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Friday, March 29, 2001

Document Control Desk U.S. Nuclear Regulatory Commission Washington, DC 20555

Ref: Docket 50-27

Dear Sir:

In accordance with the requirements of 10 CFR 50.64(C)(2), Washington State University hereby officially notifies the Commission that funds for the actual conversion of the WSU reactor from HEU to LEU will not be available during Fiscal Year 2002. However, Washington State University did receive a grant (No. DE-FG02-92ER75748) from the DOE that provided \$106,094.00 for the first year (August 16, 1992 through August 14, 1993) of a two year project to accomplish the safety analysis phase of the conversion. We have partially completed the process of doing the neutronics calculations necessary to write the Safety Analysis Report for the low enriched uranium replacement fuel.

The DOE requested Washington State University to apply for several no fund extensions to the first year grant. DOE had assured us that they planned to fund the second year of our proposed study for the safety analysis report (SAR) when DOE funds became available.

I think that there are other serious problems, currently unresolved, associated with the conversion of our reactor. It is unlikely that INEEL will be able to accept our irradiated HEU fuel until well past the year 2010 at the earliest. We are not sure the available fuel shipping cask will handle the four-rod fuel clusters that we use.

Washington State University will notify the Commission should circumstances change.

Sincerely,

Gerald E. Tripard

Director

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