

Department of Energy

National Nuclear Security Administration Washington, DC 20585

March 3, 2003

OFFICE OF THE ADMINISTRATOR

The Honorable John T. Conway Chairman Defense Nuclear Facilities Safety Board 625 Indiana Avenue, NW., Suite 700 Washington, DC 20004-2901

Dear Mr. Chairman:

Thank you for your letter of January 24, 2003, relative to the Department of Energy (DOE) proposal to withdraw \$75 million of uncosted balances from the Cerro Grande Rehabilitation Project at the Los Alamos National Laboratory (LANL).

In the FY2004 budget, the Administration proposes to reallocate \$75 million in unspent funds in the Cerro Grande account as part of its overall submission of a responsible, balanced budget. While Congress considers this issue as part of its normal review of the President's FY2004 budget submission, no action will be taken in this fiscal year to affect the status of these funds until explicit prior approval is received by the House and Senate Appropriations Committee. Los Alamos is continuing all planned work associated with this project, including the implementation of planned safety improvements and the Phase II assessment of the LANL site-wide fire systems that were your particular concern.

If you have any further questions, please contact me or Dr. Everet H. Beckner, Deputy Administrator for Defense Programs at (202) 586-2179.

Sincerely,

Linton Brooks

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