



DEPARTMENT OF VETERANS AFFAIRS
Nebraska/Western Iowa Health Care System
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March 28, 2002

In Reply Refer To:

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U.S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, D.C. 20555

SUBJ: 10 CFR 50.59 Annual Report

REF: License R-57 Docket #50-131

The following report is submitted for the period January 1, 2001 to December 31, 2001 in accordance with Paragraph 50.59, Title 10, Code of Federal Regulations.

1. (a) During this reporting period there were no changes to facility design, performance characteristics, or operating procedures related to reactor safety.
- (b) The annual fuel element inspection indicates nothing out of the ordinary. All elements appear to be in good condition. Annual inspection of the facility control rods found the rods to be in good condition. The reactor was power calibrated in accordance with the SOP. All neutron-measuring channels were adjusted to match the calibrated value. The control rods were calibrated using the integral method. The total excess reactivity was determined to be \$0.93, which is in compliance with TS 3.2(2). The shut down margin was \$2.44 meeting the requirement stated in TS 3.2(1). Time of Flight measurements show full rod average insertion times no greater than 0.5 seconds for any of the three control rods. This is less than the limitation established in TS 3.3.1.

On March 26, 2001, an unusual regulating rod position at 18KW power was observed. Typically, the regulating rod position is near 350 units (position indication) with the safety up and the shim at 650. The regulating rod position, with the other rods at previously similar positions, was at 554. Thus, an additional 18¢ was needed to approach 18 KW. All three-control rods were checked for up and down limits. It was initially suspected that the shim rod spacer was misaligned after its inspection on March 20, 2001. On May 23, the control rod mountings and spacers were checked as well as the armature pins. Everything appeared to be in their proper order. This matter continued to be under investigation until November 5, 2001 when an annual control rod inspection determined that the excess reactivity was similar to the previous year. Thus, no actual loss of reactivity was evident. No check of rod position at 18KW was performed as the facility was placed in a self-imposed non-operational status for eventual decommissioning.

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2. Tabulation showing the energy generated by the reactor:

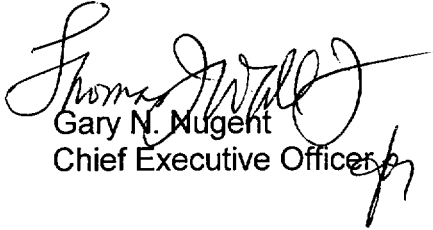
Month	Total KW-Hr
January	0
February	0
March	58.1
April	0
May	4.5
June	0
July	0
August	0
September	0
October	161.4
November	53.7
December	0
Total 2001	277.7

3. During 2001 there were three unscheduled shutdowns due to noise spikes causing period trips at low power levels.
4. No major safety related corrective maintenance was performed during this reporting period.
- 5 (a) There were no changes to the facility during 2001 as it is described in the Safety Analysis Report (SAR).
(b) There were no changes to procedures as described in the SAR.
(c) There were no new or untried experiments or tests performed during the reporting period that are not described in the Safety Analysis Report.
6. There were no safety evaluations made that were not submitted to the Commission under 10 CFR 50.59.
7. Summary of radioactive effluents released or discharged beyond the effective control of the license:
(a) Liquid - none
(b) Airborne - < 1mCi
(c) Solid - none
8. During 2001 there were no outside environmental radiological surveys performed.

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After several years of minimal funding, the Department of Veterans Affairs has decided to decommission the AJB Reactor Facility. As of November 5, 2001, the facility has been placed in a self-imposed non-operational status. The Fort Calhoun Nuclear Power Station as a part of their operator-training program used the facility, for the last time, in October.


Gary N. Nugent
Chief Executive Officer