

## AWARD/CONTRACT

1. CERTIFIED FOR NATIONAL DEFENSE  
UNDER DSA REG. 2 AND/OR DMS REG. 1

PAGE OF PAGES

1 19

2. CONTRACT (Proc. Inst. Ident.) NO.

3. EFFECTIVE DATE

4. REQUISITION/PURCHASE REQUEST/PROJECT NO.

NRC-03-85-062

MAY 15 1985

NRR-85-062

5. ISSUED BY

CODE

6. ADMINISTERED BY (If other than Item 5)

CODE

U.S. Nuclear Regulatory Commission  
Division of Contracts  
Washington, DC 20555

7. NAME AND ADDRESS OF CONTRACTOR (No., street, city, county, State and ZIP Code)

Professional Analysis, Inc.  
P.O. Box 1135  
Oak Ridge, TN 37830

8. DELIVERY

☐ FOB ORIGIN☐ OTHER (See below)

9. DISCOUNT FOR PROMPT PAYMENT

Net

10. SUBMIT INVOICES  
(4 copies unless other-  
wise specified) TO THE  
ADDRESS SHOWN IN

ITEM

12

CODE

FACILITY CODE

11. SHIP TO/MARK FOR

CODE

12. PAYMENT WILL BE MADE BY

CODE

See Section

See Section G

13. THIS  
ACQUISITION  
WAS (Check  
appl. box(es))

A. ADVERTISED

B. NEGOTIATED PURSUANT TO:

☐ 10 USC 2304(a)(1) ☒ 41 USC 252(c)(10)

14. ACCOUNTING AND APPROPRIATION DATA

FIN D1331 APPN: 31X0200.205

B&amp;R 20-19-50-54-5 Obligated: \$62,313

15A. ITEM NO.

15B. SUPPLIES/SERVICES

15C. QUANTITY

15D. UNIT

15E. UNIT PRICE

15F. AMOUNT

The Commission hereby accepts Professional Analysis, Inc.'s  
Technical Proposal dated April 19, 1985, and amendment dated  
April 30, 1985, which is incorporated into this contract by  
this reference to perform the efforts as detailed herein.

This is a firm fixed price contract.

8506060534 850514

PDR CONTR

NRC-03-85-062 PDR

15G. TOTAL AMOUNT OF CONTRACT \$ 62,313

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CONTRACTING OFFICER WILL COMPLETE ITEM 17 OR 18 AS APPLICABLE

17. ☒ CONTRACTOR'S NEGOTIATED AGREEMENT (Contractor is re-  
quired to sign this document and return 3 copies to issuing office.)  
Contractor agrees to furnish and deliver all items or perform all the services set  
forth or otherwise identified above and on any continuation sheets for the  
consideration stated herein. The rights and obligations of the parties to this  
contract shall be subject to and governed by the following documents: (a) this  
award/contract, (b) the solicitation, if any, and (c) such provisions, representa-  
tions, certifications, and specifications, as are attached or incorporated by  
reference herein. (Attachments are listed herein.)

18. ☐ AWARD (Contractor is not required to sign this document.) Your  
offer on Solicitation Number  
including the additions or changes made by you which additions or changes  
are set forth in full above, is hereby accepted as to the items listed above and  
on any continuation sheets. This award consummates the contract which con-  
sists of the following documents: (a) the Government's solicitation and your  
offer, and (b) this award/contract. No further contractual document is neces-  
sary.

19A. NAME AND TITLE OF SIGNER (Type or print)

DUAN L. PHUNG, PRESIDENT

20A. NAME OF CONTRACTING OFFICER

Ronald D. Thompson

19B. NAME OF CONTRACTOR

BY *[Signature]*  
(Signature of person authorized to sign)

19C. DATE SIGNED

5/14/85

20B. UNITED STATES OF AMERICA

BY *[Signature]*  
(Signature of Contracting Officer)

20C. DATE SIGNED

5-10-85

## Section B - Supplies or Services and Prices/Costs

### B.1. IIII: The Impact of New Reactor Safety Information on Technical Specification Improvement

#### A. PROGRAM BACKGROUND

A body of new information upon which to base nuclear plant safety analyses and practices has been developing from reactor operating experience and NRC and industry research programs. Application of this information is in progress in a number of areas, but its application to technical specifications has not yet been formally considered. While progress has been made in many diverse areas, the principal topics most germane to technical specification improvements are judged to be derived from improved knowledge of source term characteristics, seismic margins and piping failure mechanisms. This information is available mainly in the form of laboratory and committee reports and has not yet been incorporated into the Commission's formal regulatory framework, although some use is being made in exceptional cases.

The program described herein is to gain some advanced and illustrative knowledge of how the new safety information will influence future technical specifications. This knowledge is viewed as helpful and perhaps essential in formulating an improved philosophy for the technical specifications, including criteria for their simplification and optimization. Output of the program would also lead to better identification and ranking of the technical specifications by their safety importance, and the identification and elimination of obsolete and unnecessary requirements.

Due to time and resource limitations, the program cannot be comprehensive, but must focus on those areas judged to yield information that is the most illustrative of the effects of the new safety information. The program objectives and task descriptions are written to reflect the domains and actions judged to best achieve this goal. For purposes of organization and convenience, those technical specifications deemed most likely to have revisions based on the new information are called Type 2, with Type 1 reserved for those technical specifications where the likelihood for revisions based on new technical information is nil or small.

#### B. PROGRAM OBJECTIVES

For the standard technical specifications for Westinghouse, General Electric, Babcock & Wilcox and Combustion Engineering, as limited to the following three systems: Reactor Coolant System, Emergency Core Cooling System and Containment System,

1. Identify those technical specifications (Type 2) that are the more likely candidates for changes as a result of new information in source term characteristics, seismic margins and piping failure mechanisms.

2. Illustrate the influence of the information by examples of revised Type 2 technical specifications based on the new information.
3. Illustrate the influence of new information by citing examples of existing technical specifications likely to be classified as unnecessary or obsolete as a consequence of the new information.

B.2. Total Price \$62,313

## Section C - Description/Specifications/Work Statement

### C.1. Statement of Work

The contractor shall provide all personnel, materials, transportation and facilities necessary to perform the following:

#### Task 1 - Identification of Type 2 Technical Specifications

Completion Date: June 15, 1985

For the sets of standard technical specifications supplied by the Government, identify the most likely Type 2 technical specifications, including definitions and bases, for the reactor coolant system, the emergency core cooling system and the containment system. In making this identification, note explicitly the category of the bases: (1) source term, (2) seismic margins, or (3) piping failure mechanisms.

#### Task 2 - Illustration of New Information Influence on Type 2 Technical Specifications

Completion Date: July 15, 1985

For selected Type 2 technical specifications (selections are to be proposed by the contractor and approved by the Project Officer), provide a summary description of the bases and the specification that might be formulated if the safety analysis is revised in accordance with the new information. These Type 2 technical specifications should be selected to illustrate the nature of the influence of the new information rather than attempting to be a comprehensive study.

#### Task 3 - Elimination of Obsolete and Unnecessary Technical Specifications and Requirements

Completion Date: July 15, 1985

Final Report Due: August 12, 1985

Cite examples of technical specifications or portions of technical specifications that can be eliminated as regulatory requirements. The number of examples should adequately represent the three topics of new information, the four reactor vendors, and the selected sections of the technical specifications pertaining to the reactor coolant system, the emergency core cooling system and the containment system. Justification shall be provided for each example cited and shall be consistent with Tasks 1 and 2.

## C.2 REPORTING REQUIREMENTS

1. One week after completion of Task 1 the contractor shall provide a letter report transmitting the results of the task.
2. Two weeks after completion of Tasks 2 and 3 the contractor shall provide a draft final report for NRC comment describing all the work and providing all the information described in 3. below. NRC comments will be provided within five working days after receipt of the draft report. One week after receiving NRC comments the contractor shall issue the final report.
3. The final report as scheduled in 2. above, shall describe the products of each of the three tasks as grouped by each of the three new information topics. Included in each grouping shall be a discussion of the sensitivity of the results to interpretations of how the new information is utilized and to the type of reactor or containment design. An executive summary shall be prepared that highlights the task findings and summarizes the sensitivity discussions.

## C.3 GOVERNMENT FURNISHED INFORMATION

1. The following will be provided by the NRC Project Officer upon award of the contract:
  - Westinghouse Standard Technical Specifications (Ice condensor containment)
  - Babcock & Wilcox Standard Technical Specifications
  - Combustion Engineering Standard Technical Specifications
  - General Electric Standard Technical Specifications (Mark II containment)
2. The following will also be provided by the NRC as requested:
  - Staff Plan for Regulatory Implementation of Source Term Research (draft)
  - Reports of the Expert Panel on Quantification of Seismic Margins
  - Reports of the NRC Piping Review Committee
  - Documents supplemental to the above

#### C.4 MEETINGS AND TRAVEL

	<u># of Trips</u>	<u>Location</u>	<u># of People</u>
Program Orientation	1	NRC HQ	-2
Progress Review	1	NRC HQ	2
Final Review	1	NRC HQ	2

#### Section D - Packaging and Marking

##### D.1 Packaging and Marking

The Contractor shall use standard commercial packaging for all items to be delivered. On the front of the package, the Contractor shall clearly identify the contract number under which the product is being provided.

#### Section E - Inspection and Acceptance

##### E.1 FAR Citations

The Contractor shall refer to Section 1, Clause No. 52.252-2 for citations incorporated by reference.

#### Section F - Deliveries and Performance

##### F.1 Reports, Documentation and Other Deliverable End Items (See Section C.2)

##### F.2 Place of Delivery

The items to be furnished hereunder shall be delivered, with all transportation charges paid by the Contractor, to:

##### 1. Copies to Project Officer:

U.S. Nuclear Regulatory Commission  
Attn: Peter Williams  
Office of Nuclear Reactor Regulation  
Division of Safety Technology  
Mail Stop: AR-5013  
Washington, DC 20555

##### 2. Copies to Contracting Officer:

U.S. Nuclear Regulatory Commission  
Attn: Contracting Officer  
Division of Contracts  
Mail Stop: AR-2723  
Washington, DC 20555



F.3 Duration of Contract Period

This contract shall become effective on date of award as stated in Block 3 on the SF 26, and shall continue to completion on August 12, 1985.

F.4 FAR Citations

The contractor shall refer to Section I, Clause No. 52.252-2 for citations incorporated by reference.

Section G - Contract Administration Data

G.1 Payment

Payment shall not be made prior to receipt and acceptance of all of the contract deliverables. One lump sum payment will be made at that time.

G.2 Technical Direction

- A. Performance of the work under this contract shall be subject to the technical direction of the NRC Project Officer named below.

The term "Technical Direction" is defined to include the following:

1. Technical direction to the Contractor which shifts work emphasis between areas of work or tasks, requires pursuit of certain lines of inquiry, fills in details or otherwise serves to accomplish the contractual scope of work.
  2. Providing assistance to the Contractor in the preparation of drawings, specifications or technical portions of the work description.
  3. Review and where required by the contract, approval of technical reports, drawings, specifications and technical information to be delivered by the Contractor to the Government under the contract.
- B. Technical direction must be within the general scope of work stated in the contract. The Project Officer does not have the authority to and may not issue any technical direction which:
1. Constitutes an assignment of additional work outside the general scope of the contract.
  2. Constitutes a change as defined in the clause of the General Provisions, entitled "Changes."
  3. In any way causes an increase or decrease in the total estimated contract cost, the fixed fee, if any, or the time required for contract performance.
  4. Changes any of the expressed terms, conditions or specifications of the contract.
- C. ALL TECHNICAL DIRECTIONS SHALL BE ISSUED IN WRITING BY THE PROJECT OFFICER OR SHALL BE CONFIRMED BY SUCH PERSON IN WRITING WITHIN TEN (10) WORKING DAYS AFTER VERBAL ISSUANCE. A copy of said written direction shall be submitted to the Contracting Officer.

The Contractor shall proceed promptly with the performance of technical directions duly issued by the Project Officer in the manner prescribed by this article and within such person's authority under the provisions of this article.

If, in the opinion of the Contractor, any instruction or direction issued by the Project Officer is within one of the categories as defined in B(1) through (4) above, the Contractor shall not proceed but shall notify the Contracting Officer in writing within five (5) working days after the receipt of any such instruction or direction and shall request the Contracting Officer to modify the contract accordingly. Upon receiving such notification from the Contractor, the Contracting Officer shall issue an appropriate contract

modification or advise the Contractor in writing that, in the Contracting Officer's opinion, the technical direction is within the scope of this article and does not constitute a change under the Changes Clause.

- D. Any unauthorized commitment or direction issued by the Project Officer may result in an unnecessary delay in the Contractor's performance, and may even result in the Contractor expending funds for unallowable costs under the contract.
- E. A failure of the parties to agree upon the nature of the instruction or direction or upon the contract action to be taken with respect thereto shall be subject to the provisions of the contract clause entitled "Disputes."
- F. Project Officer

The individual(s) listed in "B" below is (are) hereby designated as the Contracting Officer's authorized representative (hereinafter called Project Officer) for technical aspects of this contract. The Project Officer is not authorized to approve or request any action which results in or could result in an increase in contract cost; or terminate, settle any claim or dispute arising under the contract, or issue any unilateral directive whatever.

The Project Officer is responsible for: (1) monitoring the Contractor's technical progress, including surveillance and assessment of performance, and recommending to the Contracting Officer changes in requirements; (2) interpreting the scope of work; (3) performing technical evaluation as required; (4) performing technical inspections and acceptances required by this contract; and (5) assisting the Contractor in the resolution of technical problems encountered during performance. Within the purview of this authority, the Project Officer is authorized to review all costs requested for reimbursement by Contractors and submit recommendations for approval, disapproval, or suspension for supplies/services required under the contract. The Contracting Officer is responsible for directing or negotiating any changes in terms, conditions, or amounts cited in the contract.

For guidance from the Project Officer to the Contractor to be valid, it must: (1) be consistent with the description of work set forth in the contract; (2) not constitute new assignment of work or change to the expressed terms, conditions or specifications incorporated into this contract; (3) not constitute a basis for an extension to the period of performance or contract delivery schedule; and, as stated above, (4) not constitute a basis for any increase in the contract cost.

Name and Mail Code: Peter M. Williams, Mail Stop 5013

Office Address: U.S. Nuclear Regulatory Commission  
Washington, DC 20555

Telephone Number: (301) 492-4528



G.3 Payment Due Date

(a) Payments under this contract will be due 30 calendar days after the later of:

(1) The date of actual receipt of a proper invoice (original and 4 copies) to:

U.S. Nuclear Regulatory Commission  
Division of Accounting and Finance  
Office of Resource Management  
ATTN: GOV/COM Accounts Section  
Washington, D.C. 20555

or

(2) The date the final deliverable product/service is accepted by the Government.

(b) For the purpose of determining the due date for payment and for no other purpose, acceptance will be deemed to occur 30 calendar days after the date of delivery of the final deliverable product/service performed in accordance with the terms of the contract.

(c) If the final product/service is rejected for failure to conform to the technical requirements of the contract, the provisions in paragraph (b) of this clause will apply to the new delivery of the final product/service.

(d) The date of payment by wire transfer through the Treasury Financial Communications System shall be considered the date payment is made for individual payments exceeding \$25,000. The date a check is issued shall be considered the date payment is made for individual payments of \$25,000 or less.

G.4 Invoice Requirements

Invoices shall be submitted in an original and 4 copies to:

U.S. Nuclear Regulatory Commission  
Division of Accounting and Finance  
Office of Resource Management  
ATTN: GOV/COM Accounts Section  
Washington, D.C. 20555.

To constitute a proper invoice, the invoice must include the following information and/or attached documentation:

(1) Name of the business concern and invoice date.

(2) Contract number or other authorization for delivery of property or services.

- (3) Description price and quantity of property and services actually delivered or rendered.
- (4) Shipping and payment terms.
- (5) Name (where practicable), title, phone number, and complete mailing address of responsible official to whom payment is to be sent.
- (6) Other substantiating documentation or information as required by the contract.

#### G.5 Interest on Overdue Payments

- (a) The Prompt Payment Act, Public Law 97-177 (96 STAT. 85, 31 USC 1801) is applicable to payments under this contract and requires the payment of interest to contractors on overdue payments and improperly taken discounts.
- (b) Determinations of interest due will be made in accordance with the provisions of the Prompt Payment Act and Office of Management and Budget Circular A-125, Vol. 47 Federal Register 37321, August 25, 1982. Among other considerations, OMB Circular A-125 provides that:
  - (1) Interest penalties are not required when payment is delayed because of a disagreement over the amount of payment or other issues concerning compliance with the terms of the contract.
  - (2) Whenever a proper invoice is paid after the due date plus 15 days, interest will be included with the payment at the interest rate applicable on the payment date. Interest will be computed from the day after the due date through the payment date.

#### G.6 Method of Payment

- (a) Payment under this contract will be made by wire transfer through the Treasury Financial Communications System for each individual payment in excess of \$25,000 and by Treasury check for each individual payment of \$25,000 or less.
- (b) Within seven days after the effective date of the contract, the Contractor shall forward the following information in writing to the Contracting Officer to facilitate wire transfer of contract payments. In the event that the Contractor's financial institution has access to the Federal Reserve Communications System, Contractor shall complete all items except items 7 - 9. In the event the Contractor's financial institution does not have access to the Federal Reserve Communications System, Contractor shall complete all items except item 4.
  - 1. Name and address of organization
  - 2. Contact person and telephone number
  - 3. Name and address of financial institution

4. Financial institution's 9-digit ABA identifying number for routing transfer of funds
  5. Telegraphic abbreviation of financial institution
  6. Account number at your financial institution your financial institution receives electronic funds transfer messages through, if it does not have access to the Federal Reserve Communications System
  7. Name and address of the correspondent financial institution your financial institution receives electronic funds transfer messages through, if it does not have access to the Federal Reserve Communications System
  8. Correspondent financial institution 9-digit ABA identifying number for routing transfer of funds
  9. Telegraphic abbreviation of correspondent financial institution
  10. Signature and title of person supplying this information
- (c) Any changes to the information furnished under paragraph (b) of this clause shall be furnished to the Contracting Officer in writing. It is the Contractor's responsibility to furnish these changes promptly to avoid payments to erroneous bank accounts.

#### Section H - Special Contract Requirements

##### H.1 Key Personnel

(a) The following individuals are considered to be essential to the successful performance of the work hereunder.

Dr. Doan L. Phung

Mr. Irving Spiewak

The Contractor agrees that such personnel shall not be removed from the contract work or replaced without compliance with paragraphs (b) and (c) hereof.

(b). If one or more of the key personnel for whatever reason becomes, or is expected to become, unavailable for work under this contract for a continuous period exceeding 30 work days, or is expected to devote substantially less effort to the work than indicated in the proposal or initially anticipated, the Contractor shall immediately notify the Contracting Officer and shall, subject to the concurrence of the Contracting Officer or his authorized representative, promptly replace such personnel with personnel of at least substantially equal ability and qualifications.

(c) All requests for approval of substitutions hereunder must be in writing and provide a detailed explanation of the circumstances necessitating the proposed substitutions. They must contain a complete resume for the proposed substitute, and other information requested by

the Contracting Officer or needed by him to approve or disapprove the proposed substitution. The Contracting Officer or his authorized representative will evaluate such requests and promptly notify the Contractor of his approval or disapproval thereof in writing.

(d) If the Contracting Officer determines that suitable and timely replacement of key personnel who have been reassigned, terminated or have otherwise become unavailable for the contract work is not reasonably forthcoming or that the resultant reduction of productive effort would be so substantial as to impair the successful completion of the contract or the service order, the contract may be terminated by the Contracting Officer for default or for the convenience of the Government, as appropriate, or, at the discretion of the Contracting Officer if he finds the Contractor at fault for the condition, the contract price or fixed fee may be equitably adjusted downward to compensate the Government for any resultant delay, loss or damage.

## H.2 Safety, Health, and Fire Protection

The Contractor shall take all reasonable precautions in the performance of the work under this contract to protect the health and safety of employees and of members of the public and to minimize danger from all hazards to life and property and shall comply with all health, safety, and fire protection regulations and requirements (including reporting requirements) of the Commission and the Department of Labor. In the event that the Contractor fails to comply with said regulations or requirements, the Contracting Officer may, without prejudice to any other legal or contractual rights of the Commission, issue an order stopping all or any part of the work; thereafter, a start order for resumption of work may be issued at the discretion of the Contracting Officer. The Contractor shall make no claim for an extension of time or compensation or damages by reason of or in connection with such work stoppage.

## H.3 Dissemination of Contract Information (OMB Clearance Number 3150-0112)

The Contractor shall not publish, permit to be published, or disseminate to the public any information, oral or written, concerning the work performed under this contract without the prior written consent of the Contracting Officer. Two copies of any information proposed to be published or disseminated shall be submitted to the Contracting Officer. Failure to comply with this clause shall be grounds for termination of this contract.

## H.4 Private Use of Contract Information and Data

Except as otherwise specifically authorized by Section H., publication of contract work of this contract, or as otherwise approved by the Contracting Officer, information and other data developed or acquired by or furnished the Contractor in the performance of this contract, shall be used only in connection with the work under this contract.



#### H.5 Drawings, Designs, and Specifications

All drawings, sketches, designs, design data, specifications, notebooks, technical and scientific data, and all photographs, negatives, reports, findings, recommendations, data and memoranda of every description relating thereto, as well as all copies of the foregoing relating to the work or any part thereto, shall be subject to inspection by the Commission at all reasonable times (for which inspection the proper facilities shall be afforded the Commission by the Contractor and its subcontractors), shall be the property of the Government and may be used by the Government for any purpose whatsoever without any claim on the part of the Contractor and its subcontractors and vendors for additional compensation and shall, subject to the right of the Contractor to retain a copy of said material for its own use, be delivered to the Government, or otherwise disposed of by the Contractor either as the Contracting Officer may from time to time direct during the progress of the work or in any event as the Contracting Officer shall direct upon completion or termination of this contract. The Contractor's right of retention and use shall be subject to the security, patent, and use of information provisions, if any, of this contract.

#### H.6 Proprietary Data and Confidential Information

In connection with the performance of the work under this contract, the Contractor may be furnished, or may develop or acquire, proprietary data (trade secrets) or confidential or privileged technical, business, or financial information, including Commission plans, policies, reports, financial plans, internal data protected by the Privacy Act of 1974 (P.L. 93-579), or other information which has not been released to the public or has been determined by the Commission to be otherwise exempt from disclosure to the public. Contractor agrees to hold such information in confidence and not to directly or indirectly duplicate, disseminate, or disclose such information in whole or in part to any other person or organization except as may be necessary to perform the work under this contract. Contractor agrees to return such information to the Commission or otherwise dispose of it either as the Contracting Officer may from time to time direct during the progress of the work or in any event as the Contracting Officer shall direct upon completion or termination of this contract. Failure to comply with this clause shall be grounds for termination of this contract.

#### H.7 Security (OMB Clearance Number 3150-0112)

(a) It is the Contractor's duty to safeguard Restricted Data, Formerly Restricted Data, and other classified information. The Contractor shall, in accordance with the Commission's security regulations and requirements, be responsible for safeguarding Restricted Data, Formerly Restricted Data, and other classified information and protecting against sabotage, espionage, loss and theft, the classified documents and material in the Contractor's possession in connection with the performance of work under this contract. Except as otherwise expressly provided in this contract, the Contractor shall, upon completion or termination of this contract, transmit to the Commission any classified matter in the possession of the Contractor or any person under the Contractor's control in connection with performance of this contract.



If retention by the Contractor of any classified matter is required after the completion or termination of the contract and such retention is approved by the Contracting Officer, the Contractor will complete a certificate of possession to be furnished to the Commission specifying the classified matter to be retained. The certification shall identify the items and types or categories of matter retained, the conditions governing the retention of the matter and their period of retention, if known. If the retention is approved by the Contracting Officer, the security provisions of the contract will continue to be applicable to the matter retained.

(b) Regulations. The Contractor agrees to conform to all security regulations and requirements of the Commission.

(c) Definition of Restricted Data. The term "Restricted Data," as used in this clause, means all data concerning (1) design, manufacture, or utilization of atomic weapons; (2) the production of special nuclear material; or (3) the use of special nuclear material in the production of energy, but shall not include data declassified or removed from the Restricted Data category pursuant to section 142 of the Atomic Energy Act of 1954, as amended.

(d) Definition of Formerly Restricted Data. The term "Formerly Restricted Data," as used in this clause, means all data removed from the Restricted Data category under section 142-d. of the Atomic Energy Act of 1954, as amended.

(e) Security Clearance Personnel. The Contractor shall not permit any individual to have access to Restricted Data, Formerly Restricted Data, or other classified information, except in accordance with the Atomic Energy Act of 1954, as amended, and the Commission's regulations or requirements applicable to the particular type or category of classified information to which access is required.

(f) Criminal Liabilities. It is understood that disclosure of Restricted Data, Formerly Restricted Data, or other classified information relating to the work or services ordered hereunder to any person not entitled to receive it, or failure to safeguard any Restricted Data, Formerly Restricted Data, or any other classified matter that may come to the Contractor or any person under the Contractor's control in connection with work under this contract, may subject the Contractor, its agents, employees, or subcontractors to criminal liability under the laws of the United States. (See the Atomic Energy Act of 1954, as amended, 42 U.S.C. 2011 et seq.; 18 U.S.C. 793 and 794; and Executive Order 11652.)

(g) Subcontracts and Purchase Orders. Except as otherwise authorized in writing by the Contracting Officer, the Contractor shall insert provisions similar to the foregoing in all subcontracts and purchase orders under this contract.

(h) In performing the contract work, the Contractor shall assign classifications to all documents, material, and equipment originated or generated by the Contractor in accordance with classification guidance

by the Commission. Every subcontract and purchase order issued hereunder involving the origination or generation of classified documents, material, or equipment shall provide that the subcontractor or supplier shall assign classifications to all such documents, material, and equipment in accordance with classification guidance furnished by the Contractor.

H.8

Contractor Organizational Conflicts of Interest (OMB Clearance Number 3150-0112)

(a) Purpose. The primary purpose of this clause is to aid in ensuring that the Contractor: (1) is not placed on a conflicting role because of current or planned interest (financial, contractual, organizational, or otherwise) which relate to the work under this contract, and (2) does not obtain an unfair competitive advantage over other parties by virtue of its performance of this contract.

(b) Scope. The restrictions described herein shall apply to performance or participation by the Contractor as defined in 41 CFR §20-1.5402(f) in the activities covered by this clause.

(c) Work for Others. Notwithstanding any other provision of this contract, during the term of this contract, the Contractor agrees to forgo entering into consulting or other contractual arrangements with any firm or organization, the result of which may give rise to a conflict of interest with respect to the work being performed under this contract. The Contractor shall ensure that all employees who are employed full time under this contract and employees designated as key personnel, if any, under this contract abide by the provision of this clause. If the Contractor believes with respect to itself or any such employee that any proposed consultant or other contractual arrangement with any firm or organization may involve a potential conflict of interest, the Contractor shall obtain the written approval of the Contracting Officer prior to execution of such contractual arrangement.

(d) Disclosure after award.

(1) The Contractor warrants that to the best of its knowledge and belief and except as otherwise set forth in this contract, it does not have any organizational conflicts of interest, as defined in 41 CFR 20-1.5402(a).

(2) The Contractor agrees that if after award it discovers organizational conflicts of interest with respect to this contract, it shall make an immediate and full disclosure in writing to the Contracting Officer. This statement shall include a description of the action which the Contractor has taken or proposes to take to avoid or mitigate such conflicts. The NRC may, however, terminate the contract for convenience if it deems such termination to be in the best interests of the Government.

(e) Access to and use of information.

(1) If the Contractor in the performance of this contract obtains access to information, such as NRC plans, policies, reports, studies, financial plans, internal data protected by the Privacy Act of 1974 (Pub. L. 93-579), or data which has not been released to the public, the Contractor agrees not to:

(i) Use such information for any private purpose until the information has been released to the public;

(ii) compete for work for the Commission based on such information for a period of six (6) months after either the completion of this contract or the release of such information to the public, whichever is first;

(iii) submit an unsolicited proposal to the Government based on such information until one year after the release of such information to the public, or

(iv) release the information without prior written approval by the Contracting Officer unless such information has previously been released to the public by the NRC.

(2) In addition, the Contractor agrees that to the extent it receives or is given access to proprietary data, data protected by the Privacy Act of 1974 (Pub. L. 93-579), or other confidential or privileged technical, business, or financial information under this contract, the Contractor shall treat such information in accordance with restrictions placed on use of the information.

(3) The Contractor shall have, subject to patent and security provisions of this contract, the right to use technical data it produces under this contract for private purposes provided that all requirements of this contract have been met.

(f) Subcontracts. Except as provided in 41 CFR 20-1.5402(h), the Contractor shall include this clause, including this paragraph, in subcontracts of any tier. The terms "contract," "Contractor," and "Contracting Officer," shall be appropriately modified to preserve the Government's rights.

(g) Remedies. For breach of any of the above prescriptions or for intentional nondisclosure or misrepresentation of any relevant interest required to be disclosed concerning this contract or for such erroneous representations as necessarily imply bad faith, the Government may terminate the contract for default, disqualify the Contractor from subsequent contractual efforts, and pursue other remedies as may be permitted by law or this contract.

(h) Waiver. A request for waiver under this clause shall be directed in writing through the Contracting Officer to the Executive Director for Operations (EDO) in accordance with the procedures outlined in §20-1.5411.

PART 11 - CONTRACT CLAUSES

Section 1 - Contract Clauses

52.252-2 CLAUSES INCORPORATED BY REFERENCE. (APR 1984)

This contract incorporates the following clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available.

1. FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1) CLAUSES

Section E

52.246-4 INSPECTION OF SERVICES--FIXED-PRICE. (APR 1984)

Section F

52.212-13 STOP-WORK ORDER. (APR 1984)

Section I

- 52.202-1 DEFINITIONS. (APR 1984)
- 52.203-1 OFFICIALS NOT TO BENEFIT. (APR 1984)
- 52.203-3 GRATUITIES. (APR 1984)
- 52.203-5 COVENANT AGAINST CONTINGENT FEES. (APR 1984)
- 52.215-1 EXAMINATION OF RECORDS BY COMPTROLLER GENERAL. (APR 1984)
- 52.215-2 AUDIT--NEGOTIATION. (APR 1984)
- 52.215-31 WAIVER OF FACILITIES CAPITAL COST OF MONEY. (APR 1984)
- 52.219-8 UTILIZATION OF SMALL BUSINESS CONCERNS AND SMALL DISADVANTAGED BUSINESS CONCERNS. (APR 1984)
- 52.219-13 UTILIZATION OF WOMEN-OWNED SMALL BUSINESSES. (APR 1984)
- 52.220-3 UTILIZATION OF LABOR SURPLUS AREA CONCERNS. (APR 1984)
- 52.222-1 NOTICE TO THE GOVERNMENT OF LABOR DISPUTES. (APR 1984)
- 52.222-3 CONVICT LABOR. (APR 1984)
- 52.222-26 EQUAL OPPORTUNITY. (APR 1984)
- 52.222-35 AFFIRMATIVE ACTION FOR SPECIAL DISABLED AND VIETNAM ERA VETERANS (APR 1984)
- 52.222-36 AFFIRMATIVE ACTION FOR HANDICAPPED WORKERS (APR 1984)
- 52.227-1 AUTHORIZATION AND CONSENT. (APR 1984)
- 52.227-2 NOTICE AND ASSISTANCE, REGARDING PATENT AND COPYRIGHT INFRINGEMENT. (APR 1984)
- ✓ 52.227-3 PATENT INDEMNITY--ALTERNATE 1 (APR 1984)
- 52.227-11 PATENT RIGHTS--RETENTION BY THE CONTRACTOR (SHORT FORM). (APR 1984)
- 52.229-3 FEDERAL, STATE, AND LOCAL TAXES (APR 1984)
- 52.229-5 TAXES--CONTRACTS PERFORMED IN U.S. POSSESSIONS OR PUERTO RICO. (APR 1984)
- 52.232-8 DISCOUNTS FOR PROMPT PAYMENT. (APR 1984)
- 52.232-11 EXTRAS. (APR 1984)
- 52.232-17 INTEREST. (APR 1984)
- 52.232-23 ASSIGNMENT OF CLAIMS. (APR 1984)
- 52.233-1 DISPUTES. (APR 1984)
- 52.243-1 CHANGES--FIXED-PRICE. (APR 1984)--Alternate 1. (APR 1984)

- 52.242-2 PRODUCTION PROGRESS REPORTS (APR 1984)
- 52.244-5 COMPETITION IN SUBCONTRACTING
- 52.246-25 LIMITATION OF LIABILITY--SERVICES. (APR 1984)
- 52.247-63 PREFERENCE FOR U.S.-FLAG AIR CARRIERS. (APR 1984)
- 52.249-4 TERMINATION FOR CONVENIENCE OF THE GOVERNMENT  
(SERVICES) (SHORT FORM). (APR 1984)
- 52.249-8 DEFAULT (FIXED-PRICE SUPPLY AND SERVICE). (APR 1984)



PART III - LIST OF DOCUMENTS, EXHIBITS, AND OTHER ATTACHMENTS

Section J - List of Attachments

<u>Attachment Number</u>	<u>Title</u>
1	NRC Organization Chart
2	NRC Contractor Organizational Conflicts of Interest (41 CFR Part 20)
3	NRC Manual Chapter 3202
4	Billing Instructions for Fixed Price Type