



HITACHI

GE Hitachi
Nuclear Energy

27 April, 2010

Director of the Office of Nuclear Reactor Regulation
U.S. Nuclear Regulatory Commission
One White Flint North
11555 Rockville Pike
Rockville, MD 20852-2738
Attn: Document Control Desk

Donald R. Krause
Mgr., Regulatory Compliance & EHS
Vallecitos Nuclear Center
6705 Vallecitos Rd
Sunol, CA 94586
USA

T 925 862 4360
F 925-304-7435
donald.krause@ge.com

Subject: Annual Statement Of Non-Availability Of Federal Government Funding For Conversion From HEU To LEU For NTR, License R-33, Docket 50-73

Reference: 1) 10 CFR 50.64 Limitations on the use of highly enriched uranium (HEU) in domestic non-power reactors
2) License R-33, Docket 50-73

Enclosure: Letter from James R. Wade of DOE to Donald Krause, March 18th, 2010 (IS-10-12 Vallecitos Notification Letter)

GE Hitachi Nuclear Energy Americas, LLC., (GEH) operates the Nuclear Test Reactor (NTR) at the Vallecitos Nuclear Center in Sunol, California under the provisions of License No. R-33 issued by the U.S. Nuclear Regulatory Commission. The NTR operates utilizing fully enriched U-Al alloy fuel at a maximum power of 100 kW.

In accordance with 10 CFR 50.64 (Ref 1), GE Vallecitos Nuclear Center is submitting the enclosed letter to demonstrate that funding is not currently available for conversion of the fuel for the Nuclear Test Reactor, License R-33, Docket 50-73.

If you have any questions, please contact me at 925-862-4360.

Sincerely Yours,

Donald R. Krause
Manager, Regulatory Compliance & EHS,
Radiation Safety Officer

Encl

cc: William Kennedy, NRC

A020
NRK



Department of Energy

Idaho Operations Office
1955 Fremont Avenue
Idaho Falls, ID 83401

March 18, 2010

Mr. Donald R. Krause
Manager, Regulatory Compliance & EHS
GE Hitachi Nuclear Energy
Vallecitos Nuclear Center
6705 Vallecitos Road
Sunol, CA 94586

SUBJECT: Notification that No Federal Funding is Available to Support the Nuclear Test Reactor at the Vallecitos Nuclear Center in Converting from Highly-Enriched Uranium Fuel to Low-Enriched Uranium (IS-10-012)

Dear Mr. Krause:

The Nuclear Test Reactor (NTR) at the Vallecitos Nuclear Center applied for a unique purpose exemption as defined in 10 CFR Part 50.2. This application is still under review by the Nuclear Regulatory Commission (NRC). In accordance with 10 CFR Part 50.64, *Limitations on the Use of Highly Enriched Uranium in Domestic Non-Power Reactors*, NTR is required to send a letter annually to the NRC documenting if Federal funds are available to convert to low-enriched uranium (LEU) fuel.

In accordance with 10 CFR Part 50.64, you are hereby notified that Federal funding under the U.S. Department of Energy's Research Reactor Infrastructure Program for your conversion to LEU fuel will not be available during fiscal year 2010. In addition, NTR's current compact core cannot be converted to LEU fuel with any of the currently approved fuel loading densities.

You will be notified in the event these circumstances change. If you have any questions, please contact me at (208) 526-6876.

Sincerely,

A handwritten signature in black ink, appearing to read "James R. Wade".

James R. Wade, Manager
Research Reactor Infrastructure Program
Office of Nuclear Energy

cc: Parrish A. Staples, NA-212
Tracey Bishop, DOE-HQ, NE-32