaps where information is needed from the applicant's responses to NRC requests for additional information. Preparation of a preliminary draft is to aid the reviewers

in identifying data gaps that may require additional information or analyses from SFC.

2. Incorporate one round of NRC comments (which will include comments from the cooperating agencies) in the preliminary DEIS and develop a second preliminary DEIS.

#### Subtask D. Develop DEIS

Meet with NRC to discuss the licensee's responses to NRC requests for information. Incorporate assessments of the licensee's responses in the DEIS. Also incorporate comments from cooperating agencies. It may be necessary to have a meeting at the contractor's office with both NRC and the cooperating agencies to discuss the DEIS. Develop the DEIS in written form for NRC review. Incorporate two rounds of NRC comments in the DEIS. Submit the DEIS to NRC in a form suitable for publication.

#### Subtask E. Develop FEIS

Meet with NRC to discuss the public comments on the DEIS. Assist NRC in preparing responses to public comments. If necessary, develop questions if information is needed from the licensee to complete the FEIS. Incorporate the following in the EIS: (1) the assessment of the public comments, (2) responses to any NRC questions to the licensee, and (3) comments from NRC on the DEIS. Develop the draft FEIS in written form for NRC review. Incorporate two rounds of NRC comments in the FEIS. Submit the final FEIS to NRC in a form suitable for publication.

Optional

#### Subtask F. Support Licensing Proceeding and Litigation

In the event of a legal challenge to the evaluations made under the NEPA of 1969 or NRC regulations related to materials license amendments, the contractor shall provide information on the EIS and its supporting material as requested. The contractor could be requested to provide information for answers to interrogatories and to provide experts to prepare written testimony and present oral testimony as needed or deemed advisable and as requested by the NRC. If this subtask is required, the task will be modified to obtain these services, revise the schedule, and extend the period of performance.

### 7.0 SCHEDULE AND DELIVERABLES

The contractor shall prepare the following technical reports:

- a report with the EIS outline, recommendations on the scope and level of detail for the EIS for subtask A, and Chapter 2 of the EIS
- a report with questions for the licensee for subtask B
- two draft reports with the preliminary DEIS for subtask C
- two draft reports and one final report with the DEIS for subtask D
- two draft reports and one final report with the FEIS for subtask E.

These reports shall be prepared in accordance with Section F.7 (Technical Reports) of the basic contract.

The following schedule shows estimated completion target dates. Subtasks A, B and C can begin on the effective date of this Task Order, and these subtasks can operate concurrently. Subtask D begins when both (1) the licensee responds to NRC's requests for additional information and (2) subtask C is finished. Subtask E begins at the end of the public comment period on the DEIS.

SUBTASK	Completion Date
Subtask A - outline and Chapter 2	3 months from task order award
Subtask B - questions	1.5 months after site visit
Subtask C (1) - first preliminary DEIS	3 months after Subtask B questions
Subtask C (2) - second preliminary DEIS	1 month after NRC review of first preliminary DEIS
Subtask D - first draft DEIS	5 months after licensee responds to questions
Subtask D - second draft DEIS	1 month after NRC review of first draft DEIS
Subtask D - final DEIS	1 month after NRC review of second draft DEIS
Subtask D - first draft FEIS	5 months after public comment period ends or 2 months after licensee responds to questions, whichever comes last
Subtask D - second draft FEIS	1 month after NRC review of first draft FEIS
Subtask E - final FEIS	1 month after NRC review of second draft FEIS
Subtask F	If this subtask is required, the schedule will be revised to include a due date.

The subtask A outline, subtask B questions and the DEIS and FEISs shall be submitted in both hard copy and in an electronic medium form (WordPerfect). Since the NRC intends to publish the DEIS and FEIS as NUREG reports, the DEIS and FEIS should meet the requirements for preparation of such reports (NUREG-0650, Revision 1). The final DEIS and final FEIS should be submitted as "camera-ready" copies.

## 8.0 NRC-FURNISHED MATERIAL

The NMSS Technical Project Manager (TPM) will provide the contractor with the following documents:

- NRC Scoping Notices for the SFC site
- Scoping meeting transcripts
- Scoping meeting report
- 10 CFR Parts 40 and 51
- SDMP site summary for the SFC site
- Final Site Characterization Report of 12/98
- Decommissioning Plan of 3/99
- Final Decommissioning Alternatives Study of 7/98, with Appendices
- NRC, State, and any intervenor comments on SFC's Decommissioning Plan
- NRC preliminary draft outline and preliminary draft sections of the EIS
- Other documents, as needed, that are referenced in the above documents or are related to environmental issues at the Sequoyah Fuels facility
- NUREG-0650, Revision 1, "Publishing Documents in the NUREG Series"

## 9.0 FINANCIAL AND TECHNICAL STATUS REPORTS

The contractor shall submit a monthly technical report in accordance with Section F.3 (Technical Progress Reports) and a monthly financial status report in accordance with Section F.4 (Financial Status Report) of the basic contract. The estimated staff effort should be reported at the subtask level. The work accomplished and the degree of completeness should also be tracked by subtask. The reports are due within 15 calendar days after the end of the report period with distribution as shown below in Section 10.0.

## 10.0 DELIVERABLE PRODUCTS/DISTRIBUTION

The NMSS TPM shall receive two copies of both the financial status reports and the technical reports. The Director, PMDA, NMSS, will receive one copy of each report. The Division of Freedom of Information and Publication Services will receive one copy of only the reports containing the DEIS and FEIS for publication. The Contracting Officer will receive one copy of all reports.

## 11.0 MEETINGS AND TRAVEL

Meetings will take place on an as-needed basis, at the request of the TPM. However, for proposal preparation purposes, assume monthly meetings between the NRC TPM and the contractor project manager at NRC offices in Rockville, Maryland. The NRC TPM may also periodically meet with the contractor in the contractor's offices to review progress and provide input into the project as necessary and desirable. The NRC anticipates one three-day trip, for up to six contractor personnel, to the SFC's site in Gore, Oklahoma for familiarization purposes and to attend a meeting updating the public on the contents of the DEIS. This trip, which is



anticipated in June 2000, will be coordinated by the NRC TPM. A second two-day trip, for up to three contractor personnel, may be needed to the SFC site in Oklahoma to respond to the public's comments on the DEIS.

## 12.0 TECHNICAL/PROJECT DIRECTION

Technical Assistance Project Manager:	Penelope Kinney	(301) 415-7805
Technical Project Manager:	Phyllis Sobel	(301) 415-6714

The NMSS TAPM is the focal point for all contract related activities. All work assignments and program funding actions are initiated by the NMSS TAPM who submits all requests to the Division of Contracts and Property Management (DCPM) for processing. All proposed work scope or schedule changes must be submitted through the NMSS TAPM for DCPM.

The NMSS TPM is responsible for providing technical guidance to the contractor regarding staff interpretations of the technical aspects of regulatory requirements, along with copies of relevant documents (e.g. Regulatory Guides) when requested by the contractor. All work products must be reviewed and approved by the NMSS TPM before they are submitted as final documents. All technical directions given to the contractor must be consistent with the work scope and schedule. The NMSS TPM is not authorized to unilaterally make changes to the approved work scope or schedule or give the contractor any direction that would increase costs over approved levels. The Contracting Officer is the only individual authorized to make changes to this task.