

Eielson AFB Micro-Reactor - Request for Information – Group 1

RFP

1. When are proposals to the RFP due?
 - a. Per Amendment 0001, proposals are due 31 January 2023.
2. If a developer not awarded demonstrates full-power operation prior to the award of this contract, will the contract be recompeted?
 - a. The Government does not intend to recompet. The Government intends to solicit and award this project in a single procurement.
3. If no single vendor submits a compliant proposal, do you go back to the drawing board and update the RFP?
 - a. If the Government does not receive a proposal based on what the RFP asks for, The Government will review the process.
4. Is the award preordained to go to somebody?
 - a. Contractors have not been selected as we have not seen any proposals yet.
5. How many awardees and/or reactors will be selected?
 - a. The Government intends to select one awardee and one reactor.
6. Is DLA Energy aware of the benefits of government industry to allow partnership agreements?
 - a. Yes. The Government has entertained several conversations and discussions about partnership agreements. Section L.3 Teaming Arrangements/Joint Ventures/Special Purpose Entities further details this topic.
7. Does the micro-reactor need to be operational by 2027 or 2030?
 - a. The mandated date is 2027. The timeline comes from an Executive Order. If we are to make any changes to the timeline, the plan would first have to be approved by the Department of Air Force and then have to be resubmitted to Congress and the White House. The DAF needs to be able to show rationale, roadblocks, and incremental progress to support an extension.
8. The main body of RFP did not call out 2027 as a firm date. The date was noted in the attachment. It was hard to determine if it is a firm requirement. Anyone who does not meet that date would not be in competition. Would you only go back to ask for an extension from Congress if everyone cannot meet the date?
 - a. In 2-3 years, when we know how the licensing is proceeding and can show incremental progress and operational milestones, we will have a better idea as to whether we can meet the deadline. Congress will not grant an extension until we

show incremental progress and lay out what we still need to achieve. If the RFP needs to be amended so timelines are clearer, then we can do that.

9. Why is the Government committed to purchasing power versus owning or leasing a reactor/reactors?
 - a. The DoD does not want to own and operate the nuclear micro-reactor. That is why we went down PPA path. We do not want to be a nuclear energy supplier. The chosen vendor will be the energy supplier.
10. Has DLA made the necessary arrangement with the Department of Energy (DOE) National Nuclear Security Administration (NNSA) to provide starting enriched material at High-Assay Low Enriched Uranium (HALEU) levels and quantities to the successful bidder?
 - a. No. The Contractor will have to work with DOE to procure the fuel.
11. Is DLA aware that the only source of HALEU material is via Russia if not made available from the DOE NNSA strategic stockpile?
 - a. DLA Energy is aware of the fuel supply chain issues; however, DOE will need to clarify the inventory within the US.
12. Will DLA make enriched uranium at HALEU enrichments available to the winning bidder from the DOE NNSA strategic stockpile?
 - a. No. The Contractor will have to work with DOE to procure the fuel.
13. If the last questions are due on November 12, it does not seem possible to address any answers to those questions in proposals prior to November 29th.
 - a. The effective cut-off date to submit questions to the Government is 29 November 2022. Per Amendment 0001, proposals are due 31 January 2023.
14. The Q&A deadline is only 14 days prior to the proposal due date. Is there enough time to turn around answers to the questions for vendors to adjust their proposals?
 - a. The Government anticipates discussing proposal extensions. The Government intends to distribute questions and answers as they come in. There will be multiple amendments.
15. Who makes the decision to extend the RFP?
 - a. The Department of Air Force approves extensions to the RFP submission due date.
16. We understand the unit needs to be between 1-5 MW or 5 MW. What is it that you are looking for?
 - a. The electrical distribution system at Eielson AFB can only handle up to 5 MW. Proposals up to 5 MW will be accepted. The base's preference is 5 MW.

17. Industry history with nuclear “first of its kind” technology is costly and characterized by time overruns. The RFP lays the risk entirely and solely on the bidders. There is no shared risk. There is no collaboration or partnership. It could be a company killer and industry setback. It took six months to bid Project Pele. You are asking for a bid in two months at a firm fixed price. Pele is a cost-plus fixed fee contract, acknowledging and sharing risk. Go back and look at RFP. The DOE is not in the room or helping guide this process. Don’t let this be a failure or set us back.
- a. The Department of the Air Force has a Memorandum of Understanding with DOE and NRC.
18. Does the Cybersecurity Plan or the JA5 System Security Plan have to be submitted with the proposal or after award? If with the proposal, in which volume?
- a. Reference Section F - Deliveries and Performance. Communications and control system cyber security document is due 10 days prior to the Commercial Operation Date (COD).
19. How will the government evaluate the financial viability of companies that are to deliver the EPF technology?
- a. Section L.7.1.3.2(1)(d) states, "The Offeror shall provide audited financial statements for its most recently completed fiscal year, the project guarantor (if applicable), any proposed subcontractor that will be performing a significant portion of the work, and for each firm participating in a joint venture or teaming arrangement."
20. Is DLA able to extend the response time for proposals to better equate to the response time granted for similar projects? The Department of Defense Strategic Capabilities Office allowed participants six (6) months to prepare the proposal for the Project Pele reactor that aligned with complementing a final design. DLA’s strict timeline for this proposal does not allow bidders to prepare a quality submission that is in the best interest of Eielson Air Force Base or local stakeholders, even with design documentation only requiring 30% completion.
- a. Per Amendment 0001, proposals are due 31 January 2023.
21. As currently written, the inability to recover capital or construction costs over the first seven (7) year period of the contract creates two competitive issues: With no ability to recover what will be a significant capital cost for reactor construction during the construction period, these costs shift to the operational portion of the contract and as such, result in Megawatt and Kilowatt Hour costs that will far exceed comparative energy sources like natural gas or coal. Is DLA able to amend the pricing structure to allow for progress payments on the construction component?
- a. No. The Government contemplates awarding a firm fixed price contract.
22. There is currently no one with relevant experience in the industry on decommissioning a first of a kind reactor envisioned for this site and environment, or what costs could come with it

thirty (30) years from contract award. In addition, the U.S. Nuclear Regulatory Commission (NRC) and Government have different rules for the decommissioning and removal for advanced reactors than for the existing fleet. Since these new reactors are no longer under the old rules and guarantees of the Government this leads to further uncertainty in cost because no one has yet implemented them. Is DLA able to separate the reactor decommissioning and removal scope from the current effort and compete it under a separate contract later in the contract term?

- a. No. The decommissioning scope will remain as a requirement in this project.

23. Will the questions from Preproposal Conference be recorded and posted?

- a. Yes. All questions from the event will be recorded and posted as an amendment to the RFP.

24. Are we supposed to provide the level of steam and the level of electricity as listed in the RFP?

- a. Yes. Contractors are to meet the kilowatt hours listed in the RFP.

25. Will the microreactor be expected to operate at 100% output throughout the production period?

- a. Yes. In order of priority, electricity shall be supplied from 1) the EPF, 2) the CHP, and 3) the Utility Distribution Company.

26. Describe the interconnection with the existing site?

- a. Golden Valley Electric has their own standard operating procedure (SOP) for this process. The interconnection is between Golden Valley Electric and the CHP. The nuclear-microreactor will connect to the CHP. There is no agreement needed between nuclear micro-reactor and Golden Valley Electric.

27. Has the Government considered a trigger reactor? Trigger reactors have been installed since 1958 at college campuses and have not caused issues. Microreactors should not cause a safety problem.

- a. The Department of Air Force tries to ensure installations have specific things in specific districts. We do not mix districts because it can create mission conflicts of interest.

28. Are you willing to consider multiple small reactors vs. one large reactor?

- a. Currently, the Government is only considering one reactor.

29. To get to peak steam load it may require more than one microreactor. The RFP requires peak steam load and 5 MW of electricity. There are multiple places in the RFP where the amount of steam is defined. The CLIN summary table is misleading, and the amount is greater by a factor of a thousand. We are looking at 45 MW thermal to provide the steam.

- a. The Government will go back and see if there needs to be an adjustment to the RFP.
- 30. RFP states that the contractor is responsible for badging all employees requiring access to the base. Can you share any restrictions that are, or might be, applied to individuals in order to be badged (e.g., limits to the number of on-site personnel at any given time, proof of US citizenship, security clearance, etc.), including any adverse events that might cause the base to be closed to access? Are contractors required to be re-badged each day, or are they granted access for extended periods of time?
 - a. The Contractor will work with the installation on all badging requirements and require background checks. Issued badges will be valid for a specified time.
- 31. Do contractors have access to government work/office space during period of construction or will we be required to set up temporary construction support buildings?
 - a. Contractors will not be provided work/office space during the construction period. The Contractors shall provide their own construction support buildings.
- 32. Do hard copy proposals have to be received by the proposal due date or do they just need to be sent out prior to due date?
 - a. Both hard and electronic copies of the proposal have to be received by DLA Energy at the due date (Jan 31, 2022) and time (1400).
- 33. Section L.4.2.2 states, "The Offeror shall prepare and submit one hard copy of Volumes I through IV of its proposal in separate three-ring binders." When will the Government be available to formally accept and sign for delivered hard copy proposals, given that the proposal due date is a few days after Thanksgiving? Additionally, with the popularity of the Black Friday shopping weekend, it is common to anticipate shipping carriers will be busy and likely experience delays in shipping. Will the Government only be available to accept/sign for shipped hard copy proposals on November 28th and 29th?
 - a. The Government will be available to receive the hard copies.
- 34. Section L.3.2 states, "If this is a first-time joint venture, each party to the arrangement shall provide a list of project(s) summaries as identified in paragraph L.5.2.3 below. "Section L.5.2.3 does not exist in the RFP document. Is this meant to reference L.7.2.3 in Past Performance? What is meant as a "list of summaries"?
 - a. L.5.2.3 should reference L.7.2.2. This change was made in Amendment 0001. A list of summaries means brief description of the project.
- 35. Section L.7.1.3.2(1)(d) states, "The Offeror shall provide audited financial statements for its most recently completed fiscal year, the project guarantor (if applicable), any proposed subcontractor that will be performing a significant portion of the work, and for each firm participating in a joint venture or teaming arrangement." Since audited financial statements can be lengthy, are audited financial statements excluded from the page count for Volume I?

- a. The Government will accept the audited financial statements (i.e., 10k statement) or the Contractor may provide link to the website for completed fiscal year. These documents are excluded from the page count.
- 36. For CLINs 0001 and 002, the RFP states that a "Conceptual Design Plan" is required. In Section L.7.1.3 it further provides the description of what we believe is your expectation of the "Conceptual Design Plan" (Production, Implementation Plan, Conceptual Design). The Conceptual Design states that a 30% design submission is required and shall include: Tech Specifications of the EPF and steam infrastructure including schematics, diagrams and layouts on CAD drawings; Detailed Plan to distribute the energy from the EPF; Description of the EPF and transmission infrastructure layout; Description of the steam distribution infrastructure layout; Detailed Plan on how the EPF will operating in conjunction with the CHP; Detailed Plan on how the EPF will meet the Energy Security requirements...."The requirement appears to be a conceptual plan versus a traditional conceptual design with drawings and calculations. Will the Government please clarify your expectations relative to a "Conceptual Design Plan" versus a Conceptual Design?
 - a. The Government requests a Conceptional Design. Section L.7.1.2. will be updated via amendment.
- 37. M.1.4.1 states we will be evaluated and assessed on the offeror's System Integration Plan, which is not described within Section L as a component of Factor 1. Would you amend Section L to describe what your expectations are for a System Integration Plan?
 - a. The Government will amend the solicitation to remove the "System Integration Plan"
- 38. The RFP identifies that "...the NRC will complete an Environmental Impact Statement before construction begins" Is it permissible to execute site preparation activities (ground preparation, etc.) and the staging of equipment / materials prior physical construction of the EPF?
 - a. No activities shall commence unless the NOITA is issued. Selected contractor will have flexibility to procure a license/easement when it is permissible to execute site preparations. A kickoff meeting will be held after the NOITA is issued to identify the allowable actions the Contractor can take.
- 39. Why is excess electrical power prohibited from being introduced into the grid? The ability to sell excess capacity would reduce project cost, improve project value, and benefit larger electrical infrastructure.
 - a. The non-export of excess electrical power is a requirement of Golden Valley (UDC) and subject to the interconnection agreement.
- 40. The RFP identifies that it is the Government's intent to award the work as a FFP contract pursuant to DFAR 16.202 Firm-fixed-price contracts. As stated in Subsection 16.202-2 Application, this type of contract pricing is when the contracting officer can establish fair and

reasonable prices at the outset, such as when- "... (b) There are reasonable price comparisons with prior purchases of the same or similar supplies or services made on a competitive basis or supported by valid certified cost or pricing data; (c) Available cost or pricing information permits realistic estimates of the probable cost of performance; or (d) Performance uncertainties can be identified and reasonable estimates of their cost impact can be made, and the contractor is willing to accept a firm fixed price representing assumption of the risks involved." Has the government confirmed suitability for FFP in consideration of the previously cited subsections (b), (c), and (d) as it relates to this acquisition scope of work? Since the contract will include first-of-a-kind work scope that will be executed in various phases over a 30 year period, is the Government able to consider the implementation of various contract types (unit rate, cost reimbursable, time and material, etc.) which could be linked to specific execution phases (i.e., NRC licensing, construction, etc.) throughout the duration of the contract?

- a. Yes. The Government has considered alternatives, and intends to pursue a Firm Fixed Price Contract.

41. The implementation timing, per RFP, is NOITA in early 2023 and execution of contract in 2024. A contingency for execution of the contract is: "(b) Licensure and approval from the NRC on resource design." Based on past historical timeframes for NRC approvals of new nuclear reactor designs, and the multiple sequences of reviews and public comment periods, it is highly unlikely that any of the micro-reactor designs can meet micro-reactor design license approval by 2024. The NRC approval process is not in the control of the contractor or DOD. If the NRC approval process is delayed, will there be a day-for-day slip in the subsequent implementation timelines?

- a. The Government will consider delays in the implementation timeline. If the timeline requires a change, a new plan will be submitted to Congress and White House for review and approval.

42. Is the Commercial Operation Date expected to be by 2027? Rationale: SMNR section L.7.1.3.1 Part 2. Implementation Plan refers to PR1 NRC Regulations and Standards, which states: the Contractor must have submitted design applications to NRC prior to submitting their response to this RFP in order to ensure the 2027 timeline can be met.

- a. The mandated date is 2027. The timeline comes from an Executive Order. If we are to make any changes to the timeline, the plan would first have to be approved by the Department of Air Force and then have to be resubmitted to Congress and the White House.

43. Inquiring to see if there any need for Medical Support i.e., Paramedics or clinics for this project?

- a. No. This is not a requirement of the solicitation.

44. Is the Government willing to consider multiple small reactors v. one large reactor?

- a. The Government is contemplating a single generating facility.

45. How many awardees and/or reactors will be selected?
- The Government intends to select one entity for a single generating facility.
46. Attachment 8 Past Performance Information Questionnaire Section H states, "H. SPECIFY BY NAME ANY KEY INDIVIDUAL(S)WHO PARTICIPATED IN THIS PROJECT AND IS/ARE PROPOSED TO SUPPORT THE INSTANT ACQUISITION. ALSO, INDICATE THEIR CONTRACTUAL ROLES FOR BOTH ACQUISITIONS." This is the only reference to Key Individuals within the RFP documents. For clarification purposes, can you (1) Please confirm there are no Key Individuals required to be proposed on this solicitation, and (2) If this information is still required on the Attachment 8 Past Performance Information Questionnaire?
- Key individuals are not required, but information requested should be disclosed as appropriate.
47. If we have 5 pages only to have five Attachment 8 forms (2 pages each unpopulated) completed, would it be acceptable to remove your notes and instructions from the form, provided that we answer the question as intended?
- No. Do not remove the content of the form. Per Amendment 0001, the Maximum Page Limit for Volume II Past Performance has increased to 15 pages.
48. Per the RFP, "The offeror shall provide references for any proposed subcontractor that will be performing a significant portion of the work and for each firm participating in a joint venture or teaming arrangement." Should subcontractor projects be included in the Offeror's five featured Attachment 8 projects, or may we add one project per subcontractor (if needed) to adequately showcase all team members' past performance?
- Yes. It is the Contractor's decision on how to showcase their 5 partners/sub-k. Limited to 5.
49. Because we expect each completed Attachment 8 form to be at least three pages, we would like to confirm that all information contained in Attachment 8 forms is excluded from the Volume II page limit.
- No. Attachment 8 is included. Per Amendment 0001, the Maximum Page Limit for Volume II Past Performance has increased to 15 pages.
50. C.3.3.1 Minimum Production states "The Contractor shall operate and maintain the EPF whereby the system performance shall result in production of no less than the minimum annual production amount per year, as indicated in Table 5—Electricity Production and Table 6—Steam Production." This is inconsistent with C.11.2 which states, "only electricity will be subject to minimum annual production." Will the Government please clarify?
- Per Amendment 0001, all references to "Table-6 Steam Production" have been deleted.

51. Is it acceptable to the Government to receive Exceptions for Offerors' proposals in Vol. IV - Contract Documentation?
- Exceptions taken to terms and conditions of the request for proposal (RFP) shall be clearly identified after the table of contents in the Offeror's proposal. Per Amendment 0001, exceptions are excluded from the volume page count.
52. C.3.3.1 references Table 6 - Steam Production for the minimum annual production amount per year. Table 6 in the RFP is titled "Mandatory Minimum Insurance coverage." Will the Government please clarify if there is a minimum annual production amount for steam?
- Per Amendment 0001, all references to "Table-6 Steam Production" have been deleted.
53. The RFP provides a minimum production explanation in section C.3.3.1 where a minimum quantity table for electricity is shown in Table 5 – Electricity Production. However, although steam is discussed in section C.3.3.1, Table 6 - Steam Production is missing from the RFP. Can the Government please provide Table 6 - Steam Production?
- Per Amendment 0001, all references to "Table-6 Steam Production" have been deleted.
54. The RFP has identified the various elements (Schematics, diagrams, layouts and CAD drawings) that need to be included in the 30% design. However, Volume 1 is limited to 50 pages. Can the design material be placed in Volume IV and cross referenced in Volume I?
- No. Design materials shall be included in Volume I. Per Amendment 0001, CAD Drawings are excluded from the Maximum Page Limit. See Section L.4.2.3 for other page exclusions.
55. The RFP states to include exceptions after the table of contents. Please specify which volume this information should be included.
- As applicable to each volume, exceptions taken to terms and conditions of the request for proposal (RFP) shall be clearly identified after the table of contents in the Offeror's proposal. Per Amendment 0001, exceptions are excluded from the Maximum Page Limit.
56. The RFP states "Schematics, diagrams, and layouts without specific manufacturer detail within CAD Drawings on 22"x34" formatted title block defining overall system configuration." Please confirm the schematics, diagrams, and layouts are not included in the 50 page count for Volume I.
- Per Amendment 0001, Section L.4.2.4 was updated to the following: "Each page shall be counted except for the following: cover pages, table of contents, cross-reference matrix, tabs, and glossaries, CAD drawings and exceptions".
57. The RFP states "The offeror shall provide references for up to five of its largest project(s) of similar scope." Are the required five projects inclusive to subcontractor team members?

- a. The contractor may showcase their projects that are inclusive to subcontractor team members
58. The table in L.4.2.3 says that Volume III Past Performance maximum page limit is 10 pages, but L.7.2.1 and M.1.5 site a 5-page narrative. Please clarify the page limit for Volume III for a prime offeror or a joint venture partnership.
- a. Per Amendment 0001, the Maximum Page Limit for Volume II Past Performance has increased to 15 pages to include both requirements in L.7.2.1 and L.7.2.2. There is not a Maximum Page Limit for Volume III Price Proposal.
59. L.3.2 states “If this is a first-time joint venture, each party to the arrangement shall provide a list of project(s) summaries as identified in paragraph L.5.2.3 below.” L.5.2.3 is not in the RFP. Please clarify how many Past Performance Questionnaires can be provided from a Joint Venture Partnership, 5 or 10?
- a. Five (5) Past Performance Questionnaires per offer may be provided. The contractor may showcase their projects that are inclusive to subcontractor team member.
60. Per L.7.2.4, can “references for any proposed subcontractor that will be performing a significant portion of the work” be in addition to the up to 5 references from the prime offeror?
- a. Five (5) Past Performance Questionnaires per offer may be provided. The contractor may showcase their projects that are inclusive to subcontractor team members

Lease and Environmental

61. Is the area in green on the map the industrial district?
- a. Yes, the area in green was evaluated as an industrial area in the development plan.
62. Where is the 100-year floodplain?
- a. The 100-year floodplain is in the upper part of green area on the map.
63. Provide examples of in-kind consideration.
- a. In-kind consideration is not a factor in this project. In-kind consideration can include restoration projects, maintaining facilities, and projects that prioritize energy resiliency.
64. What are EUL costs?
- a. EUL costs are where the Government is able to seek payment for administrative costs and portfolio management.
65. How does the Government determine the price of EUL costs?

- a. Price will be determined by the fair market value after an appraisal of the land selected.
66. Contractors will need to determine what to charge back for production of energy, which is tied to lease cost. Contractors will need to know what you will charge for the lease. How much will the Air Force charge to lease the land?
- a. This is a competitive environment. Price per kilowatt hour is a market decision that Contractors will have to make in competition with other vendors. Assistance in kind has to at least match what the value of the land is, but the Government does not yet know this value as sites have not yet been selected.
67. Why do you want the micro-reactor away from populated areas?
- a. Eielson AFB would not like the nuclear-microreactor to be located near populated areas. Eielson AFB would like it to be built in the industrial area.
68. Eielson was mentioned as the 1st choice for NEPA. Has a second choice been identified?
- a. Eielson AFB was mentioned as the preferred choice for the pilot project.
69. Is it mandatory that the proposed site be within the Eielson AFB fence line?
- a. Yes.
70. Has anyone contacted the North Star Borough about the cost of taxes?
- a. The developer or lessee is required to pay the local county/city taxes. We will do the research and publish the answer. We will also identify what code we are building to (federal vs. county). The legal framework is either federal jurisdiction or current jurisdiction. Most EULs are current jurisdiction. We will make clear whether to abide by local or federal codes.
71. On the site visit we were informed we should not be putting anything below ground. The RFP needs to clarify that.
- a. Eielson AFB struggles with PFAS/PFOA in soil contamination and water. Eielson AFB complies with the EPA standards of 70 ppt. We can dig into the ground, but it will cost a lot more to remediate PFAS and PFOA in the soil. If there is any way to avoid digging too deeply it would minimize soil overburden that needs to be remediated.
72. Has a NEPA determination been conducted by the USAF? Does this include burying facilities in the subsurface?
- a. The NEPA determination will be conducted by the NRC. Burying facilities into the ground is not prohibited but must be approved by the NRC and Eielson AFB.

NRC

73. Why do entities need to submit an NRC application prior to RFP submission?
- a. The RFP currently states the NRC application should be submitted prior to the RFP submission. We will consult with the NRC to determine the best process to move forward with. We will post any changes through an amendment.
74. The Government is asking for a firm-fixed-price submitted by end of November. Has the NRC declared to you what their cost is going to be to review and approve the application?
- a. When the NRC receives an application, it provides an estimated cost to review the application. Information is available on the cost of similar projects on the NRC public website. The NRC is also a fee recoverable agency and collects fees from its operating facilities every year. All facilities have to pay into the Decommissioning Trust Fund. DOE also charges a fee per kilowatt hour produced to take possession of nuclear waste generated by the operating facility.
75. The NRC typically takes 3+ years to license a plant. Is the process going to be different because the nuclear micro-reactor will be the first of its kind?
- a. There are generic schedules on NRC public website for different types of applications. NRC's intent is to beat those schedules. NRC is trying to review applications faster and looking to shorten review times. It is a new technology and will take extra effort. NRC will be able to support the objective of coming online in 2027. The most valuable action vendors can take is to engage in preapplication activity. There is a whitepaper describing preapplication activities available on the public website. Engaging in preapplication activity saves time in application review. There are elements of the environmental review that the NRC cannot control. For example, intervention, in which the public can request standing to intervene in the proceedings to obtain a license. This process is outside of the NRC's control.
76. Is the NRC licensing process described in Part 52? Part 50 is a two-step process.
- a. Vendors can follow Part 52 and give the NRC a combined application or follow Part 50 and give the NRC a construction permit and an operating license application. Either way, preapplication engagement is very important. A Part 52 combined application needs to be an essentially complete design. If the design is not essentially complete it can slow down the review.
77. What is the annual operating license fee?
- a. The NRC is actively working on developing license fees for smaller nuclear reactors.
78. 10 CFR 50.43 requires light-water reactors using advanced safety features to have backed-up analytical methods based on operational data. There is no operational data yet. How will that impact the licensing of a first of its kind plant?

- a. This highlights why preapplication engagement and discussions are so important. NRC would like to discuss fuel, performance, and behavior during the preapplication time period. The lack of operational data will be a challenge.

79. At what point during the review process and permitting could site construction take place?

- a. It depends on which licensing process a Contractor follows. If an entity follows Part 50 which involves a construction permit and subsequent operating license application, after the construction permit is received, construction can begin. If an entity follows the Part 52 process to obtain a combined license, site prep can begin. Under both processes, an entity can ask for a Limited Work Authorization which allows you to do non-safety related site preparation work. You can do preconstruction without a permit from the NRC, which allows you to do road clearing, lay down trailers, etc. Regulatory Guide 4.2 describes preconstruction operations.

80. Would the Department of Air Force make a recommendation to Congress to remove NRC barriers to licensing? If so, why or why not?

- a. Department of the Air Force would not go to Congress and recommend NRC should be taken off a nuclear reactor project. DoD is working with NRC to ensure a safe and economical approach. DAF legal counsel will provide further information about this question in an amendment.

81. Is there any flexibility in using the 10 CFR 50.11 DoD exemption for licensing instead of going through NRC process? Why was a commercial Power Purchase Agreement chosen?

- a. The DoD does not want to own and operate the nuclear micro-reactor. That is why we went down PPA path. We do not want to be a nuclear energy supplier. The chosen vendor will be the energy supplier.

82. Can a Limited Work Authorization (LWA) authorize construction as defined in 10 CFR 51.4(1)(i) and 50.10(a)(1).

- a. If an applicant wants to undertake “construction” activities (as defined in 10 CFR 51.4(1)(i) and 50.10(a)(1)), prior to receiving a license from the NRC (such as a Construction Permit of Combined License), an LWA is required. In accordance with 10 CFR 50.10, “License required; limited work authorization,” an LWA is required to perform activities that constitute “construction” as defined in 10 CFR 50.10(a), or 10 CFR 51.4. As noted in Regulatory Guide (RG) 4.2, Revision 3 (www.nrc.gov/docs/ML1807/ML18071A400.pdf), and RG1.206, Rev. 1, an LWA is an authorization by the Commission to build certain safety-related structures, systems, or components of a proposed reactor before issuance of a Construction Permit (CP) or Combined License (COL). As provided in 10 CFR 50.10(e)(2), each LWA will specify the activities that the holder is authorized to perform. 10 CFR 50.10 notes several examples of specific activities that NRC may authorize through an LWA, including: driving of piles; subsurface preparation; placement

of backfill, concrete, or permanent retaining walls within an excavation; and installation of the foundation, including placement of concrete. Activities not constituting “construction” are referred to as “preconstruction” activities.

Preconstruction activities are not considered direct impacts of the NRC’s Federal action because they may occur in the absence of an NRC license and are not part of the NRC’s licensing action.