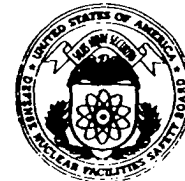


A.J. Eggenberger, Chairman
 Joseph F. Bader
 John E. Mansfield
 R. Bruce Matthews

DEFENSE NUCLEAR FACILITIES SAFETY BOARD

625 Indiana Avenue, NW, Suite 700, Washington, D.C. 20004-2901
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July 25, 2005

Admiral Kirkland H. Donald
 Deputy Administrator for Naval Reactors
 National Nuclear Security Administration
 Naval Sea Systems Command
 Washington Navy Yard
 1240 Isaac Hull Avenue, SE, Stop 8010
 Washington, DC 20376-8010

Dear Admiral Donald:

Thank you for your letter of June 15, 2005, which provided the recent reports of Naval Reactors on radiological waste disposal and environmental monitoring, occupational safety and health, and occupational radiation exposure, as well as the annual overview of the program. These reports cogently demonstrate Naval Reactors' enduring commitment to protecting the public, workers, and the environment while providing for the defense of the nation.

I am pleased to note that the Naval Reactors' program, extending from headquarters to the prime contractors and the construction and repair facilities, continues to exhibit extraordinary standards in the performance of work. Naval Reactors consistently maintains a model program for the design, construction, operation, and decommissioning of nuclear-powered vessels, as well as the technical research necessary to support advances in nuclear propulsion technology. The Defense Nuclear Facilities Safety Board (Board) believes Naval Reactors exhibits the traits of a high-reliability organization and considers it to be worthy of emulation by others within the Department of Energy.

The Board congratulates you for your sustained superior performance, and extends its best personal wishes to you and your associates.

Sincerely,

A. J. Eggenberger
 Chairman

c: The Honorable Samuel W. Bodman
 The Honorable Linton Brooks
 The Honorable John S. Shaw
 The Honorable David K. Garman
 Mr. Charles E. Anderson
 Mr. Mark B. Whitaker, Jr.