**Guidelines for applying to the “Project of Decommissioning and Contaminated Water Management (Development of Criticality Control Technologies of Fuel Debris)”**

Date: March 10, 2016

Management Office for the Project of Decommissioning and Contaminated Water Management

The Management Office for the Project of Decommissioning and Contaminated Water Management (hereinafter called “PMO”) solicits entities to implement subsidies for the "Subsidy Project of Decommissioning and Contaminated Water Management (Development of Criticality Control Technologies of Fuel Debris)" . Details of the project are stipulated in these Guidelines; furthermore, the procedures for implementation of the project are stipulated in the “Grant Policy for Subsidy for the Project of Decommissioning and Contaminated Water Management”.

1. Purpose of Project

In this project, the projects which will support development of technologies contributing to decommissioning and contaminated water management of Fukushima Daiichi Nuclear Power Station of Tokyo Electric Power Company, Incorporated will be conducted based upon the “Mid-and-Long-Term Roadmap towards the Decommissioning of TEPCO's Fukushima Daiichi Nuclear Power Station” (hereinafter called “Mid-and-Long-Term Roadmap”) and “Implementing Situation of Research and Development and Direction of Next Plan” (The 27$^{th}$ meeting of Secretariat of the Team for Decommissioning and Contaminated Water Countermeasures / PMO), so that the decommissioning and contaminated water management of Fukushima Daiichi Nuclear Power Station can be implemented smoothly and the level of science and technology in Japan can be enhanced.

2. Contents of Project

In case that the configuration of debris and the level of water change with the retrieval of fuel debris in decommissioning Fukushima Daiichi Nuclear Power Station, we must prevent the exposure to radiation of workers and effects on the environment due to recriticality of fuel debris. At present, multiple fuel debris retrieval procedures (hereinafter, multiple procedures) are under consideration to determine fuel debris retrieval policies. We need to examine how to control criticality of each work process of multiple procedures, and to confirm whether the elemental technologies for implementation of the criticality control method can be established. Also, to determine the fuel debris retrieval method and work using actual machines, we need to continue to develop criticality evaluation methods, as well as conducting tests to provide the operation method of the elemental technologies with actual machines.

Keeping these in mind, we will carry out the following technology development. In doing so, we will

broadly accept proposals also for each implementation item of this project and narrow them down. Entities of partial proposals are expected to advance the contents of work they proposed following the analysis/coordination by the entity of comprehensive proposal, given the technology application risks and implementation timing. The entity of comprehensive proposal shall be one that implements all of the implementation items (1) through (4) and shall carry out the analysis/coordination of the results produced by the entities of partial proposals, if there are any such entities. The entities of partial proposals shall implement either (1) or (2), and item (3) (iii) and after.

（１） Establishment of criticality evaluation method

Regarding the concept of evaluation method and condition setting of criticality risk, opinions of third parties shall be gathered and basic concept of criticality control shall be confirmed; based on them, the latest knowledge, including the results of comprehensive analysis/evaluation about the reactor interior situation shall be reflected and the criticality evaluation/ criticality scenario shall be reviewed for each reactor and each part. Make an evaluation of criticality risk for each reactor and each part before starting the work so that it contributes to a determination of debris retrieval policies, in addition to the evaluation at the time of fuel debris retrieval. In doing so, provide the results about the conditions leading to recriticality that serve as a basis for the criticality risk evaluation, as well as the evaluation of impact after reaching criticality, in an easily understandable manner. Also, establish an evaluation method for an effective multiplication constant that incorporates statistical methods for criticality evaluation condition parameters, such as composition of debris and water-uranium ratio, to develop a method to comprehensively understand the possibility of criticality in the reactor interior situation that involves many uncertainties.

Furthermore, bearing multiple methods in mind, develop a radiation exposure evaluation method assuming fuel debris retrieval work, and provide the evaluation result by the end of fiscal year 2016. In doing so, coordinate with the concept of radiation exposure of workers that is considered in the “Project of Upgrading Approach and System for Retrieval of Fuel Debris and Internal Structures.”

（２） Development of criticality control technologies

(i) Criticality approach monitoring method

In order to prevent an occurrence of criticality, provide a method to detect approaching criticality, bearing multiple methods in mind. Design a system and make a prototype after establishment of the system concept, etc., carry out a feasibility confirmation test and an operation check in a high radiation environment.

(ii) Recriticality detection technology

Bearing multiple methods in mind, develop a recriticality detection technology that uses a gas sampling system gamma radiation detector to promptly detect recriticality when it occurs.

If the safety is confirmed considering the site situation, implement a verification test at Fukushima Daiichi NPS Reactor Unit 1.

Collect and organize technological information in Japan and overseas about detecting devices/methods to ensure the detection of recriticality even under a high radiation environment near fuel debris.

(iii) Criticality prevention technologies

In order to prevent criticality in retrieval of fuel debris, develop a neutron absorber and consider an operation method utilizing it. Consider facilities to control water quality when a soluble neutron absorber is used, and provide information necessary for enhancement of the method/system. Also develop an insoluble neutron absorber as another type of neutron absorber, which is advantageous from a material corrosion viewpoint. For the insoluble neutron absorber, carry out a nuclear characteristics test to confirm the criticality prevention effect after establishment of the test plan, and select practically applicable materials.

Specific requirements to the equipment which will be extracted through consideration of criticality control method shall be presented by September, 2016; criticality control method applied to each working process in the different approaches shall be presented before the end of FY 2016. Furthermore, operation method of the actual machine shall be presented before the end of FY 2017.

Consideration of criticality control method shall be conducted in cooperation with the consideration of criticality control system in the "Project of Upgrading Approach and System for Retrieval of Fuel Debris and Internal Structures."

（３） Operation of research and development

[1] Human resource development in the middle and long term

Entity of comprehensive proposal must make efforts to strengthen the relationship with universities, research organizations, etc. through implementing joint research, etc. from the viewpoint of human resource development in the middle and long term.

[2] Gathering domestic and overseas wisdom

Entity of comprehensive proposal must conduct projects by utilizing domestic and overseas wisdom. In particular, they must consider introduction of necessary technologies and knowledge both from domestic and overseas countries broadly. In case of development of machines and equipment, establishment of common basis of the machines and equipment (utilization of widely used goods and goods which have already been developed, etc.) must be taken into account as much as possible in order to promote reasonable development. Furthermore, in the development of evaluation method, it is important to be validated and reviewed objectively by third parties such as academic societies, etc. Hence, such validation and review must distinctively be placed in the development plan or be set as a milestone.

If the entity implements the project by introducing domestic and overseas technology and knowledge, the entity must, if necessary, choose the outsourced organization through a public bid such as a general competitive bidding in a timely manner; and in order to be transparent and to achieve accountability, the information on the public bid must be released on the

entity's website and the link to the information must be established in the PMO's website.

[3] Clarification of tests conditions and specifications for development

Consideration of requirement level necessary for implementing decommissioning activities must be done before commencement of elements tests and equipment design; furthermore, evaluation of to what extent existing technologies can be utilized must be done as quantitatively as possible. Based upon these, information on the target of the degree of the tests and equipment development compared to the requirement level must be shared with concerned parties, and the test conditions and design specifications must be established.

[4] Definition of criterion for judgment of degree of objective achievement

Comprehensible criteria which can be a measure for the judgment of objective achievement of the project must be defined using numerical values, etc.(Refer to Table 1) ; and they must be validated whether or not the objective will have been achieved at the completion of the project.

Table 1 Definition of Technology Readiness Level (TRL)

| Level | Definition corresponding to this project | Phase |
|---|---|---|
| 7 | At the stage of completion of practical utilization | Practical use |
| 6 | At the stage of being demonstrated in the field | Field demonstration |
| 5 | At the stage of production of prototype with the scale of practical use, and demonstration in a simulated environment such as in a factory, etc. | Demonstration of simulation |
| 4 | At the stage of implementation of function tests at the level of trial production as a process of development and engineering | Research for practical use |
| 3 | At the stage of proceeding with development or engineering using application or combination of existing experiences. Or at the stage of proceeding with development or engineering based upon elementary data in the area with lack of existing experiences. | Application research |
| 2 | At the stage of proceeding with development or engineering in the area nearly without applicable existing experiences, and with setting up the specifications. | Application research |
| 1 | At the stage of clarifying elementary contents regarding development or engineering. | Elementary research |

[5] Cooperation with decommissioning activities and other research and development

Clarify how results could contribute to other research and development projects, and positively corporate with other organizations. For this purpose, it is necessary to share harmonized input/output information among other research and development projects, the comprehensive proposal and the partial proposal. In order to realize this information sharing, coordination among the entities must be done using Reference Document 1 at the commencement of the project and other suitable timings; and it must also be regularly shared

with and confirmed by PMO and other concerned organizations. Furthermore, in order to contribute to the decision making on the policy and method of fuel debris retrieval, the information on implementation of the project (such as progress situation, acquired data, challenges, etc.) must be shared with and offered to PMO and the concerned organizations in a timely and appropriate manner. Also, a Non-Disclosure Agreement among the entity of the comprehensive proposal, partial proposal and PMO shall be concluded, if necessary. PMO will conduct the necessary coordination.

[6] Research management

A flexible scheme must be established so that it can reflect the results of discussion regarding the Mid-and-Long-Term Roadmap, meetings of Secretariat of the Team for Decommissioning and Contaminated Water Countermeasures Cabinet Office, Nuclear Damage Compensation and Decommissioning Facilitation Corporation, etc. In implementing the project, the fact that the target of this project has been set to accomplish other prioritized goals must always be taken into consideration.

[7] Work management for reflection of on-site situation of and in consideration of the adaptability to Fukushima Daiichi Nuclear Power Station, etc.

The entity is required to establish a scheme which enables close collaboration with TEPCO in order to appropriately reflect the actual situation to their research and development to the site. Furthermore, if you plan to implement some activities such as on-site investigation or demonstration tests at Fukushima Daiichi Nuclear Power Station, etc., you have to negotiate sufficiently with TEPCO beforehand; and constitute a management scheme in accordance with the negotiation and based upon the understanding obtained through the negotiation which you have to observe and take heed of, so that adequate safety measures can be implemented.

[8] Progress report

The entity is required to report implementation plan, progress situation, project results, etc. to PMO on request. Especially, the implementation situation must be reported at the end of every month by using the implementation schedule as described in Reference Document 2, etc. After completion of the project, results report must be established and submitted.

Please be noticed that PMO is entitled to share the submitted information with the concerned organizations on the basis of “4. Implementing Scheme” with due considerations to the non-disclosure information stipulated by Act on Access to Information Held by Administrative Organs (Act No. 42 of May 14, 1999).

[9] Enhancement of outreach

Comprehensible explanation to the public regarding the project contents and results must be enhanced. The entity is also required to positively cooperate with the government and the concerned organizations for dissemination of information.

[10] Preparation of other options

Alternative options must be prepared for the case that the project cannot be proceeded with as planned during the project term. If the alternative options are prepared or revised, the information must be notified to PMO.

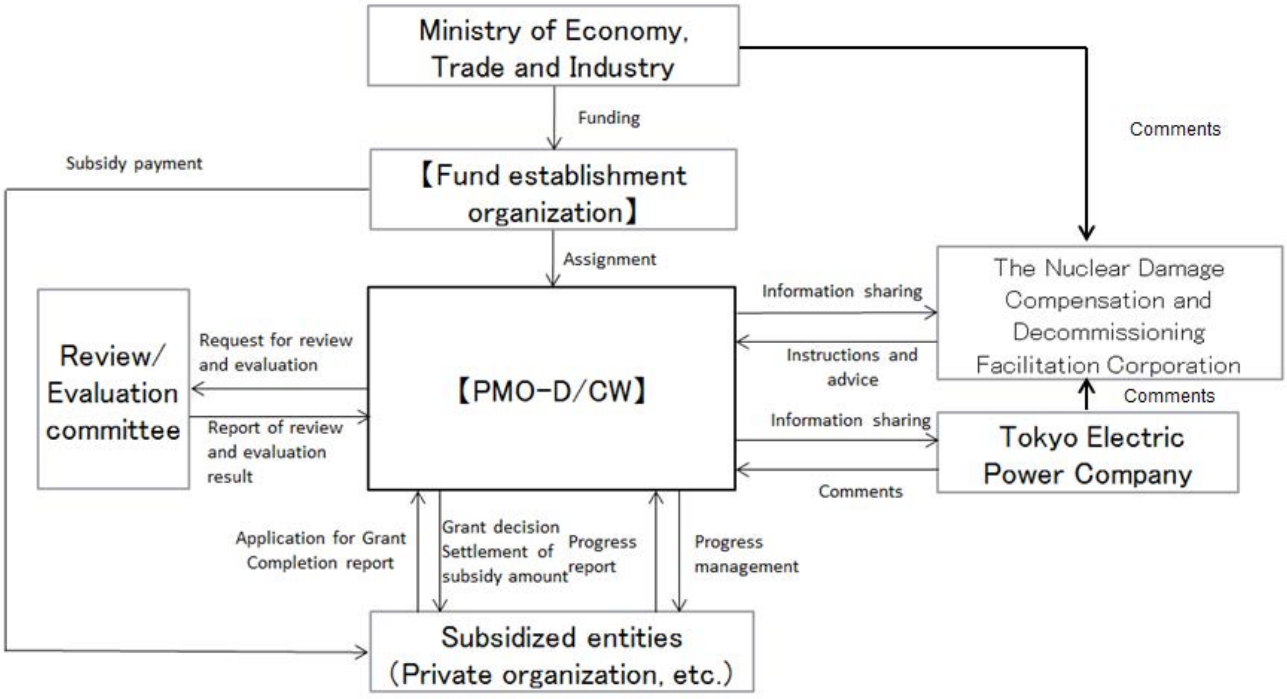
3. Project Term

Starting on the day of grant decision and terminated on March 31, 2018.

The contents of the subsidy grant must be decided in consideration of the execution of the governmental budget; therefore, in “Outline of Subsidy Project”, the project term must be divided into two terms, i.e. from the grant decision to March 31 2017, and from April 1 to March 31 2018; and the implementation plan and the plan of the income and expenditure must also be described separately.

This research and project is supposed to be continued also after the FY 2018. Further continuation of the projects after the FY 2018 shall be judged in consideration of the results of the projects, budgetary situation of Government, etc. comprehensively.

4. Implementing Scheme




5. Application Requirements

The private companies, etc. satisfying all of requirements (1) to (8) shown below are qualified to apply for the subsidies. Applications from consortia are also acceptable. In that case, a managing legal entity must be appointed out of each consortium and submit the project proposal. (Please note that no managing legal entity may recommission the entire work to another legal entity.)

(1) Possessing the organization for properly conducting the relevant subsidized project.

(2) Having the capacity, knowledge and experience required for conducting the relevant subsidized project.

(3) Having the management foundation required for smoothly conducting the relevant subsidized project and sufficient ability to control the funds and other resources.

(4) Being able to follow the appropriate accounting procedures in accordance with the “Grant Policy for Subsidy for the Project of Decommissioning and Contaminated Water Management” and the “Subsidized Project Administration Manual”. With regard to overseas entities, being able to prepare the evidenced documents in Japanese or English, and present them in Japanese territory on demand from the PMO.
http://en.dccc-program.jp/files/20150623man.pdf

(5) Not foreseen to be subject to Articles 70 and 71 of the Cabinet Order concerning the Budget, Auditing and Accounting.

(6) Not fulfilling any of the conditions stipulated in the “Guidelines for the suspension of subsidies controlled by the Ministry of Economy, Trade and Industry and the suspension of designation relating to the contracts”. (January 29, 2003, No 1) First column, the second items in Attachment

(7) Admitting that the results obtained through this project can be utilized by TEPCO, etc. if they request to do so under the condition that each party is in agreement. Not preventing the utilization by behaviors such as not allowing to use the technology intentionally, asking for unreasonable compensation, etc. in spite of receiving the request.

(8) In order to make sure of the above-mentioned item, preventing a situation where the results from this project are not be able to be utilized for measures for decommissioning and contaminated water management at the Fukushima Daiichi NPS by ceding the above-mentioned condition in (7) to the successor if the applicant hands over the result to a third party and loses their own right to utilize it accordingly. In the case of a conflict which makes the applicant unable to make sure of the items in (7), the concerned parties must solve it by their own responsibility.

6. Requirement Conditions for Grant Decision

(1) Number of proposals to be adopted：One or more proposals

(2) Subsidy rate and maximum amount of subsidy

Subsidy rate :Not exceeding 1/2 of the subsidized cost (Payment with JPY)

Maximum amount: 500,000,000 JPY

The contents of the project, amount of the subsidy, etc. will ultimately be settled only after coordination with PMO.

(3) Time of Payment

In principle, the subsidies are paid after the project is completed.

*Please note that cases where the payment (i.e. the payment by estimate) before the completion of the project is permitted are limited.

(4) Confirmation of the amount of payment

The amount to be paid is decided based on the result report which is submitted by the operating entities after the project is complete as well as the results of the survey at the verification site and/or the office.

The amount to be paid will be the total of the expenses to be covered by the subsidies, which do not exceed the granted subsidy amount. For this reason, the account ledgers, receipts and other documents are necessary for supporting all the expenses. All the expenses will be strictly inspected and the expenses are strictly evaluated. Thus, the expenses not meeting the conditions mentioned above may be rejected.

7. Application Procedure

(1) Application Period

Commencement: Thursday, March 10, 2016

Deadline: 10:00 on Thursday, March 24, 2016

We will not accept any proposals after this deadline.

(2) Information Session

Thursday, March 17, 2016 15:15 - 16:00

Venue: Conference room 601, TKP Shimbashi Uchisaiwaicho Business Center

Map: http://www.kashikaigishitsu.net/facilitys/bc-shimbashi-uchisaiwaicho/access/

If you would like to attend the session, please inform the contact point written in “12. Contact” by 10:00 on Wednesday, March 16 via email. The briefing session for public invitation will be held in Japanese. If you need a translator, please make arrangements on your own. (You are responsible for the expense.)

When making contact, please title your e-mail “Register for attendance to the information session for ‘Project of Decommissioning and Contaminated Water Management’ (the First Solicitation)” and include the “corporate or organization name,” “name of the attendee,” “department,” “phone number,” “fax number,” and “e-mail address” in the main text.

Please note that the capacity of the venue is limited.

(3) Application form and other documents to be submitted

[1] Please submit the following documents as one file. Please title your file “Application for the subsidy program ‘Project of Decommissioning and Contaminated Water Management (Development of Criticality Control Technologies of Fuel Debris)’.

・Application form (Form 1)

・Outline of Subsidy Project (Form 2)

・Certificate of Conformance (Form 3）

・Input/Output information (Form 4)

・Other documents

- Outline of Corporation or Organization (such as a brochure, etc.)
- The financial results, and statement of revenues and expenses (of the last year)
- The articles of association or the act of endowment
- Other supporting documents

* You must submit 15 copies of the application documents using A4 paper. You can describe them in Japanese or English. One CD-ROM must be submitted along with the hard copies. However, submission via email is permitted exclusively for overseas entities. As a general rule, the file format must be Ichitaro, MS-Word, MS-PowerPoint or MS-Excel. If you have unavoidable reasons not to be able to use these formats, please contact us.
* If your proposal is adopted, there is a possibility that Input/Output information will be released to other entities.

[2] All the application documents submitted will not be used for any purposes other than the evaluation in the course of the selection process. Please note that the application documents submitted will not be returned. We take the utmost care to preserve confidentiality. However, if your proposal is adopted, the information except the non-disclosure information (i.e. the personal information, the information detrimental to the legitimate interests of legal entities) may be disclosed under the “Act on Access to Information held by Administrative Organs” (Act No. 42 enacted on May 14, 1999).

[3] The costs spent for issuing the application documents and other documents will not be included in the expenses. Also, the costs spent for issuing those documents will not be compensated for regardless of whether the proposal is adopted or not.

[4] The matters described in your proposal are considered to be the fundamental policies which should be observed during the project. Consequently, please be sure to describe only the matters which are feasible within the budget. Also, please note that even if your proposal is adopted, it may be rejected later on if you make a significant change to it at your discretion.

[5] Appropriateness of the costs breakdown must be shown using supplemental explanation documents.

(4) Place of submission

The application documents must be delivered to the following address via hand-carry, mail or email (Submission via email is exclusively acceptable for overseas entities.), etc.

Toranomon Toyo Bldg. 8th Floor
4-2, Toranomon 1-chome, Minato-ku,
Tokyo 105-0001, JAPAN
Contact: Mr. Matsumoto, Mr. Kawai
Email address for submission: hr-apply-al@mri.co.jp

∗ Please DO NOT send the application documents via fax. Incomplete documents will be rejected and not subject to evaluation. Therefore, please carefully read and follow the procedures for application to correctly fill out the documents.

∗ Any application documents submitted after the closing date will not be accepted. If you send the documents by postal mail, they may not be delivered by the designated time on the closing date. Consequently, you are advised to mail them sufficiently ahead of the closing date.

8. Evaluation and Adoption

(1) Method of Evaluation

Applications will firstly be evaluated through paper screening, so that the applicants for the presentation to the review committee can be selected. Depending on the capacity of the venue, the number of the participants to the presentation may be restricted. Furthermore, hearings and on-site investigation may be conducted as required; and submission of additional documents may be requested.

(2) Evaluation Criteria

Applications are to be comprehensively evaluated based upon the following criteria. However, the applications which have been judged not to meet the criterion [3] and [5] shall be disqualified regardless of evaluation of the other criteria.

Regarding a partial proposal, its combination with the whole development scheme is to be one of the items to be considered.

[1] Objective, contents, implementation method, and applicability to countermeasures for decommissioning (Including applicability to the work site)

Whether or not the Project purpose corresponds to the project purpose described in the “Guidelines for applying” is to be evaluated.

Judgment is made as to whether the contents of the project conform to the project objective and are provided specifically taking into account the applicability to countermeasures for decommissioning (including applicability of the project to the work site).

Whether the implementation method of the project is consistent with the purpose and details of the project is to be evaluated.

[2] Project Implementation Schedule

Whether or not the project implementation plan (timeline) is appropriate to the purpose and details of the project, etc. is to be evaluated.

[3] Project Implementation Scheme

Judgment is made as to whether the entity has the project implementation structure, expertise as an organization, expertise of those who are to be engaged in the project, and the track records of similar projects. We focus on whether a project implementation scheme including the project leader is clearly identified, and whether it has the implementation ability

and the coordination structure to consider/judge the applicability to countermeasures for decommissioning (Including applicability of the project to the work site).

[4] Project Cost

Whether or not project costs are appropriately allocated to the project purpose and contents, etc. is to be evaluated.

[5] Financial Basis and Management System for Implementation of Project

Whether or not the applicant organization has a financial basis and a management system enabling them to implement the project is to be evaluated.

(3) Decision and Announcement of Results

PMO will release the adopted entities on our website. The adopted entities will be notified of the result.

9. Granting of Subsidy

The project shall be initiated after the adopted entity submits a grant application for the subsidy to PMO and PMO has sent a notice of grant in return.

It should be noted that there may be changes in the details, composition and scale of the project as well as its budget between the determination of adoption and grant, as a result of consultation with the PMO. Also, please be aware that the subsidy may not be granted if the granting requirements are not met.

Although subsidized project operating entities may be provided with information required to implement the project after the determination of grant, they may be requested to observe the confidentiality depending on the nature of the information.

10. Allocation of Expenses

(1) Classification of Expenses Covered by Subsidy

The expenses covered by the subsidy shall be those directly required for the implementation of the project and those required for compiling the project results. The specific items are listed below.

| Items of Expense | Description |
|---|---|
| (1) Labor Costs | Expenses for personnel required to implement the subsidized project. |
| (2) Operating Costs | Expenses for raw materials, consumables, design/fabrication/processing, facility/equipment, goods purchase, research, outsourcing, travel, remunerations, rent/depreciation and other necessities. |

(2) Expenses not to be Included in Expenses Covered by Subsidy

・Office supply equipment (furniture such as desks, chairs and bookshelves, office machinery

and so forth) with which the applicants should already be provided when considering the nature of the project.

・Expenses for handling accidents and disasters that occurred during the project. (However, cancellation fees incurred by reasons not attributable to subsidized project operating entities may be directly included as an expense. Please consult the person in charge on this matter.)

・Expenses unrelated to the project

(3) Exclusion of Consumption Tax from Expenses Covered by Subsidy

If general and local consumption taxes (hereafter referred to as “consumption tax”) are included in the subsidy amount, the applicants shall be requested to submit a report after the settlement of tax amount, according to the granting guidelines.

This is so specified as to demand, at the time of filing an income tax return, that subsidized project operating entities should report and return the amount to which the subsidy has been applied, out of the amount of deduction for taxable purchase, so that the amount for which the subsidy has been allocated out of the amount of deduction for taxable purchase shall not be detained.

However, because the report mentioned above is based on an income tax return that will be filed after the settlement of the subsidy, occasional delinquency in reporting due to lapse of memory has been found. Also, in order to avoid the complicated office procedures that need to be followed by subsidized project operating entities, the consumption tax shall be handled as follows.

When determining the amount of subsidy applied for in the grant application, the consumption tax must be excluded from the expenses covered by the subsidy before calculating the subsidy amount and submitting the application.

However, to avoid hindrance to the implementation of the subsidized project, such subsidized project operating entities as those listed below shall be permitted to include the consumption tax in the expenses covered by the subsidy when calculating the amount of subsidy.

[1] Subsidized project operating entities who are not classified as taxpayers under the Consumption Tax Act

[2] Subsidized project operating entities who are tax-exempt business entities

[3] Subsidized project operating entities who are business providers subject to simplified tax

[4] National or local governments (limited to cases when project is conducted with a special account), or subsidized project operating entities who are corporations listed in the attached Table 3.

[5] Subsidized project operating entities who are using the general account of a national or local government

[6] Subsidized project operating entities who are taxable business providers that choose a refund of consumption tax, following confirmation of consumption tax and purchase tax deductions, for instance due to a low amount of taxable sales

11. Miscellaneous

(1) Any expenses incurred before the date when the decision on grant of the subsidy is made (including expenses for order placement) shall not be covered by the subsidy program.

(2) In the event that the subsidized project operating entity desires to make a purchase or other contract related to material procurement or involving an occurrence of cost, it shall invite open competitive bidding, as a general rule, from the viewpoint of cost effectiveness. If the subsidized project operating entity desires to outsource part of the subsidized project to a third party or conduct the project in partnership with a third party, it shall in advance make a contract on the implementation and report this to PMO.

(3) Once informed that the decision on grant of the subsidy is made, the subsidized project operating entity shall not change the subsidy budget distribution or the details of the subsidized project nor interrupt or terminate the project without prior approval from PMO.

(4) The subsidized project operating entity shall promptly report the progress of the subsidized project and so on whenever required to do so by PMO.

(5) After the subsidized project is completed (or the project termination is approved), the subsidized project operating entity shall submit a project result report to the management office.

(6) The subsidized project operating entity shall keep accounts on any expenditures for the subsidized project with dedicated account books accompanied by all written evidences in a way that is clearly differentiated from the other accounting to ensure that all incomes and expenditures are meticulously accounted for. The entity shall maintain the account books at least five years after the fiscal year in which the date of completion (or the date of approval for termination) is included so that they can be accessible whenever requested by METI, fund establishment organization and PMO.

(7) With respect to the assets acquired or the utility of which has increased through the subsidized project (hereinafter referred to as "the Acquired Assets, etc."), the subsidized project operating entity shall manage them with due care of a prudent manager even after the completion of the subsidized project, and strive to effectively make use of them in accordance with the purpose of the grant of the subsidy. All applicable Acquired Assets, etc. shall be properly controlled using an Acquired Asset Ledger during the asset disposal restriction period, which will be separately set forth.

(8) If the subsidized project operating entity needs to dispose of (i.e., use, transfer, loan or offer as collateral assets contrary to the purpose of the grant of the subsidy) any Acquired Asset having a unit price equal to or higher than 500 thousand yen (tax excluded) during the asset disposal restriction period separately set forth, they must obtain prior approval. In this case, the entity shall pay part of or the entire subsidy amount as a general rule. (The maximum payment does not exceed the subsidy amount for the appropriate asset to be disposed of).

(9) After the completion of the subsidized project, the Board of Audit may visit the premises of the subsidized project operating entity for inspection.

12. Contact

Toranomon Toyo Bldg. 8th Floor
4-2, Toranomon 1-chome, Minato-ku,
Tokyo 105-0001, JAPAN
Contact: Mr. Matsumoto, Mr. Kawai
E-mail: hairo27-1st-ml@mri.co.jp
FAX: +81-(0)3-3591-9117

Contact us through e-mail or FAX. We regret that no inquiries will be accepted via telephone.

(Form 1)

| | |
|---|---|
| No.<br>*Leave blank. | |

Management Office for the Project of Decommissioning and Contaminated Water Management

Application for the subsidies for the “Development of Criticality Control Technologies of Fuel Debris”

| | | | |
|---|---|---|---|
| Applicant | Company/Organization Name | | |
| | Representative (Full Name and Title) | | Seal or Signature |
| | Address | | |
| Contact | Contact Person (Full Name) | | |
| | Section/Department | | |
| | Title | | |
| | Telephone (Extension, if any) | | |
| | E-mail | | |

(Exhibit)

1. Name of the subsidy project

2. Objective and contents of the subsidy project

*＊Describe your own understanding of the background of the project, the purpose of the project and its contents briefly.*

3. Scheduled commencement and completion dates of the subsidy project

(Scheduled commencement date):

(Scheduled completion date):

4. Entire costs needed for the project JPY

5. Costs subject to subsidy JPY

6. Subsidy amount to be applied for JPY

7. Allocation amount of the costs for the subsidy project, costs eligible for the subsidy and subsidy amount to be applied for

The contents are the same as (2) Expenditures, I. Summary table of "2. The income and expenditure budget of the Subsidized Project" of the Form 2, "Brief explanation of subsidized project".

8. Bases for Calculation for the above amount

The contents are the same as (2) Expenditures, II. Distribution of Costs of "2. The income and expenditure budget of the Subsidized Project" of the Form 2, "Brief explanation of subsidized project".

9. If a group is formed to conduct the Project, the names of the group and the member companies

Note 1: The "costs required for the Subsidized Project" refers to the cost required for performance of the relevant project. As a general rule, the amount must be provided after deducting the amount of the national and local consumption taxes.

Note 2: As for the amount of the "Subsidized Costs", as a general rule, the amount of the "costs required for

the Subsidized Project" eligible for the Subsidy must be provided after deducting the amount of the national and local consumption taxes.

Note 3: The "amount of the Subsidy applied for" refers to the amount of the "Subsidized Costs" for which grant of the Subsidy is requested, and the amount limit is the amount of the "Subsidized Costs" multiplied by the Subsidized Ratio (any amount less than JPY1 shall be rounded down).

Remark: The size of the paper used shall be the Japan Industrial Standards A4 Format.

(Form 2)

Address

Name (Name of Corporation and Title/Name of Representative Person)

Outline of Subsidy Project

1. The implementation plan for the Subsidized Project

(1) Contents and implementation method of the project

*＊Provide the following information by project content item.*

*＊Specific implementation contents and method, based on clarification of issues for each objective of research and development*

*＊Specific implementation content and method for each item of the project content*

*＊Specific proposal to improve outcome of the project*

*＊Implementation location of the project (Address and name of the location)*

(2) The implementation timeline

*＊Describe the monthly schedule of the implementation of the project for each implementation contents.*

*＊Describe the implementation procedure in detail. If the stages of the research and development are different (such as design, development, tests, etc.) in each item, describe the difference clearly.*

*＊If the persons in charge of the research and development (manufactures and subcontractors) are different in each item, describe the organization they belong to clearly so that we can distinctly understand who will actually implement the item.*

*＊Set the actual targets for achievement of the project purpose as milestones and describe them for each item.*

*＊In setting the milestones, they must be related to the points where delay of the project is foreseen.*

*＊In order to prevent delay, alternative options must be described for items with high risk.*

*＊ Describe major output and input information so that correlation with other projects, comprehensive proposals, partial proposals, etc. can be grasped.*

*＊As a plan of the interim report, describe the outputs which will have been able to be achieved at the time of the report and further plan.*

*＊In reporting your progress, show your plan and actual progress in a comprehensible manner. Furthermore, describe the up-to-date situation and further work plan, etc. as a reference.*

(3) The organization for implementation

*＊Provide the implementation structure chart and the number and role of people who are engaged in the project for each item of the project contents (Attachment 1)*

*＊After clarifying the responsible person for entire project implementation, the project leader (exclusively employed for the project) and sub-leaders responsible for each project item, provide their profile, area of expertise and track record of engagement in similar projects..*

*＊Describe outsourcing or commissioning, if planned.*

*＊Describe the name, outline, year, ordering party, etc. of similar projects. If the project was done as your own company's project, state it accordingly.*

*＊Clearly state the experiences of each participating party if you form a consortium.*

2. Plan of the income and expenditure of the Subsidized Project

(1) Income (Unit: JPY)

| Item | Amount |
|---|---|
| Own fund | |
| *Bond issuance or borrowing | |
| Other | |
| Subsidy | |
| Total | |

*Attach the documents to show the funding plan relating to the relevant bond issuance or borrowing.

(2) Expenditures

I. Summary table (Unit: JPY)

| Classification of costs | Costs required for the Subsidized Project | Subsidized Costs | Classification of the cost burden | |
|---|---|---|---|---|
| | | | The amount of cost borne by the Subsidized Project Operating Entity | The amount of the Subsidy applied for |
| Labor Cost | | | | |
| Operating cost | | | | |
| Total | | | | |

II. Distribution of Costs (provide the details by project item)

*＊Describe in this sheet or other separate sheets the name of the goods, unit price, man-hour, etc. as basis for the calculation.*

*＊If you form a consortium, clearly describe the breakdown of each company or organization.*

(Unit: JPY)

| Type (Example) | The cost required for the Subsidized Project | Subsidized costs | Amount of the Subsidy applied for | Remarks |
|---|---|---|---|---|
| 【Labor Cost】 | | | | |
| ・・・ | | | | |
| Sub total | | | | |
| 【Project Cost】 | | | | |
| Raw material | | | | |
| Goods purchase | | | | |
| Outsourcing | | | | |
| ・・・ | | | | |
| Sub total | | | | |
| Total | | | | |

(Note 1) The "cost required for the Subsidized Project" refers to the cost required to perform the relevant project. As a general rule, provide the amount after deducting the amount of the national and local consumption taxes.

(Note 2) As a general rule, provide the "cost required for the Subsidized Project", which is eligible for the Subsidy after deducting the amount of national and local consumption taxes in the "Subsidized Costs".

(Note 3) the "amount of the Subsidy applied for" refers to the amount of the "Subsidized Costs" for which grant of the Subsidy is requested, and the amount limit is the amount of the "Subsidized Costs" multiplied by the Subsidized Ratio (any amount less than JPY1 shall be rounded down).

Remark: The size of the paper used shall be the Japan Industrial Standards A4 Format

3. Financial basis and management structure

*＊Describe the outline of your organization; moreover, describe the grounds on which your organization has necessary management basis for smooth implementation of the project as Annex 2.*

*＊Describe the grounds on which your organization is capable of managing funds, etc. (such as organization and storage of evidence documents for expenditures). Furthermore, describe the scheme of the management of the funds (responsible persons and their roles).*

*＊If you form a consortium, all of the above-mentioned items must be described regarding every organization.*

(Annex 1) The Implementation Organization Chart

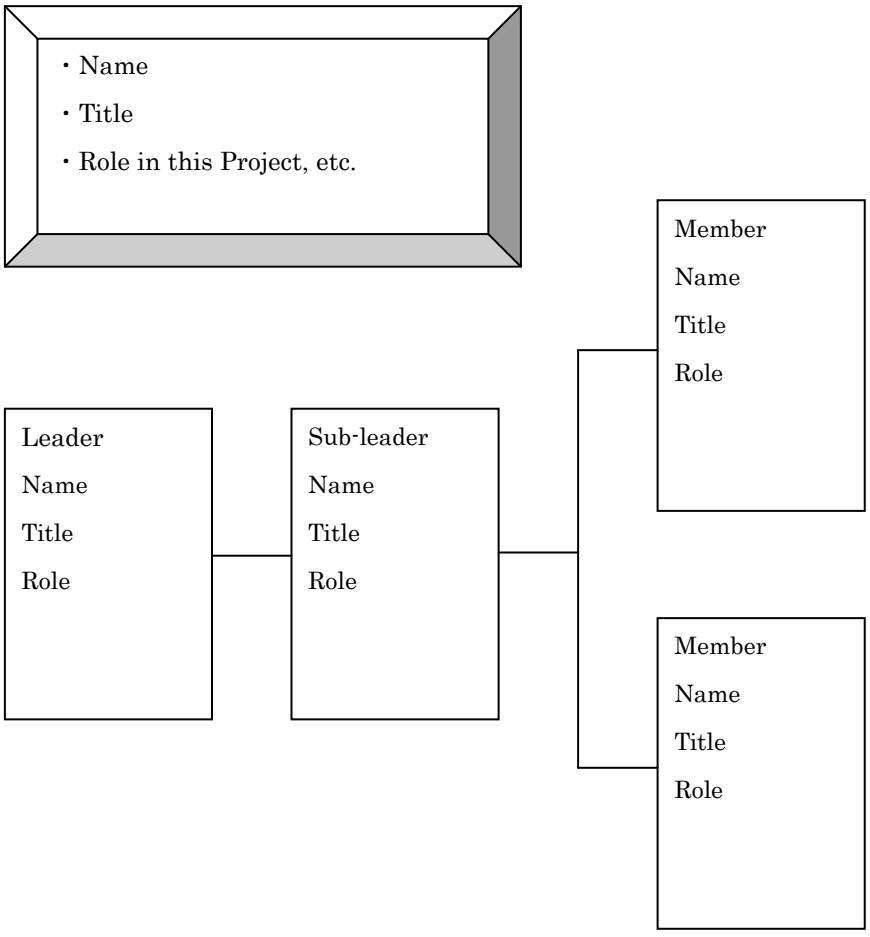
# Implementation Organization Chart

| | |
|---|---|
| Content of the descriptions | • Develop an organization chart to show the framework for implementation of the Project<br>• The names, titles and division of roles of the personnel in charge must be contained in the implementation organization chart<br>• Clarify persons exclusively employed for this project described in this Chart; and describe the career background, expertise, area of specialty at work and other relevant information must be provided about the key personnel. |

Operational Implementation Organization

*A concrete description should be provided by showing an implementation organization chart containing the following information for each project item.

*Specify the name of the contact person in case of a joint application



(Annex 2) Outline of your organization

Note: If you form a team and apply, you must fill in this sheet for every participant.

*Fill in the data of the latest accounting year in non-consolidated base.

<table>
<tr><td>Company name</td><td colspan="5"></td></tr>
<tr><td>Title/name of the representative person</td><td colspan="5"></td></tr>
<tr><td>Contact information</td><td colspan="5">Tel: Fax:<br>E-mail:</td></tr>
<tr><td>Head office’s address</td><td colspan="5"></td></tr>
<tr><td>Date of establishment</td><td>Date:</td><td>Account closing month</td><td></td><td rowspan="2">Small- or medium-sized company (indicate by a circle if the company is a small- or medium-sized company)</td><td rowspan="2">〇 or ×</td></tr>
<tr><td>Capital</td><td>JPY in thousands</td><td>Number of Employees</td><td></td></tr>
<tr><td>Description of business</td><td colspan="5"></td></tr>
<tr><td>Major shareholders (equity ownership)</td><td colspan="2">〇〇〇 (company limited) (60%)<br>▽□〇 (company limited) (30%)<br>□〇〇 (company limited) (1%)</td><td colspan="3"></td></tr>
</table>

(The title and name of the person responsible for preparation: Head of the XX Department, XX XX Seal)

*A personal seal may be used

Please provide the information about all officers in the list below:

| Full name in Katakana<br>Full name in Chinese characters | Date of Birth | | | Sex | Company Name | Title |
|---|---|---|---|---|---|---|
| | Japanese era name<br>Year | Month | Day | | | |
| (Example) Taro Keizai<br>Taro Keizai | S 35 | 01 | 01 | M | Keizai Sangyo Co., Ltd. | President & Representative Director |
| | | | | | | |
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(Note 1) Add the columns as appropriate if the provided columns are not sufficient to provide full information.

(Note 2) Use one-byte characters and put a space between the first and last names to provide the names in Japanese phonetic symbols (katakana).

(Note 3) Use two-byte characters and put a space between the first and last names to provide the names in Chinese characters.

(Note 4) The letters T, S or H should be used to indicate the Japanese era names for the date of birth and the year should be indicated by a two-digit number.

(Note 5) Use M for male and F for female in one-byte characters to indicate the sex.

(Note 6) For a foreign national, use the alphabet characters to indicate the person's full name in the "Full name in Chinese characters" and the pronunciation of the name in Katakana in the "Full name in Katakana" column.

(Note 7) For a joint application or a Project C, provide the information about all officers of each and every member (company or otherwise) of the group.

(Remarks) The size of the paper used shall be the Japan Industrial Standards A4 Format.

(Other documents)

(1) Outline of the company or organization such as a brochure, etc.
(2) The financial results, and statement of revenues and expenses (for the past one year)
(3) The articles of association or the act of endowment
(4) Other supporting documents (as needed)

(Form 3)

# Certificate of Conformance to Qualification Requirements for the Project of Development of Criticality Control Technologies of Fuel Debris

I confirm that the applicant satisfies the qualification requirements for this subsidized project.

| No. | Requirements | Verification, etc. |
|---|---|---|
| (1) | Possessing the organization for properly conducting the relevant subsidized project. | <State that the applicant satisfies the requirements with reasons in detail ><See Form 2 “1. (3) Project Implementation Scheme” when necessary.”> |
| (2) | Having the capacity, knowledge and experience required for conducting the relevant subsidized project. | <State that the applicant satisfies the requirements with reasons in detail ><See Form 2 “1. (3) Project Implementation Scheme” when necessary.”> |
| (3) | Having the management foundation required for smoothly conducting the relevant subsidized project and sufficient ability to control the funds and other resources. | <State that the applicant satisfies the requirements with reasons in detail ><See Form 2 “(3) Financial basis and management structure when necessary.”> |
| (4) | Being able to implement the project in accordance with all the applicable laws and regulations enacted in Japan, and to follow the appropriate accounting procedures in accordance with the “Subsidized Project Administration Manual”. http://en.dccc-program.jp/files/20150623man.pdf | <State that you understand the statement on the left> |
| (5) | Not foreseen to be subject to Articles 70 and 71 of the Cabinet Order concerning the Budget, Auditing and Accounting. | <State that it does not apply to the applicant> |
| (6) | Not fulfilling any of the conditions stipulated in the “Guidelines for the suspension of subsidies controlled by the Ministry of Economy, Trade and Industry and the suspension of designation relating to the contracts”.（January 29, 2003, No 1） First column, the second items in Attachment | <State that it does not apply to the applicant> |
| (7) | Admitting that the results obtained through this project can be utilized by TEPCO, etc. if they request to do so under the condition that each party is in agreement. Not preventing the utilization by behaviors such as not admitting use of the technology intentionally, asking for unreasonable compensation, etc. in spite of receiving the request. | <State that it is possible> |
| (8) | In order to make sure of the above-mentioned item, preventing the situation that the results from this project are not able to be utilized for measures for decommissioning and contaminated water management at the Fukushima Daiichi NPS by ceding the above-mentioned condition in (7) to the successor if the applicant hands over the result to a third party and loses their own right to utilize it accordingly. In the case of a conflict which makes the applicant unable to make sure of the items in (7), the concerned parties must solve it by their own responsibility. | <State that you understand the statement on the left> |

<Note for Filling out this Form>

In the verification columns, please write the reasons why you verified that the applicant meets the requirements. When filling it out, write “Attachment” if there are any verification documents attached to this form and if not, write “No attachment.”

（Form 4）

Input/Output information on Project of Development of Criticality Control Technologies of Fuel Debris

*＊Please refer to the reference document 1 as an example.*

| ID | Requested projects | Offered projects | Contents (outline) | Time when the project is necessary | How to use the information | Remarks |
|---|---|---|---|---|---|---|
| | | | | **Influences of delay (if any)* | | *Such as measures for the case when you cannot ensure the accuracy, cannot keep the timeline, etc.* |
| | | | | | | |
| | | | | | | |
| | | | | | | |

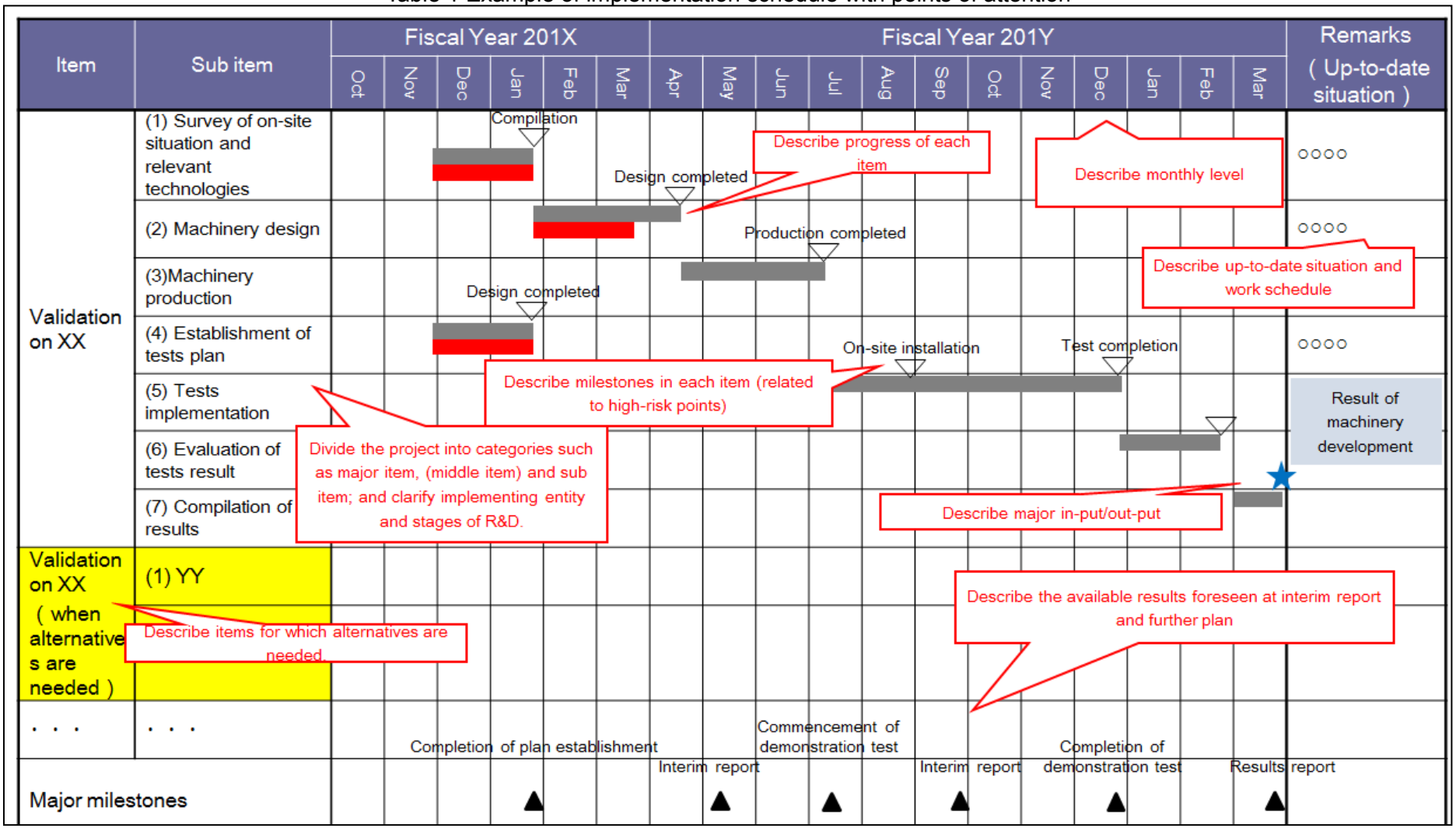
(Reference Document 1)

Table 1 Example of Organization of Input/Output information

| ID | Requested projects | Offered projects | Contents (outline) | Time when the project is necessary | How to use the information | Remarks |
|---|---|---|---|---|---|---|
| 1_1 | Development of investigation technology for inside the nuclear reactor pressure vessels | Development of fuel debris criticality control technology | Needs for sampling of fuel debris | December 2015 | Examination of possibility of fuel debris sampling technology | |
| 1_2 | | | | | | |
| 1_3 | | | | | | |
| 1_4 | ⋮ | ⋮ | ⋮ | ⋮ | ⋮ | ⋮ |

(Reference Document 2)

Table 1 Example of implementation schedule with points of attention



(Reference document 3)

Regarding Subsidized Cost Items

Regarding the cost items defined in “The Decommissioning and Contaminated Water Management Project Implementation Guidelines”, please refer to the following table.

| Cost item | Description | Correspondence with “Subsidized Project Administration Manual” |
|---|---|---|
| I. Personnel cost | Personnel cost for working hours of those engaged in the project. | 3. Accounting process on personnel cost |
| II. Project cost | | |
| Raw material cost | Expenses necessary for purchasing raw material or material necessary for implementing the project<br>※Here, “raw material” denotes what loses its nature and is used for production or manufacturing of entirely new ones; “material” denotes what does not lose its nature and is a constituent element of produced items or manufactured items only through being put to new application. | 7. Accounting procedures regarding supplies expenses |
| Supplies expense | Cost for the purchase of goods necessary for performing the project but not belonging to raw material cost (however, only those verifiable for the use in the project) | 7. Accounting procedures regarding supplies expenses |
| Design, production and processing costs | The thing which the subsidized entity cannot design, produce or process, or the cost necessary for outsourcing what is appropriate and does not belong to Facility and equipment cost to other entity. (contract for work) | 8. Accounting procedures regarding outsourcing expenses |
| Facility and equipment cost | Cost necessary for purchasing, production or installation of facility or equipment necessary for undergoing the project<br>※The actual contents of the “facility and equipment” shall be “buildings and accompanying facilities”, ”structures” and “machinery and equipment” stipulated in “Ministerial Order regarding depreciable life of depreciable assets, etc.” (Fifteenth Order of Ministry of Finance, 1965). | 6. Accounting procedures regarding equipment expenses and rental and hire fees<br>8. Accounting procedures regarding outsourcing expenses |
| Procurement cost | Cost for the thing which is necessary for undertaking the project and does not belong to facility and equipment cost (at the same time, can be usable more than one year) | 6. Accounting procedures regarding equipment expenses and rental and hire fees |
| Survey cost | The cost for outsourcing to another entity what the subsidized entity cannot survey or analyze by itself or is not suitable to be conducted by the subsidized entity itself (contract for work) | 8. Accounting procedures regarding outsourcing expenses |
| Outsourcing cost | Cost for outsourcing to other business operator what subsidized company cannot implement on its own or not appropriate to do so and does not belong to design, production and processing costs, facility and equipment cost or survey cost (contract for work) | 8. Accounting procedures regarding outsourcing expenses |

| | | |
|---|---|---|
| Travel expenses | Cost for domestic business travels and overseas business travels necessary for performing the project. | 4. Accounting process for travel expenses |
| Gratuities | Gratuities necessary for performing the project (gratuities for external experts who attended meetings, seminars, symposiums, etc., gratuities for giving seminars, writing of drafts, cooperation with research, etc.) | 5. Accounting process for meeting expense and rewards · |
| Rent and hire | Cost for lease and rental of machinery, equipment and the like necessary for performing the project | 6. Accounting procedures regarding equipment expenses and rental and hire fees |
| Other expenses necessary for undertaking the project | Cost for other expenses necessary for undertaking the project which does not belong to any other items<br>Examples<br>Commission fee: the cost for outsourcing to other entities of the cost for assistant personnel or of the cost for temporary staffing, which cannot be done or what is not appropriate to be done by the subsidized entity | 11. Accounting procedures regarding other miscellaneous expenses<br>12. Accounting procedures regarding expenses for commission<br>10. Accounting procedures regarding assistant personnel costs, etc. |