

SAFEGUARDS INFORMATION



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ADMINISTRATIVE AND CRIMINAL PENALTIES

Tennessee Valley Authority, 1101 Market Street, Chattanooga, Tennessee 37402-2801

September 3, 2002

10 CFR 50.4(b)(4)
10 CFR 2.202

U.S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, D.C. 20555-0001

Gentlemen:

In the Matter of)	Docket Nos.	50-259	50-327
Tennessee Valley Authority)		50-260	50-328
			50-296	50-390

FINAL RESPONSE TO ISSUANCE OF ORDER FOR INTERIM SAFEGUARDS AND SECURITY COMPENSATORY MEASURES FOR BROWNS FERRY NUCLEAR PLANT, UNITS 1, 2 AND 3; SEQUOYAH NUCLEAR PLANTS, UNITS 1 AND 2; AND WATTS BAR NUCLEAR PLANT, UNIT 1

On March 18, 2002, in accordance with 10 C.F.R. § 50.4, the Tennessee Valley Authority (TVA) submitted its initial response to the Interim Safeguards and Security Compensatory Measures Order (Order) issued by the Nuclear Regulatory Commission (NRC) on February 25, 2002.

Pursuant to the requirements of 10 C.F.R. § 2.202, Enclosure 1 to TVA's March 18, 2002 response provided TVA's Answer to the Order. In most respects, the Answer consented to the Order. With respect to certain Interim Compensatory Measures (ICM) transmitted in Attachment 2 in the Order (ICMs B.2.a(1), B.2.a(2), B.2.b, and B.4.g), TVA requested an extension of time to submit an Answer and also requested an extension of time in which to request a hearing. That request was made in a separate letter to the Director, Office of Nuclear Regulation, dated March 18, 2002.

NOTICE: The Enclosure to this response contains "Safeguards Information." Upon separation of the Enclosure, this letter is "DECONTROLLED."

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CLASSIFIED BY: R.A. *Stefel*
DATE: 9/3/02

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On May 14, 2002, NRC responded to TVA's Answer and found that TVA's response satisfied the 20-day reporting requirement of the Order, with the exception of the above-mentioned ICMs. For those ICMs, NRC granted TVA's request for an extension of time to submit the required response and also granted TVA's request for an extension of time to request a hearing.

On July 3, 2003, in accordance with 10 C.F.R. § 2.202, TVA issued a supplemental response which provided TVA's Answer with respect to the excepted ICMs addressed in TVA's initial submittal and NRC's May, 14, 2002 response. In summary, the Answer (contained in Enclosure 1 to TVA's July 3, 2002 letter) consented to the remaining excepted ICMs and stated that a hearing would not be requested.

In accordance with Part III, Section C.1 of the Order, TVA is providing this final response to confirm that we are in compliance with the ICMs described in Attachment 2 to the Order. As required by Part III, Section A of the Order, full compliance was achieved by August 31, 2002.

As compliance with some of the items was achieved shortly before August 31, 2002, some of TVA's in-house independent verification activities are still underway. It is not expected that problems will be discovered during this independent verification; however, if significant problems are discovered, TVA will notify NRC immediately.

An Enclosure to this response provides detailed information regarding methodology for achieving short- and long-term compliance with certain ICMs. For all other ICMs, compliance may be assumed to be appropriately described in our initial and supplemental response described earlier in this letter.

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The detailed responses in the Enclosure to this letter contain "Safeguards Information" as defined in 10 C.F.R. § 73.21. TVA therefore requests that the Enclosure to this letter be withheld from public disclosure. Upon separation of the Enclosure, this cover letter is considered to be DECONTROLLED.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the forgoing is true and correct.

Executed on this 3rd day of September 2002.

Sincerely,


Mark J. Burzynski
Manager
Nuclear Licensing

Enclosures

cc (Enclosures):

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