

March 4, 2003

Mr. J. A. Scalice  
Chief Nuclear Officer and  
Executive Vice President  
Tennessee Valley Authority  
6A Lookout Place  
1101 Market Street  
Chattanooga, TN 37402-2801

SUBJECT: BELLEFONTE NUCLEAR PLANT, UNITS 1 AND 2 - EXTENSION  
OF CONSTRUCTION PERMIT EXPIRATION DATES  
(TAC NOS. MB2549 AND MB2550)

Dear Mr. Scalice:

In response to Tennessee Valley Authority's letter dated July 11, 2001, requesting extensions of the latest construction completion dates for the Bellefonte Nuclear Plant, the Nuclear Regulatory Commission has issued the enclosed order extending the completion dates of Construction Permits No. CPPR-122 (Unit 1) from October 1, 2001 to October 1, 2011, and No. CPPR-123 (Unit 2) from October 1, 2004 to October 1, 2014.

The staff's related safety evaluation of your request is also enclosed. The Environmental Assessment and Finding of No Significant Impact was published in the *Federal Register* January 24, 2003 (68 FR 3571).

The enclosed Order has been forwarded to the Office of the Federal Register for publication.

Sincerely,

*/RA/*

John A. Zwolinski, Director  
Division of Licensing Project Management  
Office of Nuclear Reactor Regulation

Docket Nos. 50-438 and 50-439

Enclosures: 1. Order Extending Construction  
Permit Expiration Dates  
2. Safety Evaluation

cc w/enclosures: See next page

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(TAC NOS. MB2549 AND MB2550)

Dated: March 4, 2003

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UNITED STATES OF AMERICA  
 NUCLEAR REGULATORY COMMISSION

In the Matters of	)	
	)	
TENNESSEE VALLEY AUTHORITY	)	
	)	Docket Nos. 50-438
(Bellefonte Nuclear Plant,	)	50-439
Units 1 and 2)	)	
	)	

ORDER

I.

The Tennessee Valley Authority (TVA, or the applicant) is the current holder of Construction Permit Nos. CPPR-122 and CPPR-123, issued by the Atomic Energy Commission on December 12, 1974, for construction of the Bellefonte Nuclear Plant, Units 1 and 2. These facilities are currently in deferral status as described in the U.S. Nuclear Regulatory Commission's (NRC's) Generic Letter 87-15 at the applicant's site in Jackson County, Alabama, on a peninsula at Tennessee River Mile 392 on the west shore of Guntersville Reservoir, about 6 miles east-northeast of Scottsboro, Alabama.

On July 11, 2001, TVA filed a request pursuant to 10 CFR 50.55(b) for extensions of the expiration dates for Construction Permit Nos. CPPR-122 AND CPPR-123. Construction activities at the Bellefonte site had been deferred in 1988 due, in part, to a lower-than-expected electrical load forecast within the TVA service area. At the present time, Bellefonte Unit 1 is about 88 percent complete and Bellefonte Unit 2 is about 58 percent complete. On March 23, 1993, TVA notified the NRC that it planned to resume completion activities 120 days from the date of their letter. However, as a result of the delay from the inactivity during the construction deferral and a need to conduct an Integrated Resource Planning process to consider the lowest cost options for providing an adequate supply of electricity to TVA's customers pursuant to the

provisions of the Energy Policy Act of 1992, TVA was unable to complete the construction of the two units before the original expiration dates, July 1, 1994, for Unit 1 and July 1, 1996, for Unit 2. In response to a request from TVA dated April 19, 1994, the NRC extended the construction permit expiration dates for Bellefonte Units 1 and 2 to October 1, 2001, and October 1, 2004, respectively, in a letter dated June 27, 1994. That letter transmitted an Order signed by William T. Russell and a Safety Evaluation prepared by the NRC staff.

In the current July 11, 2001, TVA request for extending the Bellefonte construction permit expiration dates, TVA stated that the extension of the Bellefonte construction permits will help TVA to maintain a full scope of competitive energy production choices. TVA's integrated resource plan, Energy Vision 2020, identified the need for a flexible range of options and alternatives to meet, among other things, the Tennessee Valley region's new base-load power supply needs through the year 2020. Recent record-breaking energy demands in the Tennessee Valley have reinforced TVA's obligation to provide ample safe, economic, reliable, and environmentally responsible sources of electric power. Fulfilling this responsibility, TVA seeks to maintain a robust and flexible range of generating options. These uncertainties, and the delay due to the extended construction inactivity at the site, provide good cause for extending the construction permits for Bellefonte Nuclear Plant, Units 1 and 2.

The NRC notes that there is renewed interest in completing at least Bellefonte Unit 1, possibly with financial assistance from outside parties. Recent NRC inspections have also verified that TVA is appropriately maintaining the Bellefonte units in a condition for continuation of construction and ultimate licensing for operation.

II.

The NRC staff has concluded that good cause has been shown for the delays, the extensions are sought for a reasonable period, and this action involves no significant hazards consideration. The basis for these conclusions is given in the staff's Safety Evaluation.

The NRC staff has prepared an Environmental Assessment and Finding of No Significant Impact, which was published in the *Federal Register* on January 24, 2003 (68 FR 3571). Pursuant to 10 CFR 51.32, the Commission has determined that extending the construction completion dates will have no significant impact on the environment.

For further details with respect to the proposed action, see the licensee's letter dated July 11, 2001. Documents may be examined, and/or copied for a fee, at the NRC's Public Document Room (PDR), located at One White Flint North, Public File Area O1 F21, 11555 Rockville Pike (first floor), Rockville, Maryland. Publicly available records will be accessible electronically from the Agencywide Documents Access and Management System (ADAMS) Public Electronic Reading Room on the Internet at the NRC Web site, <http://www.nrc.gov/reading-rm/adams.html>. Persons who do not have access to ADAMS or who encounter problems in accessing the documents located in ADAMS, should contact the NRC PDR Reference staff by telephone at 1-800-397-4209 or 301-415-4737, or by e-mail to [pdr@nrc.gov](mailto:pdr@nrc.gov).

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III.

IT IS HEREBY ORDERED THAT the latest construction completion date for Construction Permit No. CPPR-122 is extended to October 1, 2011, and the latest construction completion date for Construction Permit No. CPPR-123 is extended to October 1, 2014.

FOR THE NUCLEAR REGULATORY COMMISSION

*/RA/*

Richard W. Borchardt, Acting Director  
Office of Nuclear Reactor Regulation

Dated at Rockville, Maryland  
this 4th day of March 2003

SAFETY EVALUATION BY THE OFFICE OF NUCLEAR REACTOR REGULATION

RELATING TO REQUEST FOR EXTENSIONS

OF CONSTRUCTION PERMIT NOS. CPPR-122 AND CPPR-123

BELLEFONTE NUCLEAR PLANT, UNITS 1 AND 2

DOCKET NOS. 50-438 AND 50-439

1.0 INTRODUCTION

Two construction permits (CPs) were issued to the Tennessee Valley Authority (TVA) on December 12, 1974, authorizing construction of the Bellefonte Nuclear Plant (BLN), Units 1 and 2, in Jackson County, Alabama. Construction Permit CPPR-122, as amended by U.S. Nuclear Regulatory Commission (NRC) Order dated June 27, 1994, specifies October 1, 2001, as the latest date for completion of construction of BLN Unit 1. Construction Permit CPPR-123, as amended, specifies October 1, 2004, as the latest date for completion of construction of BLN Unit 2.

Pursuant to Section 50.55(b) of Title 10 of the *Code of Federal Regulations* (10 CFR 50.55(b)), TVA requested, in its letter dated July 11, 2001, that these dates be extended to October 1, 2011, for BLN Unit 1, and October 1, 2014, for Unit 2. The present CP extension request, as well as the previous CP extension requests, were all filed by TVA in a timely manner as specified in 10 CFR 2.109.

2.0 EVALUATION

In its letter of July 11, 2001, TVA stated that extension of the Bellefonte construction permits will help TVA to maintain a full scope of competitive energy production choices. Pursuant to the provisions of the Federal Energy Policy Act of 1992, TVA's integrated resource plan, Energy Vision 2020, identified the need for a flexible range of options and alternatives to meet, among other things, the Tennessee Valley region's new base-load power supply needs through the year 2020. Recent record-breaking energy demands in the Tennessee Valley reinforced TVA's obligation to provide ample safe, economic, reliable, and environmentally responsible sources of electric power. Fulfilling this responsibility, in light of the many uncertainties associated with the future electric utility industry, makes it imperative that TVA maintain a robust and flexible range of generating options. These uncertainties, and the delay due to the extended construction inactivity at the site, provide good cause for extending the construction permits for BLN Units 1 and 2.

Prior to issuance of an operating license for BLN, the NRC staff would require TVA to address all new regulatory requirements imposed during the deferral of BLN that were not previously addressed due to its deferred status. BLN Unit 1 is about 88 percent complete and BLN Unit 2 is about 58 percent complete. After completion of BLN Unit 1, it is anticipated that 2 to 3 years of work would be needed to complete BLN Unit 2.

The staff considered the alternatives to granting the requested extensions of the construction permits. Those alternatives are (1) the denial of any extension and (2) the granting of an extension, but for a shorter period of time than requested.

- (1) The denial of any extension would prevent the completion and force the abandonment of BLN Units 1 and 2. The consequences of such action would be potentially severe economic losses to TVA and its customers. It would also result in the loss of substantial potential generating capability, which might ultimately need to be replaced by construction of other costly generating facilities.
- (2) The granting of an extension for a shorter period of time than that requested would not have a sound basis. The regulatory backlog generated during the deferral period will require considerable time for TVA to address, and, in the event construction is resumed, TVA is not likely to be able to complete the BLN facility earlier than the requested extension dates.

The NRC staff believes that the above reasons justify granting a 10-year extension to each of the Bellefonte construction permits.

### 3.0 ENVIRONMENTAL CONSIDERATION

Pursuant to 10 CFR Sections 51.21, 51.32, and 51.35, an Environmental Assessment and Finding of No Significant Impact was published in the *Federal Register* on January 24, 2003, (68 FR 3571). Based upon the environmental assessment, the staff determined that extending the construction completion dates will not have a significant effect on the quality of the human environment.

### 4.0 CONCLUSION

The NRC staff has evaluated the information in TVA's submittal. On the basis of that evaluation, the staff concurs with TVA that extension of the BLN construction permit expiration dates is reasonable. In accordance with 10 CFR 50.55(b), the staff concludes that the factors discussed above constitute good cause for granting the requested extensions and the extensions are for a reasonable period of time.

As a result of the staff's review of the Bellefonte Final Safety Analysis Report and Final Environmental [Impact] Statement to date, and considering the nature of the delays, the staff finds no area of significant safety considerations resulting directly from the extension of the construction completion dates. In addition, the staff finds that the only modification proposed by TVA to the existing construction permits is an extension of the latest completion dates. These extensions do not allow any work to be performed of a type not previously authorized by the existing construction permits. Therefore, the staff finds that:

- (1) this action does not involve any significant increase in the probability or consequences of an accident previously evaluated, does not create the possibility of a new or different kind of accident from any previously evaluated, and does not involve a significant reduction in a margin of safety,
- (2) there is reasonable assurance that the health and safety of the public will not be endangered by extension of the construction completion dates, and
- (3) good cause exists for issuing an order extending the completion dates.

Accordingly, the NRC staff has concluded that the action does not involve a significant hazards consideration and that based upon the foregoing evaluation, issuance of an order extending the latest completion dates for construction of BLN is reasonable and should be authorized. The latest completion date for BLN Unit 1 should be extended to October 1, 2011, and the latest completion date for BLN Unit 2 should be extended to October 1, 2014.

Principal Contributor: Raj K. Anand, NRR

Dated: March 4, 2003

Tennessee Valley Authority

**BELLEFONTE NUCLEAR PLANT**

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