

September 1, 1989

Docket Nos. 50-390  
and 50-391

Mr. Oliver D. Kingsley, Jr.  
Senior Vice President, Nuclear Power  
Tennessee Valley Authority  
6N 38A Lookout Place  
1101 Market Street  
Chattanooga, Tennessee 37402-2801

Distribution

Docket File	JZwolinski	GPA/PA
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RPierson	TMeek(8)	
BWilson	ACRS(10)	
TQuay		

Dear Mr. Kingsley:

SUBJECT: TEMPORARY EXEMPTION TO 10 CFR 70.51(d), ANNUAL INVENTORY OF SPECIAL NUCLEAR MATERIAL (TAC 74346, 74347) - WATTS BAR NUCLEAR PLANT, UNITS 1 AND 2

The Commission has granted the enclosed exemption to temporarily delay the physical inventory of fuel in 1989 at the Watts Bar site. Section 70.51(d) of 10 CFR Part 70 requires that you conduct these inventories at an interval of not more than 12 months. This temporary exemption allow you to have a one-time interval of not more than 15 months. The inventory for 1989 must be conducted as soon as practical after the Auxiliary Building crane is returned to service but no later than November 7, 1989. This temporary exemption is in response to your request dated July 10, 1989.

The temporary exemption has been forwarded to the Federal Register for publication. The Environmental Assessment and Finding of No Significant Impact was published in the Federal Register (54 FR 35953) on August 30, 1989.

Sincerely,

Original signed by

Suzanne C. Black, Assistant Director  
for Projects  
TVA Projects Division  
Office of Nuclear Reactor Regulation

Enclosure:  
Exemption

cc w/enclosure:  
See next page

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PDR ADDCK 05000390  
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\*SEE PREVIOUS CONCURRENCE

OFC	:NRR:TVA/LA*	:NRR:TVA/PM*	:NRR:RSGB*	:NRR:RSGB*	:NRR:RSGB:BC*	:TVA:AD/P*	:TVA:AD/P*
NAME	:MSimms	:RAuluck:as	:DCarlson	:LBush	:RErickson	:SBlack	:BDLiaw
DATE	:8/22/89	:8/22/89	:8/22/89	:8/22/89	:8/22/89	:8/ /89	:9/1/89

OFOI  
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CP 3

Docket Nos. 50-327  
and 50-328

Mr. Oliver D. Kingsley, Jr.  
Senior Vice President, Nuclear Power  
Tennessee Valley Authority  
6N 38A Lookout Place  
1101 Market Street  
Chattanooga, Tennessee 37402-2801

Distribution

Docket File	JZwolinski	GPA/PA
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RPierson	TMeek(8)	
BWilson	ACRS(10)	
TQuay		

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Enclosure:  
Exemption

cc w/enclosure:  
See next page

OFC	NRR:TVA/LA	NRR:TVA/PM	NRR:RSGB	NRR:RSGB	NRR:RSGB/BC	TVA:AD/P	TVA:D
NAME	MSimms	RAuluck:as	DCarlson	LBush	RErickson	SBlack	BDLiaw
DATE	8/27/89	8/27/89	8/27/89	8/27/89	8/27/89	8/31/89	8/ /89

Mr. Oliver D. Kingsley, Jr.

- 2 -

cc:

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Honorable Johnny Powell  
County Judge  
Meigs County Courthouse  
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Washington, D.C. 20515

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Rockville, Maryland 20852



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D.C. 20555

September 1, 1989

DOCKET NO.S

50-390 and 50-391

MEMORANDUM FOR:

Regulatory Publications Branch  
Division of Freedom of Information and Publications Services  
Office of Administration and Resources Management

FROM:

**TVA Projects Division**  
Office of Nuclear Reactor Regulation

SUBJECT:

**TEMPORARY EXEMPTION TO 10 CFR 70.51(d), ANNUAL INVENTORY OF  
SPECIAL NUCLEAR MATERIAL (TAC 74346, 74347) - WATTS BAR NUCLEAR  
PLANT, UNITS 1 AND 2**

One signed original of the *Federal Register* Notice identified below is enclosed for your transmittal to the Office of the Federal Register for publication. Additional conformed copies ( 5 ) of the Notice are enclosed for your use.

- Notice of Receipt of Application for Construction Permit(s) and Operating License(s).
- Notice of Receipt of Partial Application for Construction Permit(s) and Facility License(s): Time for Submission of Views on Antitrust Matters.
- Notice of Consideration of Issuance of Amendment to Facility Operating License. (Call with \_\_\_\_-day insert date).
- Notice of Receipt of Application for Facility License(s); Notice of Availability of Applicant's Environmental Report; and Notice of Consideration of Issuance of Facility License(s) and Notice of Opportunity for Hearing.
- Notice of Availability of NRC Draft/Final Environmental Statement.
- Notice of Limited Work Authorization.
- Notice of Availability of Safety Evaluation Report.
- Notice of Issuance of Construction Permit(s).
- Notice of Issuance of Facility Operating License(s) or Amendment(s).
- Order.
- Exemption.
- Notice of Granting Exemption.
- Environmental Assessment.
- Notice of Preparation of Environmental Assessment.
- Receipt of Petition for Director's Decision Under 10 CFR 2.206.
- Issuance of Final Director's Decision Under 10 CFR 2.206.
- Other: \_\_\_\_\_

**TVA Projects Division**  
Office of Nuclear Reactor Regulation

Enclosure:  
As stated

Contact: **D. Wills**  
Phone: **20795**

UNITED STATES OF AMERICA  
NUCLEAR REGULATORY COMMISSION

In The Matter of  
TENNESSEE VALLEY AUTHORITY  
Watts Bar Nuclear Plant,  
Units 1 and 2

)  
) Docket Nos. 50-390  
) and 50-391  
)

EXEMPTION

I

The Tennessee Valley Authority (TVA) holds Special Nuclear Material License Nos. 70-02910 and 70-02928, which authorize the use of unirradiated fuel at the Watts Bar Nuclear Plant, Units 1 and 2 (the facility, Units 1 and 2). The licenses provide, among other things, that the facility is subject to all rules, regulations, and orders of the Nuclear Regulatory Commission (the Commission) now or hereafter in effect concerning Special Nuclear Material.

The facility consists of two pressurized water reactors located on TVA's site in Rhea County, Tennessee.

II

Section 70.51(d) of 10 CFR Part 70 requires, in part, that each licensee who is authorized to possess special nuclear material in a quantity totaling more than 350 grams of Uranium-235, Uranium-233, or plutonium, or any combination thereof, shall conduct a physical inventory of all special nuclear material in the licensee's possession at intervals not to exceed 12 months. TVA holds licenses to have special nuclear material in a quantity totaling greater than 350 grams at the facility site. The special nuclear material is unirradiated nuclear fuel for the nuclear power plant. The licenses are 70-02910 and 70-02928 for Units 1 and 2, respectively.

life or property or the common defense and security and is otherwise in the public interest. The Commission further determines that special circumstances are present justifying the temporary exemption; namely; that the application of the regulation in the particular circumstances would result in undue hardship or other costs that are significantly in excess of those contemplated when the regulation was adopted. TVA can not conduct the inventory of the fuel at the Watts Bar site without the Auxiliary Building crane being able to remove the spent fuel pit covers and the new fuel vault covers.

Accordingly, the Commission hereby grants a temporary exemption from 10 CFR Part 70.51(d) for Watts Bar, Units 1 and 2 as described above, provided that the physical inventory of all special nuclear material is conducted as soon as practical after the Auxiliary Building crane is returned to service but not later than November 7, 1989.

Pursuant to 10 CFR 51.32, the Commission has determined that the granting of this temporary Exemption will have no significant impact on the environment. An Environmental Assessment and Finding of No Significant Impact for this temporary exemption was issued in the Federal Register (54 FR 35953), on August 30, 1989.

For further details with respect to this action, see the request for the temporary exemption dated July 10, 1989, which is available for public inspection at the Commission's Public Document Room, Gelman Building, 2120 L Street, N.W., Washington, D.C., and at the Chattanooga-Hamilton County Library, 1001 Broad Street, Chattanooga, Tennessee 37402.

Pursuant to the above requirement, a physical inventory of the facility fuel was conducted by piece count and serial number verification in August 1988. The next inventory should have been conducted by August 9, 1989. In order to perform the inventory, removal of the spent fuel pit covers and the new fuel vault covers is required. However, the Auxiliary Building crane which is required to remove those covers is currently out of service. This crane was not returned to service in time to conduct the physical inventory before the required date. The spent fuel pit covers weigh about 5,000 pounds each and the new fuel vault covers weigh about 6,000 pounds each.

In order to comply with NRC requirements, TVA requested a temporary exemption from the time requirements in 10 CFR 70.71(d). TVA stated it will perform the physical inventory of the nuclear fuel assemblies within 90 days of the original scheduled inventory date, which will be no later than November 7, 1989. The Auxiliary Building crane is expected to be returned to service within that time.

TVA has an approved facility security plan which has acceptable requirements to protect the fuel stored at the facility.

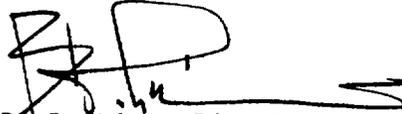
Based on the above, the staff finds that the temporary exemption is acceptable if the physical inventory of the fuel is conducted as soon as practical after the Auxiliary Building crane is returned to service but not later than November 7, 1989. TVA stated that the crane should be returned to service so that the inventory can be conducted by November 7, 1989.

### III

Accordingly, the Commission has determined that, pursuant to 10 CFR 70.14(a), this temporary exemption is authorized by law and will not endanger

This temporary Exemption is effective upon issuance and must be implemented no later than November 7, 1989. Dated at Rockville, Maryland this 1st day of ~~September~~ 1989.

FOR THE NUCLEAR REGULATORY COMMISSION

A handwritten signature in black ink, appearing to read 'B. D. Liaw', with a long horizontal flourish extending to the right.

B. D. Liaw, Director  
TVA Projects Division  
Office of Nuclear Reactor Regulation